

REFERENCE TITLE: pharmacy board; duties; regulation

State of Arizona  
House of Representatives  
Fifty-sixth Legislature  
First Regular Session  
2023

# HB 2344

Introduced by  
Representative Shah

## AN ACT

AMENDING SECTIONS 32-1901.01, 32-1904, 32-1925, 32-1926, 32-1926.01, 32-1927, 32-1927.01, 32-1927.02, 32-1930, 32-1965, 36-2602, 36-2603, 36-2606 AND 36-2608, ARIZONA REVISED STATUTES; RELATING TO THE ARIZONA STATE BOARD OF PHARMACY.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 32-1901.01, Arizona Revised Statutes, is amended  
3 to read:

4 32-1901.01. Definition of unethical conduct and  
5 unprofessional conduct; permittees; licensees

6 A. In this chapter, unless the context otherwise requires, for the  
7 purposes of disciplining a permittee, "unethical conduct" means the  
8 following, whether occurring in this state or elsewhere:

9 1. Committing a felony, whether or not involving moral turpitude,  
10 or a misdemeanor involving moral turpitude or any drug-related offense.  
11 In either case, conviction by a court of competent jurisdiction or a plea  
12 of no contest is conclusive evidence of the commission.

13 2. Committing an act that is substantially related to the  
14 qualifications, functions or duties of a permittee and that demonstrates  
15 an actual or potential unfitness to hold a permit in light of the public's  
16 safety.

17 3. Working under the influence of alcohol or other drugs.

18 4. Using alcohol or other drugs to such a degree as to render the  
19 permittee unfit to perform the permittee's employment duties.

20 5. Violating a federal or state law or administrative rule relating  
21 to the manufacture, sale or distribution of drugs, devices, poisons,  
22 hazardous substances or precursor chemicals.

23 6. Violating a federal or state law or administrative rule relating  
24 to marijuana, prescription-only drugs, narcotics, dangerous drugs,  
25 controlled substances or precursor chemicals.

26 7. Violating state or federal reporting or recordkeeping  
27 requirements on transactions relating to precursor chemicals.

28 8. Intending to sell, transfer or distribute, or to offer for sale,  
29 transfer or distribution, or selling, transferring, distributing or  
30 dispensing or offering for sale, transfer or distribution an imitation  
31 controlled substance, imitation over-the-counter drug or imitation  
32 prescription-only drug as defined in section 13-3451.

33 9. Having the permittee's permit to manufacture, sell, distribute  
34 or dispense drugs, devices, poisons, hazardous substances or precursor  
35 chemicals denied or disciplined in another jurisdiction. **THE PERMITTEE**  
36 **SHALL NOTIFY THE BOARD IN WRITING WITHIN FIFTEEN DAYS AFTER THE OTHER**  
37 **JURISDICTION'S ACTION ON THE PERMITTEE'S PERMIT.**

38 10. Committing an offense in another jurisdiction that if committed  
39 in this state would be grounds for discipline.

40 11. Obtaining or attempting to obtain a permit or a permit renewal  
41 by fraud, by misrepresentation or by knowingly taking advantage of the  
42 mistake of another person or an agency.

43 12. Wilfully making a false report or record that is required by  
44 this chapter, that is required by federal or state laws pertaining to  
45 drugs, devices, poisons, hazardous substances or precursor chemicals or

1 that is required to pay for drugs, devices, poisons or hazardous  
2 substances or precursor chemicals or for services pertaining to such drugs  
3 or substances.

4 13. Knowingly filing with the board any application, renewal or  
5 other document that contains false or misleading information.

6 14. Providing false or misleading information or omitting material  
7 information in any communication to the board or the board's employees or  
8 agents.

9 15. Violating or attempting to violate, directly or indirectly, or  
10 assisting in or abetting the violation of, or conspiring to violate this  
11 chapter.

12 16. Violating a formal order, terms of probation, a consent  
13 agreement or a stipulation issued or entered into by the board or its  
14 executive director pursuant to this chapter.

15 17. Failing to comply with a board subpoena or failing to comply in  
16 a timely manner with a board subpoena without providing any explanation to  
17 the board for not complying with the subpoena.

18 18. Failing to provide the board or its employees or agents or an  
19 authorized federal or state official conducting a site investigation,  
20 inspection or audit with access to any place for which a permit has been  
21 issued or for which an application for a permit has been submitted.

22 19. Failing to notify the board of a change of ownership,  
23 management or pharmacist in charge.

24 20. Failing to ~~promptly~~ produce, **WITHIN FIFTEEN DAYS**, on the  
25 request of the official conducting ~~a site~~ **AN** investigation, ~~inspection~~ or  
26 audit any ~~book, record or document~~ **BOOKS, RECORDS OR DOCUMENTS AND, IF**  
27 **AVAILABLE, AUDIO OR VISUAL RECORDINGS.**

28 21. Overruling or attempting to overrule a pharmacist in matters of  
29 pharmacy ethics or interpreting laws pertaining to the practice of  
30 pharmacy or the distribution of drugs or devices.

31 22. Distributing premiums or rebates of any kind in connection with  
32 the sale of prescription medication, other than to the prescription  
33 medication recipient.

34 23. Failing to maintain effective controls against the diversion of  
35 controlled substances or precursor chemicals to unauthorized persons or  
36 entities.

37 24. Fraudulently claiming to have performed a service.

38 25. Fraudulently charging a fee for a service.

39 26. Advertising drugs or devices, or services pertaining to drugs  
40 or devices, in a manner that is untrue or misleading in any particular,  
41 and that is known, or that by the exercise of reasonable care should be  
42 known, to be untrue or misleading.

43 27. **FAILING TO ROUTINELY OPERATE ACCORDING TO THE PERMITTEE'S HOURS**  
44 **OF OPERATION AS SUBMITTED TO THE BOARD BY CLOSING FOR FIVE CONSECUTIVE**  
45 **DAYS OR MORE. THIS PARAGRAPH DOES NOT APPLY IF THE PERMITTEE NOTIFIES THE**

1 BOARD WITHIN FORTY-EIGHT HOURS AFTER AN UNEXPECTED CLOSURE OF FIVE DAYS OR  
2 MORE.

3 28. FAILING TO REPORT AN UNEXPECTED SERIOUS ADVERSE DRUG EVENT FROM  
4 A COMPOUNDED PRESCRIPTION THAT RESULTED IN A PATIENT'S HOSPITALIZATION OR  
5 DEATH AND THAT IS FROM A 503A PHARMACY OR 503B OUTSOURCING FACILITY AS  
6 DEFINED IN THE FEDERAL FOOD, DRUG, AND COSMETIC ACT. A SERIOUS ADVERSE  
7 DRUG EVENT IS NOT, IN AND OF ITSELF, A DISCIPLINARY OFFENSE OR UNETHICAL  
8 CONDUCT UNLESS THE COMPOUNDED PRESCRIPTION WAS MISBRANDED OR ADULTERATED.

9 B. In this chapter, unless the context otherwise requires, for the  
10 purposes of disciplining a pharmacist or pharmacy intern, "unprofessional  
11 conduct" means the following, whether occurring in this state or  
12 elsewhere:

13 1. Using alcohol or other drugs to such a degree as to render the  
14 licensee unfit to practice the profession of pharmacy.

