

Amendment No. (for drafter's use only)

CHAMBER ACTION

Senate

House

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Representative Justice offered the following:

**Amendment to Amendment (565379)**

Remove line(s) 463-509, and insert:

(a) The grantee shall reinvest a percentage of the net royalty revenues and of the revenues from the sale of stock received by the Scripps Research Institute from the licensing or transfer of inventions, methods, processes, and other patentable activities conceived or reduced to practice using facilities or employees of the grantee following the execution of the contract between the corporation and the grantee, as provided in paragraph (c). For purposes of this paragraph, the term "net royalty revenues" means all royalty revenues less the cost of obtaining, maintaining, and enforcing related patent and intellectual property rights, both foreign and domestic. Reinvestment payments under this subsection shall commence no later than 6 months after the grantee has received the final

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28 disbursement under the contract and continue until the grantee  
29 has reinvested pursuant to paragraph (c) the percentage of all  
30 the net royalty revenues and proceeds from the sale of stock  
31 related to the grantee's operation after the execution of the  
32 contract.

33 (b) The grantee shall reinvest a percentage of the gross  
34 revenues it receives from naming opportunities associated with  
35 any facility it builds in this state, as provided in paragraph  
36 (c). For purposes of this paragraph, the term "naming  
37 opportunities" includes charitable donations from any person in  
38 consideration for the right to have all or a portion of the  
39 facility named for or in the memory of any person, living or  
40 dead, or for any entity. The obligation to make reinvestment  
41 payments under this subsection shall commence upon the execution  
42 of the contract between the corporation and the grantee.

43 (c) The total amount of revenues reinvested by the grantee  
44 under this subsection shall be:

45 1. Fifteen percent of up to \$155 million in such revenues,  
46 or \$200 million if performance measures are not met.

47 2. Ten percent thereafter up to \$300 million in such  
48 revenues, or \$369 million if performance measures are not met.

49 3. Five percent thereafter.

50  
51 One-half of all reinvestment payments made pursuant to this  
52 subsection shall be remitted to the state for deposit in the  
53 Biomedical Research Trust Fund, or if such fund has ceased to  
54 exist, in another trust fund that supports biomedical research,  
55 as determined by law. One-half of all reinvestment payments made  
56 pursuant to this subsection shall be remitted to the state for

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57 | distribution to state universities and private nonprofit  
58 | colleges and universities in the state, including historically  
59 | Black colleges and universities, with the proceeds to be  
60 | distributed pro rata based on the prior year's enrollment.  
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