

House File 2084 - Introduced

HOUSE FILE 2084

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A BILL FOR

1 An Act relating to the adoption of the interstate curing
2 disease compact.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 139D.1 Interstate curing disease
2 compact.

3 1. *Article I — Definitions.* For the purposes of this
4 compact:

5 a. "*Compact*" means the solemn covenant of the states to
6 award prizes for curing diseases enacted in this chapter.

7 b. "*Compacting state*" means either of the following:

8 (1) Any state that has enacted the compact and which has not
9 withdrawn or been suspended pursuant to article XIV.

10 (2) The federal government in accordance with the
11 commission's bylaws.

12 c. "*Non-compacting state*" means any state or the federal
13 government, if it is not at the time a compacting state.

14 d. "*Public health expenses*" means the amount of all costs
15 paid by taxpayers in a specified geographic area relating to a
16 particular disease.

17 e. "*State*" means any state, district, or territory of the
18 United States of America.

19 2. *Article II — Establishment of the commission; membership.*

20 a. Upon the enactment of the compact by six states, the
21 compacting states shall establish the solemn covenant of states
22 commission.

23 b. The commission is a body corporate and politic and
24 an instrumentality of each of the compacting states and is
25 solely responsible for its liabilities, except as otherwise
26 specifically provided in the compact.

27 c. Each compacting state shall be represented by one
28 member as selected by the compacting state. Each compacting
29 state shall determine its member's qualifications and period
30 of service and shall be responsible for any action to remove
31 or suspend its member or to fill the member's position if it
32 becomes vacant. Nothing in the compact shall be construed
33 to affect a compacting state's authority regarding the
34 qualification, selection, or service of its own member.

35 3. *Article III — Powers of the commission.* The powers of

1 the commission include all of the following:

2 *a.* To adopt bylaws and rules pursuant to articles V and VI
3 of the compact, which shall have the force and effect of law
4 and shall be binding in the compacting states to the extent and
5 in the manner provided in the compact.

6 *b.* To receive and review in an expeditious manner treatments
7 and therapeutic protocols for the cure of disease submitted to
8 the commission and to award prizes for submissions that meet
9 the commission's standards for a successful cure treatment or
10 therapeutic protocol.

11 *c.* To make widely available a cure treatment or therapeutic
12 protocol upon a prize winner claiming a prize and transferring
13 any intellectual property necessary for the manufacture
14 and distribution of the cure in accordance with article VI,
15 paragraph "c", subparagraph (7), subparagraph division (a),
16 including by arranging or contracting for the manufacturing,
17 production, or provision of any drug, serum, or other
18 substance, device, or process, provided that the commission
19 does not market the cure or conduct any other activity
20 regarding the cure not specifically authorized in the compact.

21 *d.* To establish a selling price for the cure, which shall
22 be not more than the expenses for the cure's manufacturing,
23 distribution, licensing, and any other necessary governmental
24 requirements for compacting states, or those expenses plus any
25 royalty fees, for non-compacting states. The price shall not
26 include the expenses of any other activities.

27 *e.* In non-compacting states and foreign countries, to
28 establish and collect royalty fees imposed on manufacturers,
29 producers, and providers in non-compacting states or foreign
30 countries of any drug, serum, or other substance, device, or
31 process used for a cure treatment or therapeutic protocol, for
32 which a prize is awarded. Royalty fees may be added to the
33 sales price of the cure pursuant to paragraph "d"; provided
34 that the royalty fees shall cumulatively be not more than the
35 estimated five-year savings in public health expenses for

1 that state or country, as calculated by actuaries employed or
2 contracted by the commission.

3 *f.* To do the following regarding the collected royalty fees:

4 (1) Pay or reimburse expenses related to the payment
5 of a prize, which shall include employing or contracting
6 actuaries to calculate annual taxpayer savings amounts in
7 compacting states in accordance with article VI, paragraph
8 "c", subparagraph (7), subparagraph division (a), and payment
9 of interest and other expenses related to a loan obtained in
10 accordance with article VI, paragraph "c", subparagraph (7),
11 subparagraph division (f).

12 (2) Annually disburse any amounts remaining after making
13 payments or reimbursements under subparagraph (1) as refunds
14 to compacting states based on the percent of the state's prize
15 obligation in relation to the total obligation amount of all
16 compacting states.