15 2. Violating any federal or state law, rule or regulation relating  
16 to the manufacture or distribution of drugs and devices or the practice of  
17 pharmacy.

18 3. Dispensing a different drug or brand of drug in place of the  
19 drug or brand of drug ordered or prescribed without the express permission  
20 in each case of the orderer, or in the case of a prescription order, the  
21 medical practitioner. The conduct prohibited by this paragraph does not  
22 apply to substitutions authorized pursuant to section 32-1963.01.

23 4. Obtaining or attempting to obtain a license to practice pharmacy  
24 or a license renewal by fraud, by misrepresentation or by knowingly taking  
25 advantage of the mistake of another person or an agency.

26 5. Having the licensee's license to practice pharmacy denied or  
27 disciplined in another jurisdiction. **THE LICENSEE SHALL NOTIFY THE BOARD**  
28 **IN WRITING WITHIN FIFTEEN DAYS AFTER THE OTHER JURISDICTION'S ACTION ON**  
29 **THE LICENSEE'S LICENSE.**

30 6. Claiming professional superiority in compounding or dispensing  
31 prescription orders.

32 7. Failing to comply with the mandatory continuing professional  
33 pharmacy education requirements of sections 32-1936 and 32-1937 and rules  
34 adopted by the board.

35 8. Committing a felony, whether or not involving moral turpitude,  
36 or a misdemeanor involving moral turpitude or any drug-related offense.  
37 In either case, conviction by a court of competent jurisdiction or a plea  
38 of no contest is conclusive evidence of the commission.

39 9. Working under the influence of alcohol or other drugs.

40 10. Violating a federal or state law or administrative rule  
41 relating to marijuana, prescription-only drugs, narcotics, dangerous  
42 drugs, controlled substances or precursor chemicals when determined by the  
43 board or by conviction in a federal or state court.

44 11. Knowingly dispensing a drug without a valid prescription order  
45 as required pursuant to section 32-1968, subsection A.

1           12. Knowingly dispensing a drug on a prescription order that was  
2 issued in the course of the conduct of business of dispensing drugs  
3 pursuant to diagnosis by mail or the internet, unless the order was any of  
4 the following:

5           (a) Made by a physician who provides temporary patient supervision  
6 on behalf of the patient's regular treating licensed health care  
7 professional or provides a consultation requested by the patient's regular  
8 treating licensed health care professional.

9           (b) Made in an emergency medical situation as defined in  
10 section 41-1831.

11           (c) Written to prepare a patient for a medical examination.

12           (d) Written or the prescription medications were issued for use by  
13 a county or tribal public health department for immunization programs or  
14 emergency treatment or in response to an infectious disease investigation,  
15 a public health emergency, an infectious disease outbreak or an act of  
16 bioterrorism. For the purposes of this subdivision, "bioterrorism" has  
17 the same meaning prescribed in section 36-781.

18           (e) Written or antimicrobials were dispensed by the prescribing or  
19 dispensing physician to a contact as defined in section 36-661 who is  
20 believed to have had significant exposure risk as defined in section  
21 36-661 with another person who has been diagnosed with a communicable  
22 disease as defined in section 36-661.

23           (f) Written or the prescription medications were issued for  
24 administering immunizations or vaccines listed in the United States  
25 centers for disease control and prevention's recommended immunization  
26 schedule to a household member of a patient.

27           (g) For epinephrine auto-injectors that are written or dispensed  
28 for a school district or charter school and that are to be stocked for  
29 emergency use pursuant to section 15-157 or for an authorized entity to be  
30 stocked pursuant to section 36-2226.01.

31           (h) Written by a licensee through a telehealth program that is  
32 covered by the policies and procedures adopted by the administrator of a  
33 hospital or outpatient treatment center.

34           (i) Written pursuant to a physical or mental health status  
35 examination that was conducted through telehealth as defined in section  
36 36-3601 and consistent with federal law.

37           (j) For naloxone hydrochloride or any other opioid antagonist  
38 approved by the United States food and drug administration and written or  
39 dispensed for use pursuant to section 36-2228 or 36-2266.

40           13. Failing to report in writing to the board **WITHIN FIFTEEN DAYS**  
41 any evidence that a pharmacist or pharmacy intern is or may be  
42 professionally incompetent, is or may be guilty of unprofessional conduct  
43 or is or may be mentally or physically unable to safely engage in the  
44 practice of pharmacy.

1           14. Failing to report in writing to the board **WITHIN FIFTEEN DAYS**  
2 any evidence that a pharmacy technician or pharmacy technician trainee is  
3 or may be professionally incompetent, is or may be guilty of  
4 unprofessional conduct or is or may be mentally or physically unable to  
5 safely engage in the permissible activities of a pharmacy technician or  
6 pharmacy technician trainee.

7           15. Failing to report in writing to the board **WITHIN FIFTEEN DAYS**  
8 any evidence that a permittee or a permittee's employee is or may be  
9 guilty of unethical conduct or is or may be violating this chapter or a  
10 rule adopted under this chapter.

11           16. Committing an offense in another jurisdiction that if committed  
12 in this state would be grounds for discipline.

13           17. Knowingly filing with the board any application, renewal or  
14 other document that contains false or misleading information.

15           18. Providing false or misleading information or omitting material  
16 information in any communication to the board or the board's employees or  
17 agents.

18           19. Violating or attempting to violate, directly or indirectly, or  
19 assisting in or abetting in the violation of, or conspiring to violate  
20 this chapter.

21           20. Violating a formal order, terms of probation, a consent  
22 agreement or a stipulation issued or entered into by the board or its  
23 executive director pursuant to this chapter.

24           21. Failing to comply with a board subpoena or failing to comply in  
25 a timely manner with a board subpoena without providing any explanation to  
26 the board for not complying with the subpoena.

27           22. Refusing without just cause to allow authorized agents of the  
28 board to examine documents that are required to be kept pursuant to this  
29 chapter or title 36.

30           23. Participating in an arrangement or agreement to allow a  
31 prescription order or a prescription medication to be left at, picked up  
32 from, accepted by or delivered to a place that is not licensed as a  
33 pharmacy. This paragraph does not prohibit a pharmacist or a pharmacy  
34 from using an employee or a common carrier to pick up prescription orders  
35 at or deliver prescription medications to the office or home of a medical  
36 practitioner, the residence of a patient or a patient's hospital.

37           24. Paying rebates or entering into an agreement for paying rebates  
38 to a medical practitioner or any other person in the health care field.

39           25. Providing or causing to be provided to a medical practitioner  
40 prescription order blanks or forms bearing the pharmacist's or pharmacy's  
41 name, address or other means of identification.

42           26. Fraudulently claiming to have performed a professional service.

43           27. Fraudulently charging a fee for a professional service.

1           28. Failing to report TO THE BOARD WITHIN FIFTEEN DAYS a change of  
2 the licensee's home address, contact information, employer or employer's  
3 address as required by section 32-1926.

4           29. Failing to report TO THE BOARD WITHIN FIFTEEN DAYS a change in  
5 the licensee's residency status as required by section 32-1926.01.

