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## DIGEST

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HB 290 Original

2021 Regular Session

Robert Owen

**Abstract:** Joins Louisiana to the interstate compact known as the Solemn Covenant of the States to Award Prizes for Curing Diseases and provides for administration and functions of the compact.

Proposed law recognizes and enacts the Solemn Covenant of the States to Award Prizes for Curing Diseases, referred to hereafter as the "compact", and causes Louisiana to enter into the compact.

Proposed law provides that upon the enactment of the compact by six states, the compacting states shall establish the Solemn Covenant of States Commission, referred to hereafter as the "commission". Provides that the powers of the commission shall include all of the following:

- (1) To adopt bylaws and rules as required by the compact, which shall have the force and effect of law and shall be binding in the compacting states to the extent and in the manner provided in the compact.
- (2) To receive and review treatments and therapeutic protocols for the cure of disease submitted to the commission and to award prizes for submissions that meet the commission's standards for a successful cure treatment or therapeutic protocol.
- (3) To make widely available a cure treatment or therapeutic protocol upon a prize winner claiming a prize and transferring any intellectual property necessary for the manufacture and distribution of the cure in accordance with the compact.
- (4) To establish a selling price for the cure, which shall be not more than the expenses for the cure's manufacturing, distribution, licensing, and any other necessary governmental requirements for compacting states, or those expenses plus any royalty fees, for noncompacting states.
- (5) In non-compacting states and foreign countries, to establish and collect royalty fees imposed on manufacturers, producers, and providers of any drug, serum, or other substance, device, or process used for a cure treatment or therapeutic protocol, for which a prize is awarded. Provides that the royalty fees shall, cumulatively, be not more than the estimated five-year savings in public health expenses for that state or country, as calculated by actuaries employed or contracted by the commission.
- (6) To do the following regarding the collected royalty fees:

- (a) Pay or reimburse expenses related to the payment of a prize, which shall include employing or contracting actuaries to calculate annual taxpayer savings amounts in compacting states and payment of interest and other expenses related to a loan obtained in accordance with the compact.
  - (b) Annually disburse any amounts remaining after making payments or reimbursements under the compact as refunds to compacting states based on the percent of the state's prize obligation in relation to the total obligation amount of all compacting states.
- (7) To bring and prosecute legal proceedings or actions in its name.
- (8) To issue subpoenas requiring the attendance and testimony of witnesses and the production of evidence.
- (9) To establish and maintain offices.
- (10) To borrow, accept, or contract for personnel services, including personnel services from employees of a compacting state.
- (11) To hire employees, professionals, or specialists, and elect or appoint officers, and to fix their compensation, define their duties and give them appropriate authority to carry out the purposes of the compact, and determine their qualifications; and to establish the commission's personnel policies and programs relating to conflicts of interest, rates of compensation, and qualifications of personnel.
- (12) To accept any and all appropriate donations and grants of money, equipment, supplies, materials, and services, and to receive, utilize, and dispose of the same; provided that at all times the commission shall strive to avoid any appearance of impropriety.
- (13) To lease, purchase, or accept appropriate gifts or donations of, or otherwise to own, hold, improve, or use, any property; provided, that at all times the commission shall strive to avoid any appearance of impropriety.
- (14) To sell, convey, mortgage, pledge, lease, exchange, abandon, or otherwise dispose of any property.
- (15) To monitor compacting states for compliance with the commission's bylaws and rules.
- (16) To enforce compliance by compacting states with the commission's bylaws and rules.
- (17) To provide for dispute resolution among compacting states or between the commission and those who submit treatments and therapeutic protocols for the cure of disease for consideration.
- (18) To establish a budget and make expenditures.

- (19) To borrow money.
- (20) To appoint committees, including management, legislative, and advisory committees comprised of members, state legislators or their representatives, medical professionals, and such other interested persons as may be designated by the commission.
- (21) To establish annual membership dues for compacting states, which shall be used for daily expenses of the commission and not for interest or prize payments.
- (22) To adopt and use a corporate seal.
- (23) To perform such other functions as may be necessary or appropriate to achieve the purposes of the compact.

Proposed law provides relative to meetings, bylaws, finances, and records of the commission. Requires that the commission adopt rules to do the following:

- (1) Govern the methods, processes, and any other aspect of the research, creation, and testing of a treatment or therapeutic protocol for each disease for which a prize may be awarded.
- (2) Establish the criteria for defining and classifying the diseases for which prizes shall be awarded.

Proposed law requires that the commission adopt rules regarding prizes for curing diseases. Requires that such rules establish the following:

- (1) At least ten major diseases for which to create prizes.
- (2) The criteria a treatment or therapeutic protocol must meet in order to be considered a cure for any of the diseases for which a prize may be awarded.
- (3) The procedure for determining the diseases for which to award prizes, which includes the option to award prizes for more than ten diseases that meet the requisite criteria, if agreed to by two-thirds vote of the commission, and a requirement to update the list every three years.
- (4) The submission and evaluation procedures and guidelines, including filing and review procedures, a requirement that the person or entity submitting the cure bears the burden of proof in demonstrating that the treatment or therapeutic protocol meets the requisite criteria, and limitations preventing public access to treatment or protocol submissions.
- (5) The estimated five-year public health savings that would result from a cure, which shall be equal to the five-year public health expenses for each disease in each compacting state, and a procedure to update these expenses every three years in conjunction with the applicable requirements of the compact. The estimated five-year public health savings amount shall be calculated, estimated, and publicized every three years by actuaries employed or contracted

by the commission.

- (6) The prize amount with respect to cures for each disease, which shall be equal to the most recent estimated total five-year savings in public health expenses for the disease in all of the compacting states; amounts donated by charities, individuals, and any other entities intended for the prize; and any other factors that the commission deems appropriate.
- (7) Prize distribution procedures and guidelines.

Proposed law provides qualified immunity for the members, officers, executive director, employees, and representatives of the commission. Provides for defense of such persons in civil actions and indemnification of such persons for the amount of any settlement or judgment obtained against them arising out of any actual or alleged act, error, or omission that occurred within the scope of their employment, duties, or responsibilities with the commission.

Proposed law provides relative to withdrawal and expulsion of states from the compact and for procedures in cases of states defaulting in the performance of any of their obligations or responsibilities under the compact or the commission's bylaws or rules.

Proposed law provides relative to severability, construction, and dissolution of the compact.

(Adds R.S. 40:1123.1)