17 *g.* To bring and prosecute legal proceedings or actions in
18 its name as the commission.

19 *h.* To issue subpoenas requiring the attendance and testimony
20 of witnesses and the production of evidence.

21 *i.* To establish and maintain offices.

22 *j.* To borrow, accept, or contract for personnel services,
23 including personnel services from employees of a compacting
24 state.

25 *k.* To hire employees, professionals, or specialists, and
26 elect or appoint officers, and to fix their compensation,
27 define their duties and give them appropriate authority
28 to carry out the purposes of the compact, and determine
29 their qualifications; and to establish the commission's
30 personnel policies and programs relating to, among other
31 things, conflicts of interest, rates of compensation, and
32 qualifications of personnel.

33 *l.* To accept any and all appropriate donations and grants
34 of money, equipment, supplies, materials, and services, and to
35 receive, utilize, and dispose of them; provided that at all

1 times the commission shall strive to avoid any appearance of
2 impropriety.

3 *m.* To lease, purchase, or accept appropriate gifts or
4 donations of, or otherwise to own, hold, improve, or use, any
5 property, real, personal, or mixed; provided, that at all
6 times the commission shall strive to avoid any appearance of
7 impropriety.

8 *n.* To sell, convey, mortgage, pledge, lease, exchange,
9 abandon, or otherwise dispose of any property, real, personal,
10 or mixed.

11 *o.* To monitor compacting states for compliance with the
12 commission's bylaws and rules.

13 *p.* To enforce compliance by compacting states with the
14 commission's bylaws and rules.

15 *q.* To provide for dispute resolution among compacting states
16 or between the commission and those who submit treatments
17 and therapeutic protocols for the cure of disease for
18 consideration.

19 *r.* To establish a budget and make expenditures.

20 *s.* To borrow money.

21 *t.* To appoint committees, including management, legislative,
22 and advisory committees comprised of members, state legislators
23 or their representatives, medical professionals, and such other
24 interested persons as may be designated by the commission.

25 *u.* To establish annual membership dues for compacting states
26 which shall be used for daily expenses of the commission and
27 not for interest or prize payments.

28 *v.* To adopt and use a corporate seal.

29 *w.* To perform such other functions as may be necessary or
30 appropriate to achieve the purposes of this compact.

31 4. *Article IV — Meetings and voting.*

32 *a.* The commission shall meet and take such actions as are
33 consistent with the compact, bylaws, and rules.

34 *b.* A majority of the members of the commission shall
35 constitute a quorum necessary in order to conduct business or

1 take actions at meetings of the commission.

2 *c.* Each member of the commission shall have the right and
3 power to cast one vote regarding matters determined or actions
4 to be taken by the commission. Each member shall have the
5 right and power to participate in the business and affairs of
6 the commission.

7 *d.* A member shall vote in person or by such other means as
8 provided in the commission's bylaws. The commission's bylaws
9 may provide for members' participation in meetings by telephone
10 or other means of communication.

11 *e.* The commission shall meet at least once during each
12 calendar year. Additional meetings shall be held as set forth
13 in the commission's bylaws.

14 *f.* No decision of the commission with respect to the
15 approval of an award for a treatment or therapeutic protocol
16 for the cure of a disease shall be effective unless two-thirds
17 of all the members of the commission vote in favor of the
18 approval.

19 *g.* Guidelines and voting requirements for all other
20 decisions of the commission shall be established in the
21 commission's bylaws.

22 5. *Article V — Bylaws.* The commission shall, by a majority
23 vote of all the members of the commission, prescribe bylaws
24 to govern its conduct as may be necessary or appropriate to
25 carry out the purposes and exercise the powers of the compact
26 including but not limited to:

27 *a.* Establishing the fiscal year of the commission.

28 *b.* Providing reasonable procedures for appointing and
29 electing members and holding meetings of the management
30 committee.

31 *c.* Providing reasonable standards and procedures relating
32 to all of the following:

33 (1) The establishment and meetings of other committees.

34 (2) Governing any general or specific delegation of any
35 authority or function of the commission.

1 (3) Voting guidelines and procedures for commission
2 decisions.

3 *d.* Providing reasonable procedures for calling and
4 conducting meetings of the commission that shall consist of
5 requiring a quorum to be present, ensuring reasonable advance
6 notice of each such meeting, and providing for the right of
7 citizens to attend each such meeting with enumerated exceptions
8 designed to protect the public's interest and the privacy of
9 individuals.