6           30. Failing to maintain effective controls against the diversion of  
7 controlled substances or precursor chemicals to unauthorized persons or  
8 entities.

9           31. FAILING TO PRODUCE WITHIN FIFTEEN DAYS, ON THE REQUEST OF THE  
10 OFFICIAL CONDUCTING AN INVESTIGATION PURSUANT TO A COMPLAINT, ANY BOOKS,  
11 RECORDS, DOCUMENTS OR STATEMENTS AND, IF AVAILABLE, AUDIO OR VISUAL  
12 RECORDINGS.

13           C. In this chapter, unless the context otherwise requires, for the  
14 purposes of disciplining a pharmacy technician or pharmacy technician  
15 trainee, "unprofessional conduct" means the following, whether occurring  
16 in this state or elsewhere:

17           1. Using alcohol or other drugs to such a degree as to render the  
18 licensee OR REGISTRANT unfit to perform the licensee's OR REGISTRANT'S  
19 employment duties.

20           2. Violating a federal or state law or administrative rule relating  
21 to the manufacture or distribution of drugs or devices.

22           3. Obtaining or attempting to obtain a pharmacy technician LICENSE  
23 OR LICENSE RENEWAL or pharmacy technician trainee ~~license or a pharmacy~~  
24 ~~technician license renewal~~ REGISTRATION OR REGISTRATION RENEWAL by fraud,  
25 by misrepresentation or by knowingly taking advantage of the mistake of  
26 another person or an agency.

27           4. Having the licensee's license to practice as a pharmacy  
28 technician denied or disciplined in another jurisdiction.

29           5. Failing to comply with the mandatory continuing professional  
30 education requirements of section 32-1925, subsection H and rules adopted  
31 by the board.

32           6. Committing a felony, whether or not involving moral turpitude,  
33 or a misdemeanor involving moral turpitude or any drug-related  
34 offense. In either case, conviction by a court of competent jurisdiction  
35 or a plea of no contest is conclusive evidence of the commission.

36           7. Working under the influence of alcohol or other drugs.

37           8. Violating a federal or state law or administrative rule relating  
38 to marijuana, prescription-only drugs, narcotics, dangerous drugs,  
39 controlled substances or precursor chemicals when determined by the board  
40 or by conviction in a federal or state court.

41           9. Failing to report in writing to the board WITHIN FIFTEEN DAYS  
42 any evidence that a pharmacist or pharmacy intern is or may be  
43 professionally incompetent, is or may be guilty of unprofessional conduct  
44 or is or may be mentally or physically unable to safely engage in the  
45 practice of pharmacy.

1           10. Failing to report in writing to the board **WITHIN FIFTEEN DAYS**  
2 any evidence that a pharmacy technician or pharmacy technician trainee is  
3 or may be professionally incompetent, is or may be guilty of  
4 unprofessional conduct or is or may be mentally or physically unable to  
5 safely engage in the permissible activities of a pharmacy technician or  
6 pharmacy technician trainee.

7           11. Failing to report in writing to the board **WITHIN FIFTEEN DAYS**  
8 any evidence that a permittee or a permittee's employee is or may be  
9 guilty of unethical conduct or is or may be violating this chapter or a  
10 rule adopted under this chapter.

11           12. Committing an offense in another jurisdiction that if committed  
12 in this state would be grounds for discipline.

13           13. Knowingly filing with the board any application, renewal or  
14 other document that contains false or misleading information.

15           14. Providing false or misleading information or omitting material  
16 information in any communication to the board or the board's employees or  
17 agents.

18           15. Violating or attempting to violate, directly or indirectly, or  
19 assisting in or abetting in the violation of, or conspiring to violate  
20 this chapter.

21           16. Violating a formal order, terms of probation, a consent  
22 agreement or a stipulation issued or entered into by the board or its  
23 executive director pursuant to this chapter.

24           17. Failing to comply with a board subpoena or failing to comply in  
25 a timely manner with a board subpoena without providing any explanation to  
26 the board for not complying with the subpoena.

27           18. Failing to report **TO THE BOARD WITHIN FIFTEEN DAYS** a change of  
28 the licensee's **OR REGISTRANT'S** home address, contact information, employer  
29 or employer's address as required by section 32-1926.

30           19. Failing to report **TO THE BOARD WITHIN FIFTEEN DAYS** a change in  
31 the licensee's **OR REGISTRANT'S** residency status as required by section  
32 32-1926.01.

33           **20. FAILING TO PRODUCE WITHIN FIFTEEN DAYS, ON THE REQUEST OF THE**  
34 **OFFICIAL CONDUCTING AN INVESTIGATION, ANY BOOKS, RECORDS, DOCUMENTS OR**  
35 **STATEMENTS AND, IF AVAILABLE, AUDIO OR VISUAL RECORDINGS.**

36           Sec. 2. Section 32-1904, Arizona Revised Statutes, is amended to  
37 read:

38           **32-1904. Powers and duties of board; immunity**

39           A. The board shall:

40           1. Make bylaws and adopt rules that are necessary to protect the  
41 public and that pertain to the practice of pharmacy, the manufacturing,  
42 wholesaling or supplying of drugs, devices, poisons or hazardous  
43 substances, the use of pharmacy technicians and support personnel and the  
44 lawful performance of its duties.



- 1           2. Fix standards and requirements to register and reregister  
2 pharmacies, except as otherwise specified.
- 3           3. Investigate compliance as to the quality, label and labeling of  
4 all drugs, devices, poisons or hazardous substances and take action  
5 necessary to prevent the sale of these if they do not conform to the  
6 standards prescribed in this chapter, the official compendium or the  
7 federal act.
- 8           4. Enforce its rules. In so doing, the board or its agents have  
9 free access, during the hours reported with the board or the posted hours  
10 at the facility, to any pharmacy, manufacturer, wholesaler, third-party  
11 logistics provider, nonprescription drug permittee or other establishment  
12 in which drugs, devices, poisons or hazardous substances are manufactured,  
13 processed, packed or held, or to enter any vehicle being used to transport  
14 or hold such drugs, devices, poisons or hazardous substances for the  
15 purpose of:
  - 16           (a) Inspecting the establishment or vehicle to determine whether  
17 any provisions of this chapter or the federal act are being violated.
  - 18           (b) Securing samples or specimens of any drug, device, poison or  
19 hazardous substance after paying or offering to pay for the sample.
  - 20           (c) Detaining or embargoing a drug, device, poison or hazardous  
21 substance in accordance with section 32-1994.
- 22           5. Examine and license as pharmacists and pharmacy interns all  
23 qualified applicants as provided by this chapter.
- 24           6. Require each applicant for an initial license to apply for a  
25 fingerprint clearance card pursuant to section 41-1758.03. If an  
26 applicant is issued a valid fingerprint clearance card, the applicant  
27 shall submit the valid fingerprint clearance card to the board with the  
28 completed application. If an applicant applies for a fingerprint  
29 clearance card and is denied, the applicant may request that the board  
30 consider the application for licensure notwithstanding the absence of a  
31 valid fingerprint clearance card. The board, in its discretion, may  
32 approve an application for licensure despite the denial of a valid  
33 fingerprint clearance card if the board determines that the applicant's  
34 criminal history information on which the denial was based does not alone  
35 disqualify the applicant from licensure.
- 36           7. Issue duplicates of lost or destroyed permits on the payment of  
37 a fee as prescribed by the board.
- 38           8. Adopt rules to rehabilitate pharmacists and pharmacy interns as  
39 provided by this chapter.
- 40           9. At least once every three months, notify pharmacies regulated  
41 pursuant to this chapter of any modifications on prescription writing  
42 privileges of podiatrists, dentists, doctors of medicine, registered nurse  
43 practitioners, osteopathic physicians, veterinarians, physician  
44 assistants, optometrists and homeopathic physicians of which it receives  
45 notification from the state board of podiatry examiners, state board of

