

Amendment No. (for drafter's use only)

CHAMBER ACTION

Senate

House

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Representative Ryan offered the following:

Amendment

Remove lines 429-469, 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

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28 later than 6 months after the grantee has received the final
29 disbursement under the contract and continue until the grantee
30 has reinvested pursuant to paragraph (c) the percentage of all
31 the net royalty revenues and proceeds from the sale of stock
32 related to the grantee's operation after the execution of the
33 contract.

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

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

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

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

50 3. Five percent thereafter.

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

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