10 *e.* Providing a list of matters about which the commission
11 may go into executive session and requiring a majority of all
12 members of the commission vote to enter into such session. As
13 soon as practicable, the commission shall make public:

14 (1) A copy of the vote to go into executive session,
15 revealing the vote of each member with no proxy votes allowed.

16 (2) The matter requiring executive session, without
17 identifying the actual issues or individuals involved.

18 *f.* Establishing the titles, duties, authority, and
19 reasonable procedures for the election of the officers of the
20 commission.

21 *g.* Providing reasonable standards and procedures for the
22 establishment of the personnel policies and programs of the
23 commission. Notwithstanding any civil service or other similar
24 laws of any compacting state, the commission's bylaws shall
25 exclusively govern the personnel policies and programs of the
26 commission.

27 *h.* Allowing a mechanism for:

28 (1) The federal government to join as a compacting state.

29 (2) Foreign countries or subdivisions of those countries to
30 join as liaison members by adopting the compact; provided that
31 adopting countries or subdivisions shall not have voting power
32 or the power to bind the commission in any way.

33 *i.* Adopting a code of ethics to address permissible and
34 prohibited activities of members and employees.

35 *j.* Providing for the maintenance of the commission's books

1 and records.

2 *k.* Governing the acceptance of and accounting for
3 donations, annual member dues, and other sources of funding
4 and establishing the proportion of these funds to be allocated
5 to prize amounts for treatments and therapeutic protocols that
6 cure disease.

7 *l.* Governing any fundraising efforts in which the commission
8 wishes to engage.

9 *m.* Providing a mechanism for winding up the operations of
10 the commission and the equitable disposition of any surplus
11 funds that may exist after the termination of the compact after
12 the payment and reserving of all its debts and obligations.

13 6. *Article VI — Rules.*

14 *a.* The commission shall adopt rules to do the following:

15 (1) Effectively and efficiently achieve the purposes of
16 this compact.

17 (2) Govern the methods, processes, and any other aspect
18 of the research, creation, and testing of a treatment or
19 therapeutic protocol for each disease for which a prize may be
20 awarded.

21 *b.* The commission shall also adopt rules establishing
22 the criteria for defining and classifying the diseases for
23 which prizes shall be awarded. The commission may define and
24 classify subsets of diseases, for example, tubular carcinoma of
25 the breast. For the purposes of paragraph "c", subparagraphs
26 (1) and (3), a subset of a disease shall be considered one
27 disease. The commission may consult the most recent edition of
28 the international classification of disease as published by the
29 world health organization or other definitions agreed to by a
30 two-thirds vote of the commission.

31 *c.* The commission shall also adopt rules regarding prizes
32 for curing diseases that establish the following:

33 (1) At least ten major diseases for which to create prizes,
34 which shall be determined based on the following factors:

35 (a) The severity of the disease to a human individual's

1 overall health and well-being.

2 (b) The survival rate or severity of impact of the disease.

3 (c) The public health expenses and treatment expenses for
4 the disease.

5 (2) The criteria a treatment or therapeutic protocol must
6 meet in order to be considered a cure for any of the diseases
7 for which a prize may be awarded, which shall include the
8 following requirements:

9 (a) It must be approved by the federal food and drug
10 administration or have otherwise obtained legal status for the
11 compact to immediately contract to manufacture and distribute
12 in the United States.

13 (b) Except as provided in paragraph "d", it must yield a
14 significant increase in survival with respect to the diseases
15 if early death is the usual outcome.

16 (c) It requires less than one year of the treatment or
17 protocol to completely cure the disease.

18 (3) The procedure for determining the diseases for which
19 to award prizes, which includes the option to award prizes for
20 more than ten diseases that meet the above criteria, if agreed
21 to by two-thirds vote of the commission, and a requirement to
22 update the list every three years.

23 (4) The submission and evaluation procedures and
24 guidelines, including filing and review procedures, a
25 requirement that the person or entity submitting the cure bears
26 the burden of proof in demonstrating that the treatment or
27 therapeutic protocol meets the above criteria, and limitations
28 preventing public access to treatment or protocol submissions.