1 dental examiners, Arizona medical board, Arizona state board of nursing,  
2 Arizona board of osteopathic examiners in medicine and surgery, Arizona  
3 state veterinary medical examining board, Arizona regulatory board of  
4 physician assistants, state board of optometry or board of homeopathic and  
5 integrated medicine examiners.

6 10. Charge a permittee a fee, as determined by the board, for an  
7 inspection if the permittee requests the inspection.

8 11. Issue only one active or open license per individual.

9 12. Allow a licensee to regress to a lower level license on written  
10 explanation and review by the board for discussion, determination and  
11 possible action.

12 13. Open an investigation only if the identifying information  
13 regarding a complainant is provided or the information provided is  
14 sufficient to conduct an investigation.

15 14. Provide notice to an applicant, licensee, REGISTRANT or  
16 permittee using only the information provided to the board through the  
17 board's licensing database.

18 B. The board may:

19 1. Employ chemists, compliance officers, clerical help and other  
20 employees subject to title 41, chapter 4, article 4 and provide laboratory  
21 facilities for the proper conduct of its business.

22 2. Provide, by educating and informing the licensees and the  
23 public, assistance in curtailing abuse in the use of drugs, devices,  
24 poisons and hazardous substances.

25 3. Approve or reject the manner of storage and security of drugs,  
26 devices, poisons and hazardous substances.

27 4. Accept monies and services to assist in enforcing this chapter  
28 from other than licensees:

29 (a) For performing inspections and other board functions.

30 (b) For the cost of copies of the pharmacy and controlled  
31 substances laws, the annual report of the board and other information from  
32 the board.

33 5. Adopt rules for professional conduct appropriate to the  
34 establishment and maintenance of a high standard of integrity and dignity  
35 in the profession of pharmacy.

36 6. Grant permission to deviate from a state requirement for  
37 modernization of pharmacy practice, experimentation or technological  
38 advances.

39 7. Adopt rules for the training and practice of pharmacy interns,  
40 pharmacy technicians and support personnel.

41 8. Investigate alleged violations of this chapter, conduct hearings  
42 in respect to violations, subpoena witnesses and take such action as it  
43 deems necessary to revoke or suspend a license, A REGISTRATION or a  
44 permit, place a licensee, REGISTRANT or permittee on probation or warn a  
45 licensee, REGISTRANT or permittee under this chapter or to bring notice of

1 violations to the county attorney of the county in which a violation took  
2 place or to the attorney general.

3 9. By rule, approve colleges or schools of pharmacy.

4 10. By rule, approve programs of practical experience, clinical  
5 programs, internship training programs, programs of remedial academic work  
6 and preliminary equivalency examinations as provided by this chapter.

7 11. Assist in the continuing education of pharmacists and pharmacy  
8 interns.

9 12. Issue inactive status licenses as provided by this chapter.

10 13. Accept monies and services from the federal government or  
11 others for educational, research or other purposes pertaining to the  
12 enforcement of this chapter.

13 14. By rule, except from the application of all or any part of this  
14 chapter any material, compound, mixture or preparation containing any  
15 stimulant or depressant substance included in section 13-3401, paragraph  
16 6, subdivision (c) or (d) from the definition of dangerous drug if the  
17 material, compound, mixture or preparation contains one or more active  
18 medicinal ingredients not having a stimulant or depressant effect on the  
19 central nervous system, provided that such admixtures are included in such  
20 combinations, quantity, proportion or concentration as to vitiate the  
21 potential for abuse of the substances that do have a stimulant or  
22 depressant effect on the central nervous system.

23 15. Adopt rules for the revocation, suspension or reinstatement of  
24 licenses, REGISTRATIONS or permits or the probation of licensees,  
25 REGISTRANTS or permittees as provided by this chapter.

26 16. Issue a certificate of free sale to any person that is licensed  
27 by the board as a manufacturer for the purpose of manufacturing or  
28 distributing food supplements or dietary supplements as defined in rule by  
29 the board and that wants to sell food supplements or dietary supplements  
30 domestically or internationally. ~~The application shall contain all of the~~  
31 ~~following:~~

32 ~~(a) The applicant's name, address, email address, telephone and fax~~  
33 ~~number.~~

34 ~~(b) The product's full, common or usual name.~~

35 ~~(c) A copy of the label for each product listed. If the product is~~  
36 ~~to be exported in bulk and a label is not available, the applicant shall~~  
37 ~~include a certificate of composition.~~

38 ~~(d) The country of export, if applicable.~~

39 ~~(e) The number of certificates of free sale requested~~ THE APPLICANT  
40 SHALL SUBMIT AN APPLICATION APPROVED BY THE BOARD.

41 17. Establish an inspection process to issue certificates of free  
42 sale or good manufacturing practice certifications. The board shall  
43 establish in rule:

44 (a) A fee to issue certificates of free sale.

45 (b) A fee to issue good manufacturing practice certifications.

1 ~~(c) An annual inspection fee.~~

2 18. Delegate to the executive director the authority to:

3 (a) If the president or vice president of the board concurs after  
4 reviewing the case, enter into an interim consent agreement with a  
5 licensee or permittee if there is evidence that a restriction against the  
6 license or permit is needed to mitigate danger to the public health and  
7 safety. The board may subsequently formally adopt the interim consent  
8 agreement with any modifications the board deems necessary.

9 (b) Take no action or dismiss a complaint that has insufficient  
10 evidence that a violation of statute or rule governing the practice of  
11 pharmacy occurred.

12 (c) Request an applicant or licensee to provide court documents and  
13 police reports if the applicant or licensee has been charged with or  
14 convicted of a criminal offense. The executive director may do either of  
15 the following if the applicant or licensee fails to provide the requested  
16 documents to the board within thirty business days after the request:

17 (i) Close the application, deem the application fee forfeited and  
18 not consider a new application complete unless the requested documents are  
19 submitted with the application.

20 (ii) Notify the licensee of an opportunity for a hearing in  
21 accordance with section 41-1061 to consider suspension of the licensee.

22 (d) Pursuant to section 36-2604, subsection B, review prescription  
23 information collected pursuant to title 36, chapter 28, article 1.

24 (e) ISSUE A SUBPOENA TO DO EITHER OF THE FOLLOWING:

25 (i) SOLICIT A RESPONSE EITHER FOR INFORMATION PERTAINING TO A  
26 COMPLAINT OR INVESTIGATION OR TO A CONSENT AGREEMENT ISSUED BY THE BOARD.