29 (5) The estimated five-year public health savings that
30 would result from a cure, which shall be equal to the five-year
31 public health expenses for each disease in each compacting
32 state, and a procedure to update these expenses every three
33 years in conjunction with the requirements in paragraph "c",
34 subparagraph (3). The estimated five-year public health
35 savings amount shall be calculated, estimated, and publicized

1 every three years by actuaries employed or contracted by the
2 commission.

3 (6) The prize amount with respect to cures for each disease,
4 which shall be equal to the most recent estimated total
5 five-year savings in public health expenses for the disease as
6 calculated in paragraph "c", subparagraph (5), in all of the
7 compacting states; amounts donated by charities, individuals,
8 and any other entities intended for the prize under article I;
9 and any other factors that the commission deems appropriate.

10 (7) The prize distribution procedures and guidelines, which
11 shall include the following requirements:

12 (a) Upon acceptance of a cure, the prize winner shall
13 transfer to the commission the patent and all related
14 intellectual property for the manufacture and distribution
15 of the treatment or therapeutic protocol in exchange for the
16 prize, except in the case that the prize money is considered by
17 the commission to be too low, and that a prize will be awarded
18 only to the first person or entity that submits a successful
19 cure for a disease for which a prize may be awarded.

20 (b) Donation amounts intended for the prize shall be kept
21 in a separate, interest-bearing account maintained by the
22 commission. This account shall be the only account in which
23 prize money is kept.

24 (c) Each compacting state shall have the responsibility to
25 pay annually the compacting state's actual one-year savings
26 in public health expenses for the particular disease for
27 which a cure has been accepted. The compacting state shall
28 make such an annual payment until it has fulfilled its prize
29 responsibility as established in paragraph "c", subparagraph
30 (6). Each compacting state's payment responsibility begins
31 one year after the date the cure becomes widely available.
32 The commission shall employ or contract with actuaries to
33 calculate each state's actual one-year savings in public health
34 expenses at the end of each year to determine each state's
35 responsibility for the succeeding year.

1 (d) Compacting states may meet prize responsibilities
2 by any method including the issuance of bonds or other
3 obligations, with the principal and interest of those bonds
4 or obligations to be repaid only from revenue derived from
5 estimated public health expense savings from a cure to a
6 disease. If the compacting state does not make such revenue
7 available to repay some or all of the revenue bonds or
8 obligations issued, the owners or holders of those bonds or
9 obligations have no right to have excises or taxes levied to
10 pay the principal or interest on them. The revenue bonds and
11 obligations are not a debt of the issuing compacting state.

12 (e) A compacting state may issue bonds or other debt
13 that are general obligations, under which the full faith and
14 credit, revenue, and taxing power of the state is pledged to
15 pay the principal and interest under those obligations, only
16 if authorized by the compacting state's constitution or, if
17 constitutional authorization is not required, by other law of
18 the compacting state.

19 (f) Upon acceptance of a cure, the commission shall obtain
20 a loan from a financial institution in an amount equal to the
21 most recently calculated total estimated five-year public
22 health expenses for the disease in all compacting states,
23 in accordance with paragraph "c", subparagraph (6). The
24 commission reserves the right to continuously evaluate the cure
25 in the interim and rescind a prize offer if the commission
26 finds that the cure no longer meets the commission's criteria.

27 d. The commission may award a prize for a treatment or
28 therapeutic protocol that yields a survival rate that is less
29 than what is established in the cure criteria through at least
30 five years after the treatment or protocol has ended. In
31 that case, the prize amount awarded for that treatment or
32 therapeutic protocol shall be reduced from the prize amount
33 originally determined by the commission for a cure for that
34 disease. The reduction shall be in proportion to the survival
35 rate yielded by that treatment or protocol as compared to the

1 survival rate established in the cure criteria.

2 e. The commission also shall adopt rules that do the
3 following:

4 (1) Establish the following regarding commission records:

5 (a) Conditions and procedures for public inspection and
6 copying of its information and official records, except such
7 information and records involving the privacy of individuals or
8 that would otherwise violate privacy laws under federal law and
9 the laws of the compacting states.

10 (b) Procedures for sharing with federal and state agencies,
11 including law enforcement agencies, records and information
12 otherwise exempt from disclosure.

13 (c) Guidelines for entering into agreements with federal
14 and state agencies to receive or exchange information
15 or records subject to nondisclosure and confidentiality
16 provisions.

17 (2) Provide a process for commission review of submitted
18 treatments and therapeutic protocols for curing diseases that
19 includes the following:

20 (a) An opportunity for an appeal, not later than thirty
21 days after a rejection of a treatment or protocol for prize
22 consideration, to a review panel established under the
23 commission's dispute resolution process.

24 (b) Commission monitoring and review of treatment and
25 protocol effectiveness consistent with the cure criteria
26 established by the commission for the particular disease.

27 (c) Commission reconsideration, modification, or withdrawal
28 of approval of a treatment or protocol for prize consideration
29 for failure to continue to meet the cure criteria established
30 by the commission for the particular disease.

31 (d) Establishment of a dispute resolution process to
32 resolve disputes or other issues under the compact that may
33 arise between two or more compacting states or between the
34 commission and individuals or entities who submit treatments
35 and therapeutic protocols to cure diseases, which process shall

1 provide for all of the following:

2 (i) Administrative review by a review panel appointed by the
3 commission.

4 (ii) Judicial review of decisions issued after an
5 administrative review.

6 (iii) Qualifications to be appointed to a panel, due process
7 requirements, including notice and hearing procedures, and any
8 other procedure, requirement, or standard necessary to provide
9 adequate dispute resolution.

10 (e) Establishment and imposition of annual member dues
11 on compacting states, which shall be calculated based on the
12 percentage of each compacting state's population in relation to
13 the population of all the compacting states.

14 *f.* (1) Recognizing that the goal of the compact is to
15 pool the potential savings of as many states and countries as
16 possible to generate sufficient financial incentives to develop
17 a cure for many of the world's most devastating diseases, the
18 compact will respect the laws of each of these United States by
19 adopting rules that establish ethical standards for research
20 that shall be followed in order for a prize to be claimed.
21 The compact, in the rules, shall establish a common set of
22 ethical standards that embodies the laws and restrictions in
23 each of the states so that to be eligible for claiming a prize,
24 the entity submitting a cure must not have violated any of
25 the ethical standards in any one of the fifty states, whether
26 the states have joined the compact or not. The compact will
27 publish these common ethical standards along with the specific
28 criteria for a cure for each of the diseases the compact has
29 targeted.

30 (2) So long as a researcher follows the common ethical
31 standards in effect at the time the research is done, an
32 entity presenting a cure will be deemed to have followed the
33 standards. On or before January 1 of each year, the compact
34 shall review all state laws to determine if additional ethical
35 standards have been enacted by any of the fifty states and

1 the federal government. Any changes to the common ethical
2 standards rules based on new state laws shall be adopted and
3 published by the compact, but shall not take effect in cure
4 criteria for a period of three years to allow for sufficient
5 notice to researchers.

6 *g.* All rules may be amended as the commission sees
7 necessary.

8 *h.* All rules shall be adopted pursuant to a rulemaking
9 process that conforms to the model state administrative
10 procedure act of 1981 by the uniform law commissioners,
11 as amended, as may be appropriate to the operations of the
12 commission.

13 *i.* In the event the commission exercises its rulemaking
14 authority in a manner that is beyond the scope of the purpose
15 of this compact, or the powers granted under the compact, then
16 such rule shall be invalid and have no force and effect.

17 *7. Article VII — Committees.*

18 *a. Management committee.*

19 (1) The commission may establish a management committee
20 comprised of not more than fourteen members when twenty-six
21 states enact the compact.

22 (2) The committee shall consist of those members
23 representing compacting states whose total public health
24 expenses of all of the established diseases are the highest.

25 (3) The committee shall have such authority and duties
26 as may be set forth in the commission's bylaws and rules,
27 including:

28 (a) Managing authority over the day-to-day affairs of the
29 commission in a manner consistent with the commission's bylaws
30 and rules and the purposes of the compact.

31 (b) Overseeing the offices of the commission.

32 (c) Planning, implementing, and coordinating communications
33 and activities with state, federal, and local government
34 organizations in order to advance the goals of the compact.

35 (4) The commission annually shall elect officers for the

1 committee, with each having such authority and duties as may be
2 specified in the commission's bylaws and rules.

3 (5) The management committee, subject to commission
4 approval, may appoint or retain an executive director for
5 such period, upon such terms and conditions and for such
6 compensation as the committee determines. The executive
7 director shall serve as secretary to the commission but shall
8 not be a member of the commission. The executive director
9 shall hire and supervise such other staff as may be authorized
10 by the committee.