27 (ii) REQUIRE A PERSONAL APPEARANCE BEFORE THE BOARD.

28 (f) ENTER INTO AGREEMENTS OR MEMORANDA OF UNDERSTANDING BETWEEN A  
29 STATE OR FEDERAL REGULATORY AGENCY.

30 C. At each regularly scheduled board meeting, the executive  
31 director shall provide to the board a list of the executive director's  
32 actions taken pursuant to subsection B, paragraph 18, subdivisions ~~(a)~~,  
33 (b) AND (c) ~~and (d)~~ of this section since the last board meeting.

34 D. The board may issue nondisciplinary civil penalties or delegate  
35 to the executive director the authority to issue nondisciplinary civil  
36 penalties. The nondisciplinary civil penalties shall be prescribed by the  
37 board in rule and issued using a board-approved form. If a licensee,  
38 REGISTRANT or permittee fails to pay a nondisciplinary civil penalty that  
39 the board has imposed on it, the board shall hold a hearing on the matter.  
40 In addition to any other nondisciplinary civil penalty adopted by the  
41 board, either of the following acts or omissions that is not an imminent  
42 threat to the public health and safety is subject to a nondisciplinary  
43 civil penalty:

44 1. An occurrence of either of the following:

- 1 (a) Failing to submit a remodel application before remodeling a  
2 permitted facility.
- 3 (b) Failing to notify the board of the relocation of a business.
- 4 2. The occurrence of any of the following violations or any of the  
5 violations adopted by the board in rule, with three or more violations  
6 being presented to the board as a complaint:
- 7 (a) The licensee, REGISTRANT or permittee fails to update the  
8 licensee's, REGISTRANT'S or permittee's online profile within ~~ten~~ FIFTEEN  
9 days after a change in contact information, address, telephone number or  
10 email address.
- 11 (b) The licensee OR REGISTRANT fails to update the licensee's OR  
12 REGISTRANT'S online profile within ~~ten~~ FIFTEEN days after a change in  
13 employment.
- 14 (c) The licensee fails to complete the required continuing  
15 education for a license renewal.
- 16 (d) The licensee fails to update the licensee's online profile to  
17 reflect a new pharmacist in charge within fourteen days after the position  
18 change.
- 19 (e) The permittee fails to update the permittee's online profile to  
20 reflect a new designated representative within ten days after the position  
21 change.
- 22 (f) The licensee, REGISTRANT or permittee fails to notify the board  
23 of a new criminal charge, arrest or conviction against the licensee,  
24 REGISTRANT or permittee in this state or any other jurisdiction.
- 25 (g) The licensee, REGISTRANT or permittee fails to notify the board  
26 of a disciplinary action taken against the licensee, REGISTRANT or  
27 permittee by another regulating agency in this state or any other  
28 jurisdiction.
- 29 (h) ~~A~~ THE licensee or permittee fails to renew a license or permit  
30 within sixty days after the license or permit expires. If more than sixty  
31 days have lapsed after the expiration of a license or permit, the licensee  
32 or permittee shall appear before the board.
- 33 (i) A new pharmacist in charge fails to conduct a controlled  
34 substance inventory within ten days after starting the position.
- 35 (j) A person fails to obtain a permit before shipping into this  
36 state anything that requires a permit pursuant to this chapter.
- 37 (k) Any other violations of statute or rule that the board or the  
38 board's designee deems appropriate for a nondisciplinary civil penalty.
- 39 E. The board shall develop substantive policy statements pursuant  
40 to section 41-1091 for each specific licensing and regulatory authority  
41 the board delegates to the executive director.
- 42 F. The executive director and other personnel or agents of the  
43 board are not subject to civil liability for any act done or proceeding  
44 undertaken or performed in good faith and in furtherance of the purposes  
45 of this chapter.

1           Sec. 3. Section 32-1925, Arizona Revised Statutes, is amended to  
2 read:

3           32-1925. Renewal of license of pharmacists, interns and  
4                           pharmacy technicians; fees; expiration dates;  
5                           penalty for failure to renew; continuing education

6           A. Except for interns and pharmacy technician trainees, the board  
7 shall assign all persons who are licensed under this chapter to one of two  
8 license renewal groups **AS PRESCRIBED BY THE BOARD IN RULE**. Except as  
9 provided in section 32-4301, ~~a holder of a license certificate designated~~  
10 ~~in the licensing database as even by way of verbiage or numerical value~~  
11 ~~shall renew it biennially on or before November 1 of the even-numbered~~  
12 ~~year, two years after the last renewal date. Except as provided in~~  
13 ~~section 32-4301, a holder of a license certificate designated in the~~  
14 ~~licensing database as odd by way of verbiage or numerical value shall~~  
15 ~~renew it biennially on or before November 1 of the odd-numbered year, two~~  
16 ~~years after the last renewal date.~~ failure to renew and pay all required  
17 fees on or before November 1 of the year in which the renewal is due  
18 suspends the license. The board shall vacate a suspension when the  
19 licensee pays all past due fees and reinstatement penalties.  
20 Reinstatement penalties shall not exceed \$350. The board may waive  
21 collection of a fee or reinstatement penalty due after suspension under  
22 conditions established by a majority of the board.

23           B. A person shall not apply for license renewal more than sixty  
24 days before the expiration date of the license.

25           C. A person who is licensed as a pharmacist or a pharmacy  
26 technician and who has not renewed the license for five consecutive years  
27 shall furnish to the board satisfactory proof of fitness to be licensed as  
28 a pharmacist or a pharmacy technician. A person whose license has lapsed  
29 for two or more renewal cycles shall pay the fees for the two most recent  
30 renewal cycles and the penalties before being reinstated.

31           D. Biennial renewal fees for licensure shall be not more than:

- 32           1. For a pharmacist, \$250.
- 33           2. For a pharmacy technician, \$100.
- 34           3. For a duplicate renewal license, \$25.

35           E. Fees that are designated to be not more than a maximum amount  
36 shall be set by the board for the following two fiscal years beginning  
37 November 1. The board shall establish fees approximately proportionate to  
38 the maximum fee allowed to cover the board's anticipated expenditures for  
39 the following two fiscal years. Variation in a fee is not effective  
40 except at the expiration date of a license.

41           F. The board shall not renew a license for a pharmacist unless the  
42 pharmacist has complied with the mandatory continuing professional  
43 pharmacy education requirements of sections 32-1936 and 32-1937.

44           G. The board shall prescribe intern licensure renewal fees that do  
45 not exceed \$75. The license of an intern who does not receive specific

1 board approval to renew the intern license or who receives board approval  
2 to renew but who does not renew and pay all required fees before the  
3 license expiration date is suspended after the license expiration  
4 date. The board shall vacate a suspension if the licensee pays all past  
5 due fees and penalties. Penalties shall not exceed \$350. The board may  
6 waive collection of a fee or penalty due after suspension under conditions  
7 established by the board.