11 *b. Advisory committees.* The commission may appoint advisory
12 committees to monitor all operations related to the purposes
13 of the compact and make recommendations to the commission,
14 provided that the manner of selection and term of any committee
15 member shall be as set forth in the commission's bylaws
16 and rules. The commission shall consult with an advisory
17 committee, to the extent required by the commission's bylaws or
18 rules, before doing any of the following:

19 (1) Approving cure criteria.

20 (2) Amending, enacting, or repealing any bylaw or rule.

21 (3) Adopting the commission's annual budget.

22 (4) Addressing any other significant matter or taking any
23 other significant action.

24 8. *Article VIII — Finance.*

25 *a.* The commission annually shall establish a budget to pay
26 or provide for the payment of its reasonable expenses. To
27 fund the cost of initial operations, the commission may accept
28 contributions and other forms of funding from the compacting
29 states and other sources. Contributions and other forms of
30 funding from other sources shall be of such a nature that the
31 independence of the commission concerning the performance of
32 its duties shall not be compromised.

33 *b.* The commission shall be exempt from all taxation in and
34 by the compacting states.

35 *c.* The commission shall keep complete and accurate

1 accounts of all of its internal receipts, including grants
2 and donations, and disbursements of all funds under its
3 control. The internal financial accounts of the commission
4 shall be subject to the accounting procedures established
5 under the commission's bylaws or rules. The financial
6 accounts and reports including the system of internal controls
7 and procedures of the commission shall be audited annually
8 by an independent certified public accountant. Upon the
9 determination of the commission, but not less frequently than
10 every three years, the review of the independent auditor shall
11 include a management and performance audit of the commission.
12 The commission shall make an annual report to the governors and
13 legislatures of the compacting states, which shall include a
14 report of the independent audit. The commission's internal
15 accounts shall not be confidential and such materials may be
16 shared with any compacting state upon request, provided however
17 that any work papers related to any internal or independent
18 audit and any information subject to the compacting states'
19 privacy laws, shall remain confidential.

20 *d.* No compacting state shall have any claim or ownership
21 of any property held by or vested in the commission or to
22 any commission funds held pursuant to the provisions of the
23 compact.

24 9. *Article IX — Records.* Except as to privileged
25 records, data, and information, the laws of any compacting
26 state pertaining to confidentiality or nondisclosure shall
27 not relieve any member of the duty to disclose any relevant
28 records, data, or information to the commission; provided that
29 disclosure to the commission shall not be deemed to waive
30 or otherwise affect any confidentiality requirement; and
31 further provided that, except as otherwise expressly provided
32 in the compact, the commission shall not be subject to the
33 compacting state's laws pertaining to confidentiality and
34 nondisclosure with respect to records, data, and information
35 in its possession. Confidential information of the commission

1 shall remain confidential after such information is provided to
2 any member. All cure submissions received by the commission
3 are confidential.

4 10. *Article X — Compliance.* The commission shall notify
5 a compacting state in writing of any noncompliance with
6 commission bylaws and rules. If a compacting state fails to
7 remedy its noncompliance within the time specified in the
8 notice, the compacting state shall be deemed to be in default
9 as set forth in article XIV.

10 11. *Article XI — Venue.* Venue for any judicial
11 proceedings by or against the commission shall be brought
12 in the appropriate court of competent jurisdiction for
13 the geographical area in which the principal office of the
14 commission is located.

15 12. *Article XII — Qualified immunity, defense, and*
16 *indemnification.*

17 *a.* The members, officers, executive director, employees,
18 and representatives of the commission shall be immune from suit
19 and liability, either personally or in their official capacity,
20 for any claim for damage to or loss of property or personal
21 injury or other civil liability caused by or arising out of any
22 actual or alleged act, error, or omission that occurred, or
23 that such person had a reasonable basis for believing occurred
24 within the scope of the person's commission employment, duties,
25 or responsibilities; provided that nothing in this paragraph
26 "a" shall be construed to protect any such person from suit or
27 liability for any damage, loss, injury, or liability caused
28 by the intentional or willful and wanton misconduct of that
29 person.