8 H. The board shall not renew a license for a pharmacy technician  
9 unless that person has a current board-approved license and has complied  
10 with board-approved mandatory continuing professional education  
11 requirements. If a pharmacy technician prepares, compounds or dispenses  
12 prescription medications at a remote dispensing site pharmacy, the  
13 pharmacy technician shall complete, in addition to any other  
14 board-approved mandatory continuing professional education requirements, a  
15 two-hour continuing education program on remote dispensing site pharmacy  
16 practices provided by an approved provider.

17 Sec. 4. Section 32-1926, Arizona Revised Statutes, is amended to  
18 read:

19 32-1926. Notice of change of information required

20 A. Except as prescribed in subsection B of this section, a  
21 pharmacist, intern, pharmacy technician or pharmacy technician trainee,  
22 within ~~ten~~ FIFTEEN days after a change in that person's employer,  
23 employer's address, home address or contact information, shall  
24 electronically update the person's online board profile or give written  
25 notice to the board office staff of the new information.

26 B. Pursuant to board rule, a pharmacist designated as the  
27 pharmacist in charge for a permit issued under this chapter shall give  
28 immediate notice to the board office staff of the initiation and  
29 termination of such responsibility. The pharmacist shall either  
30 electronically update the pharmacist's online board profile or give  
31 written notice to the board office staff of the new information.

32 Sec. 5. Section 32-1926.01, Arizona Revised Statutes, is amended to  
33 read:

34 32-1926.01. Change in residency status; written notice  
35 required

36 A. ~~★~~ EACH licensee AND REGISTRANT shall give written notice to the  
37 board office staff of a change in the licensee's OR REGISTRANT'S residency  
38 status authorized by the United States citizenship and immigration  
39 services.

40 B. If the licensee's OR REGISTRANT'S residency status ceases to be  
41 authorized by the United States citizenship and immigration services, the  
42 licensee OR REGISTRANT shall give written notice to the board office staff  
43 that the licensee OR REGISTRANT voluntarily terminates the license OR  
44 REGISTRATION.

1           Sec. 6. Section 32-1927, Arizona Revised Statutes, is amended to  
2 read:

3           32-1927. Pharmacists; pharmacy interns; disciplinary action

4           A. A pharmacist or pharmacy intern is subject to disciplinary  
5 action by the board for any of the following:

6           1. The board determines that the licensee has committed an act of  
7 unprofessional conduct.

8           2. The licensee is found by psychiatric examination to be mentally  
9 unfit to practice the profession of pharmacy.

10           3. The licensee is found to be physically or mentally incapacitated  
11 to such a degree as to render the licensee unfit to practice the  
12 profession of pharmacy.

13           4. The licensee is found to be professionally incompetent to such a  
14 degree as to render the licensee unfit to practice the profession of  
15 pharmacy.

16           5. The license was issued through error.

17           B. A pharmacist or pharmacy intern who after a formal hearing is  
18 found by the board to be guilty of unprofessional conduct, to be mentally  
19 or physically unable safely to engage in the practice of pharmacy or to be  
20 professionally incompetent is subject to any one or combination of the  
21 following:

22           1. A civil penalty of not more than \$1,000 for each violation of  
23 this chapter or a rule adopted under this chapter.

24           2. A letter of reprimand.

25           3. A decree of censure.

26           4. Completion of board-designated continuing pharmaceutical  
27 education courses.

28           5. Probation.

29           6. Suspension or revocation of the license.

30           C. The board may charge the costs of formal hearings to the  
31 licensee whom it finds to be in violation of this chapter or a rule  
32 adopted under this chapter.

33           D. The board on its own motion may investigate any evidence that  
34 appears to show that a pharmacist or pharmacy intern is or may be  
35 professionally incompetent, is or may be guilty of unprofessional conduct  
36 or is or may be mentally or physically unable safely to engage in the  
37 practice of pharmacy. Any person may, and a licensee or permittee of the  
38 board must, report to the board any information that appears to show that  
39 a pharmacist or pharmacy intern is or may be professionally incompetent,  
40 is or may be guilty of unprofessional conduct or is or may be mentally or  
41 physically unable safely to engage in the practice of pharmacy. The board  
42 or the executive director shall notify the pharmacist or pharmacy intern  
43 as to the content of the complaint as soon as reasonable. Any person or  
44 entity that reports or provides information to the board in good faith is  
45 not subject to an action for civil damages. It is an act of



1 unprofessional conduct for any pharmacist or pharmacy intern to fail to  
2 report as required by this subsection.

3 E. The pharmacy permittee or pharmacist in charge of a pharmacy  
4 located in this state must inform the board if a pharmacist or pharmacy  
5 intern employed by the pharmacy is terminated because of actions by the  
6 pharmacist or pharmacy intern that appear to show that the pharmacist or  
7 pharmacy intern is or may be professionally incompetent, is or may be  
8 guilty of unprofessional conduct or is or may be mentally or physically  
9 unable safely to engage in the practice of pharmacy, along with a general  
10 statement of the reasons that led the pharmacy to take the action. The  
11 pharmacy permittee or pharmacist in charge of a pharmacy located in this  
12 state must inform the board if a pharmacist or pharmacy intern under  
13 investigation resigns or if a pharmacist or pharmacy intern resigns in  
14 lieu of disciplinary action by the pharmacy. Notification must include a  
15 general statement of the reasons for the resignation. A person who  
16 reports information in good faith pursuant to this subsection is not  
17 subject to civil liability.

18 F. The board or, if delegated by the board, the executive director  
19 shall require any combination of mental, physical, psychological,  
20 psychiatric or medical competency examinations or pharmacist licensure  
21 examinations and conduct necessary investigations, including  
22 investigational interviews between representatives of the board and the  
23 pharmacist or pharmacy intern, to fully inform itself about any  
24 information filed with the board under this section. These examinations  
25 may also include biological fluid testing. The board may require the  
26 pharmacist or pharmacy intern, at that person's expense, to undergo  
27 assessment by a board-approved substance abuse treatment and  
28 rehabilitation program.

29 G. If after completing its investigation the board finds that the  
30 information provided pursuant to this section is not of sufficient  
31 seriousness to merit disciplinary action against the license of the  
32 pharmacist or pharmacy intern, the board may take any of the following  
33 actions:

- 34 1. Dismiss if the complaint is without merit.
- 35 2. File an advisory letter. The licensee may file a written  
36 response with the board within thirty days after receiving the advisory  
37 letter.
- 38 3. Require the licensee to complete board-designated continuing  
39 pharmaceutical education courses.

40 H. The board shall not disclose the name of the person who provides  
41 information regarding a licensee's drug or alcohol impairment or the name  
42 of the person who files a complaint if that person requests anonymity.

43 I. If after completing its investigation the board believes that  
44 the information is or may be true, it may request a conference with the  
45 pharmacist or pharmacy intern. If the pharmacist or pharmacy intern

1 refuses the invitation for a conference and the investigation indicates  
2 that grounds may exist for revocation or suspension of a license,  
3 probation, issuance of a decree of censure or a letter of reprimand or  
4 imposition of a civil penalty, the board shall issue a formal notice that  
5 a hearing be held pursuant to title 41, chapter 6, article 10.