30 *b.* The commission shall defend any member, officer,
31 executive director, employee, or representative of the
32 commission in any civil action seeking to impose liability
33 arising out of any actual or alleged act, error, or omission
34 that occurred within the scope of the person's commission
35 employment, duties, or responsibilities, or that such person

1 had a reasonable basis for believing occurred within the scope
2 of commission employment, duties, or responsibilities; provided
3 that nothing in the compact or commission bylaws or rules
4 shall be construed to prohibit that person from retaining the
5 person's own counsel; and provided further that the actual
6 or alleged act, error, or omission did not result from that
7 person's intentional or willful and wanton misconduct.

8 *c.* The commission shall indemnify and hold harmless
9 any member, officer, executive director, employee, or
10 representative of the commission for the amount of any
11 settlement or judgment obtained against the person arising out
12 of any actual or alleged act, error, or omission that occurred
13 within the scope of the person's commission employment, duties,
14 or responsibilities, or that such person had a reasonable
15 basis for believing occurred within the scope of commission
16 employment, duties, or responsibilities; provided that the
17 actual or alleged act, error, or omission did not result from
18 the intentional or willful and wanton misconduct of that
19 person.

20 13. *Article XIII — Compacting states, effective date, and*
21 *amendment.*

22 *a.* Any state is eligible to become a compacting state.

23 *b.* The compact shall become effective and binding upon
24 legislative enactment of the compact into law by two compacting
25 states; provided the commission shall only be established after
26 six states become compacting states. Thereafter, the compact
27 shall become effective and binding as to any other compacting
28 state upon enactment of the compact into law by that state.

29 *c.* Amendments to the compact may be proposed by the
30 commission for enactment by the compacting states. No
31 amendment shall become effective and binding until all
32 compacting states enact the amendment into law.

33 *d.* If funding is requested or required, the legislative
34 authority of each compacting state shall be responsible for
35 making the appropriations it determines necessary to pay for

1 the cost of the compact, including annual member dues and prize
2 distributions.

3 14. *Article XIV — Withdrawal, default, and expulsion.*

4 *a. Withdrawal.*

5 (1) Once effective, the compact shall continue in force and
6 remain binding upon each and every compacting state; provided
7 that a compacting state may withdraw from the compact by doing
8 both of the following:

9 (a) Repealing the law enacting the compact in that state.

10 (b) Notifying the commission in writing of the intent to
11 withdraw on a date that is both of the following:

12 (i) At least three years after the date the notice is sent.

13 (ii) After the repeal takes effect.

14 (2) The effective date of withdrawal is the date described
15 in paragraph "a", subparagraph (1), subparagraph division (b).

16 (3) The member representing the withdrawing state shall
17 immediately notify the management committee in writing upon
18 the introduction of legislation in that state repealing the
19 compact. If a management committee has not been established,
20 the member shall immediately notify the commission.

21 (4) The commission or management committee, as applicable,
22 shall notify the other compacting states of the introduction of
23 such legislation within ten days after its receipt of notice of
24 introduction of such legislation.

25 (5) The withdrawing state is responsible for all
26 obligations, duties, and liabilities incurred through the
27 effective date of withdrawal, including any obligations, the
28 performance of which extend beyond the effective date of
29 withdrawal. The commission's actions shall continue to be
30 effective and be given full force and effect in the withdrawing
31 state.

32 (6) Reinstatement following a state's withdrawal shall
33 become effective upon the effective date of the subsequent
34 enactment of the compact by that state.

35 *b. Default.*

1 (1) If the commission determines that any compacting
2 state has at any time defaulted in the performance of any
3 of its obligations or responsibilities under the compact or
4 the commission's bylaws or rules, then, after notice and
5 hearing as set forth in the bylaws, all rights, privileges,
6 and benefits conferred by this compact on the defaulting
7 state shall be suspended from the effective date of default
8 as fixed by the commission. The grounds for default include
9 failure of a compacting state to perform its obligations
10 or responsibilities, and any other grounds designated in
11 commission rules. The commission shall immediately notify the
12 defaulting state in writing of the suspension pending cure of
13 the default. The commission shall stipulate the conditions
14 and the time period within which the defaulting state shall
15 cure its default. If the defaulting state fails to cure the
16 default within the time period specified by the commission, the
17 defaulting state shall be expelled from the compact and all
18 rights, privileges, and benefits conferred by the compact shall
19 be terminated from the effective date of the expulsion. Any
20 state that is expelled from the compact shall be liable for any
21 cure prize or prizes for three years after its removal. The
22 commission shall also take appropriate legal action to ensure
23 that any compacting state that withdraws from the compact
24 remains liable for paying its responsibility toward a prize
25 for a cure that was accepted while the compacting state was a
26 member of the commission.