6 J. If through information provided pursuant to this section or by  
7 other means the board finds that the protection of the public health,  
8 welfare and safety requires emergency action against the license of a  
9 pharmacist or pharmacy intern, the board may restrict a license or order a  
10 summary suspension of a license pending proceedings for revocation or  
11 other action. If the board acts pursuant to this subsection, the board  
12 shall also serve the licensee with a written notice of complaint and  
13 formal hearing that sets forth the charges and licensee's right to a  
14 formal hearing before the board or an administrative law judge on the  
15 charges within sixty days pursuant to title 41, chapter 6, article 10.

16 K. If after completing the conference the board finds the  
17 information provided pursuant to this section is not of sufficient  
18 seriousness to merit revocation or suspension of a license, probation,  
19 issuance of a decree of censure or a letter of reprimand or imposition of  
20 a civil penalty, it may take the following actions:

21 1. Dismiss if the information is without merit.

22 2. File an advisory letter. The licensee may file a written  
23 response with the board within thirty days after the licensee receives the  
24 advisory letter.

25 3. Require the licensee to complete board-designated continuing  
26 pharmaceutical education courses.

27 L. If during a conference the board finds that the information  
28 provided pursuant to this section indicates that grounds may exist for  
29 revocation or suspension of a license, probation, issuance of a decree of  
30 censure or a letter of reprimand or imposition of a civil penalty, it may  
31 take the following actions:

32 1. Dismiss if the information is without merit.

33 2. File an advisory letter. The licensee may file a written  
34 response with the board within thirty days after the licensee receives the  
35 advisory letter.

36 3. Require the licensee to complete board-designated continuing  
37 pharmaceutical education courses.

38 4. Enter into an agreement with the licensee to discipline the  
39 licensee, restrict the licensee's practice or professional activities or  
40 rehabilitate, retrain or assess the licensee in order to protect the  
41 public and ensure the licensee's ability to safely engage in the practice  
42 of pharmacy. The agreement may include at least the following:

43 (a) Issuance of a letter of reprimand.

44 (b) Issuance of a decree of censure.

1 (c) Practice or professional restrictions, such as not acting as a  
2 pharmacist in charge or pharmacy intern preceptor or working with another  
3 pharmacist.

4 (d) Rehabilitative, retraining or assessment programs, including:

5 (i) Board-approved community service.

6 (ii) Successful completion of additional board-designated  
7 continuing pharmaceutical education courses.

8 (iii) Successful passage of board-approved pharmacist licensure  
9 examinations.

10 (iv) Successful completion of a board-approved substance abuse  
11 treatment and rehabilitation program at the licensee's own expense.

12 (e) A civil penalty of not more than \$1,000 for each violation of  
13 this chapter or a rule adopted under this chapter.

14 (f) A period and terms of probation best adapted to protect the  
15 public health and safety and rehabilitate or educate the licensee  
16 concerned. Probation may include temporary suspension and any or all of  
17 the disciplinary actions, practice or professional restrictions,  
18 rehabilitative, retraining or assessment programs listed in this section  
19 or any other program agreed to by the board and the licensee.

20 M. If the board finds that the information provided pursuant to  
21 this section and additional information provided during the conference  
22 warrants revocation or suspension of a license, probation, issuance of a  
23 decree of censure or a letter of reprimand or imposition of a civil  
24 penalty, it shall initiate formal proceedings pursuant to title 41,  
25 chapter 6, article 10.

26 N. If the licensee wishes to be present at the formal hearing in  
27 person or by representation, or both, the licensee must file with the  
28 board an answer to the charges in the notice of hearing. The answer must  
29 be in writing, be verified under oath and be filed within thirty days  
30 after service of the notice of hearing. Failure to answer the board's  
31 notice of hearing is deemed an admission of the charges in the notice of  
32 hearing, **AT WHICH TIME THE BOARD MAY ADOPT THE FINDINGS OF FACT,  
33 ALLEGATIONS AND CONCLUSIONS OF LAW AND TAKE DISCIPLINARY ACTION AUTHORIZED  
34 BY THIS CHAPTER.**

35 O. An advisory letter is a nondisciplinary public document.

36 P. If the board during an investigation determines that a criminal  
37 violation might have occurred, it shall disclose its investigative  
38 evidence and information to the appropriate criminal justice agency for  
39 its consideration.

40 Q. In determining the appropriate disciplinary action under this  
41 section, the board shall consider all previous nondisciplinary and  
42 disciplinary actions against a licensee.

43 R. The board may deny a license to an applicant for the grounds  
44 prescribed in subsection A of this section.

1 S. A person who is licensed pursuant to this chapter or by any  
2 other jurisdiction and who has a license revoked or suspended shall not  
3 obtain a license as a pharmacy intern or pharmacy technician or a  
4 registration as a pharmacy technician trainee or work as a pharmacy  
5 intern, pharmacy technician or pharmacy technician trainee without the  
6 approval of the board or its designee.

7 Sec. 7. Section 32-1927.01, Arizona Revised Statutes, is amended to  
8 read:

9 32-1927.01. Pharmacy technicians; pharmacy technician  
10 trainees; disciplinary action

11 A. A pharmacy technician or pharmacy technician trainee is subject  
12 to disciplinary action by the board for any of the following:

13 1. The board determines that the licensee or registrant has  
14 committed an act of unprofessional conduct.

15 2. The licensee or registrant is found by psychiatric examination  
16 to be mentally unfit to safely perform the licensee's or registrant's  
17 employment duties.

18 3. The licensee or registrant is found to be physically or mentally  
19 incapacitated to such a degree as to render the licensee or registrant  
20 unfit to safely perform the licensee's or registrant's employment duties.

21 4. The licensee or registrant is found to be professionally  
22 incompetent to such a degree as to render the licensee or registrant unfit  
23 to safely perform the licensee's or registrant's employment duties.

24 5. The license or registration was issued through error.

25 B. A pharmacy technician or pharmacy technician trainee who after a  
26 formal hearing is found by the board to be guilty of unprofessional  
27 conduct, to be mentally or physically unable safely to engage in the  
28 practice of pharmacy or to be professionally incompetent is subject to any  
29 one or combination of the following:

30 1. A civil penalty of not more than \$1,000 for each violation of  
31 this chapter or a rule adopted under this chapter.

32 2. A letter of reprimand.

33 3. A decree of censure.

34 4. Completion of board designated continuing education courses.

35 5. Probation.

36 6. Suspension or revocation of the license or registration.

37 C. The board may charge the costs of formal hearings to the  
38 licensee or registrant whom it finds to be in violation of this chapter or  
39 a rule adopted under this chapter.

40 D. The board on its own motion may investigate any evidence that  
41 appears to show that a pharmacy technician or pharmacy technician trainee  
42 is or may be professionally incompetent, is or may be guilty of  
43 unprofessional conduct or is or may be mentally or physically unable  
44 safely to engage in the permissible activities of a pharmacy technician or  
45 pharmacy technician trainee. Any person may, and a licensee, registrant

1 or permittee of the board must, report to the board any information that  
 2 appears to show that a pharmacy technician or pharmacy technician trainee  
 3 is or may be professionally incompetent, is or may be guilty of  
 4 unprofessional conduct or is or may be mentally or physically unable  
 5 safely to engage in the permissible activities of a pharmacy technician or  
 6 pharmacy technician trainee. The board or the executive director shall  
 7 notify the pharmacy technician or pharmacy technician trainee as to the  
 8 content of the complaint as soon as reasonable. Any person or entity that  
 9 reports or provides information to the board in good faith is not subject  
 10 to an action for civil damages. It is an act of unprofessional conduct  
 11 for any pharmacy technician or pharmacy technician trainee to fail to  
 12 report as required by this subsection.