27 (2) The expelled state must reenact the compact in order to
28 become a compacting state.

29 *c. Dissolution of compact.*

30 (1) The compact dissolves effective upon the date of either
31 of the following:

32 (a) The withdrawal or expulsion of a compacting state, which
33 withdrawal or expulsion reduces membership in the compact to
34 one compacting state.

35 (b) The commission votes to dissolve the compact.

1 (2) Upon the dissolution of the compact, the compact becomes
2 null and void and shall be of no further force or effect, and
3 the business and affairs of the commission shall be wound up
4 and any surplus funds shall be distributed in accordance with
5 the commission's bylaws, provided, that the commission shall
6 pay all outstanding prizes awarded before the dissolution
7 of the compact, as well as any other outstanding debts and
8 obligations incurred during the existence of the compact.
9 Any unawarded funds donated to be a part of a prize shall be
10 returned to the donor, along with any interest earned on the
11 amount.

12 15. *Article XV — Severability and construction.*

13 a. The provisions of the compact shall be severable;
14 and if any phrase, clause, sentence, or provision is deemed
15 unenforceable, the remaining provisions of the compact shall
16 be enforceable.

17 b. The provisions of the compact shall be liberally
18 construed to effectuate its purposes.

19 16. *Article XVI — Binding effect of compact and other laws.*

20 a. *Other laws.* Nothing in this compact prevents the
21 enforcement of any other law of a compacting state, except as
22 provided in paragraph "b", subparagraph (2).

23 b. *Binding effect of the compact.*

24 (1) All lawful actions of the commission, including all
25 commission rules, are binding upon the compacting states.

26 (2) All agreements between the commission and the
27 compacting states are binding in accordance with their terms.

28 (3) Except to the extent authorized by the compacting
29 state's constitution or, if constitutional authorization is not
30 required by other law of the compacting state, such state, by
31 entering into the compact, does not do any of the following:

32 (a) Commit the full faith and credit or taxing power of the
33 compacting state for the payment of prizes or other obligations
34 under the compact.

35 (b) Make prize payment responsibilities or other

1 obligations under the compact a debt of the compacting state.

2 (4) Upon the request of a party to a conflict over the
3 meaning or interpretation of commission actions, and upon a
4 majority vote of the compacting states, the commission may
5 issue advisory opinions regarding the meaning or interpretation
6 in dispute.

7 (5) In the event any provision of the compact exceeds
8 the constitutional limits imposed on any compacting state,
9 the obligations, duties, powers, or jurisdiction sought to
10 be conferred by that provision upon the commission shall be
11 ineffective as to that compacting state, and those obligations,
12 duties, powers, or jurisdiction shall remain in the compacting
13 state and shall be exercised by the agency of the compacting
14 state to which those obligations, duties, powers, or
15 jurisdiction are delegated by law in effect at the time the
16 compact becomes effective.

17

EXPLANATION

18 The inclusion of this explanation does not constitute agreement with
19 the explanation's substance by the members of the general assembly.

20 This bill establishes the interstate curing disease
21 compact intended to award prizes for curing diseases. The
22 compact becomes effective and finding upon enactment into
23 law by two compacting states. Once six states enact the
24 compact, the governing commission is established and the
25 compact becomes binding and effective on any other state
26 that enacts the compact into law. The commission is a body
27 corporate and politic and an instrumentality of each of the
28 compacting states. In general, the commission has the power
29 to receive and review in an expeditious manner treatments and
30 therapeutic protocols for the cure of diseases specified by
31 the commission, and to award prizes for submissions that meet
32 the commission's standards for a successful cure treatment and
33 therapeutic protocol. The bill includes provisions relating
34 to the establishment and membership of the commission; the
35 powers of the commission; meetings and voting requirements

1 of the commission; commission bylaws; rules; commission
2 committees; finance; records of the commission; compacting
3 state compliance; venue for judicial proceedings; qualified
4 immunity, defense, and indemnification; effective dates and
5 amendments to the compact; withdrawal, default, and expulsion;
6 severability and construction; and the binding effect of the
7 compact and other laws.