13 E. The pharmacy permittee or pharmacist in charge of a pharmacy  
 14 located in this state must inform the board if a pharmacy technician or  
 15 pharmacy technician trainee employed by the pharmacy is terminated because  
 16 of actions by that person that appear to show that the person is or may be  
 17 professionally incompetent, is or may be guilty of unprofessional conduct  
 18 or is or may be mentally or physically unable safely to engage in the  
 19 permissible activities of a pharmacy technician or pharmacy technician  
 20 trainee, along with a general statement of the reasons that led the  
 21 pharmacy to take the action. The pharmacy permittee or pharmacist in  
 22 charge of a pharmacy located in this state must inform the board if a  
 23 pharmacy technician or pharmacy technician trainee under investigation  
 24 resigns or if a pharmacy technician or pharmacy technician trainee resigns  
 25 in lieu of disciplinary action by the pharmacy. Notification must include  
 26 a general statement of the reasons for the resignation. A person who  
 27 reports information in good faith pursuant to this subsection is not  
 28 subject to civil liability.

29 F. The board or, if delegated by the board, the executive director  
 30 shall require any combination of mental, physical, psychological,  
 31 psychiatric or medical competency examinations or pharmacy technician  
 32 licensure examinations and conduct necessary investigations, including  
 33 investigational interviews between representatives of the board and the  
 34 pharmacy technician or pharmacy technician trainee, to fully inform itself  
 35 about any information filed with the board pursuant to this section.  
 36 These examinations may also include biological fluid testing. The board  
 37 may require the licensee or registrant, at that person's expense, to  
 38 undergo assessment by a board-approved substance abuse treatment and  
 39 rehabilitation program.

40 G. If after completing its investigation the board finds that the  
 41 information provided pursuant to this section is not of sufficient  
 42 seriousness to merit disciplinary action against the license or  
 43 registration of the pharmacy technician or pharmacy technician trainee,  
 44 the board may take any of the following actions:

- 45 1. Dismiss if the complaint is without merit.

1           2. File an advisory letter. The licensee or registrant may file a  
2 written response with the board within thirty days after receiving the  
3 advisory letter.

4           3. Require the licensee or registrant to complete board-designated  
5 continuing pharmaceutical education courses.

6           H. The board shall not disclose the name of the person who provides  
7 information regarding a licensee's or registrant's drug or alcohol  
8 impairment or the name of the person who files a complaint if that person  
9 requests anonymity.

10          I. If after completing its investigation the board believes that  
11 the information is or may be true, it may request a conference with the  
12 licensee or registrant. If the licensee or registrant refuses the  
13 invitation for a conference and the investigation indicates that grounds  
14 may exist for revocation or suspension of a license or registration,  
15 probation, issuance of a decree of censure or a letter of reprimand or  
16 imposition of a civil penalty, the board shall issue a formal notice that  
17 a hearing be held pursuant to title 41, chapter 6, article 10.

18          J. If through information provided pursuant to this section or by  
19 other means the board finds that the protection of the public health,  
20 welfare and safety requires emergency action against the license or  
21 registration of a pharmacy technician or pharmacy technician trainee, the  
22 board may restrict a license or registration or order a summary suspension  
23 of a license or registration pending proceedings for revocation or other  
24 action. If the board acts pursuant to this subsection, the board shall  
25 also serve the licensee or registrant with a written notice of complaint  
26 and formal hearing that sets forth the charges made against the licensee  
27 or registrant and the licensee's or registrant's right to a formal hearing  
28 before the board or an administrative law judge on the charges within  
29 sixty days pursuant to title 41, chapter 6, article 10.

30          K. If after completing the conference the board finds the  
31 information provided pursuant to this section is not of sufficient  
32 seriousness to merit revocation or suspension of a license or  
33 registration, probation, issuance of a decree of censure or a letter of  
34 reprimand or imposition of a civil penalty, it may take the following  
35 actions:

36           1. Dismiss if the information is without merit.

37           2. File an advisory letter. The licensee or registrant may file a  
38 written response with the board within thirty days after the licensee or  
39 registrant receives the advisory letter.

40           3. Require the licensee or registrant to complete board-designated  
41 continuing pharmaceutical education courses.

42          L. If during a conference the board finds that the information  
43 provided pursuant to this section indicates that grounds may exist for  
44 revocation or suspension of a license or registration, probation, issuance

1 of a decree of censure or a letter of reprimand or imposition of a civil  
2 penalty, it may take the following actions:

- 3 1. Dismiss if the information is without merit.
- 4 2. File an advisory letter. The licensee or registrant may file a  
5 written response with the board within thirty days after the licensee or  
6 registrant receives the advisory letter.
- 7 3. Require the licensee or registrant to complete board-designated  
8 continuing pharmaceutical education courses.
- 9 4. Enter into an agreement with the licensee or registrant to  
10 discipline the licensee or registrant, restrict the licensee's or  
11 registrant's practice or professional activities or rehabilitate, retrain  
12 or assess the licensee or registrant in order to protect the public and  
13 ensure the licensee's or registrant's ability to safely engage in the  
14 permissible activities of a pharmacy technician or pharmacy technician  
15 trainee. The agreement may include at least the following:
  - 16 (a) Issuance of a letter of reprimand.
  - 17 (b) Issuance of a decree of censure.
  - 18 (c) Practice or professional restrictions, such as doing the  
19 following only under pharmacist supervision:
    - 20 (i) Entering prescription or patient data.
    - 21 (ii) Initiating or accepting verbal refill authorization.
    - 22 (iii) Counting, pouring, packaging or labeling prescription  
23 medication.
    - 24 (iv) Compounding, reconstituting, prepackaging or repackaging  
25 drugs.
    - 26 (d) Rehabilitative, retraining or assessment programs, including:
      - 27 (i) Board-approved community service.
      - 28 (ii) Successful completion of additional board-designated  
29 continuing pharmaceutical education courses.
      - 30 (iii) Successful passage of board-approved pharmacist technician  
31 licensure examinations.
      - 32 (iv) Successful completion of a board-approved substance abuse  
33 treatment and rehabilitation program at the licensee's or registrant's own  
34 expense.
      - 35 (e) A civil penalty of not more than \$1,000 for each violation of  
36 this chapter or a rule adopted under this chapter.
      - 37 (f) A period and terms of probation best adapted to protect the  
38 public health and safety and rehabilitate or educate the licensee or  
39 registrant concerned. Probation may include temporary suspension and any  
40 or all of the disciplinary actions, practice or professional restrictions,  
41 rehabilitative, retraining or assessment programs listed in this section  
42 or any other program agreed to by the board and the licensee or  
43 registrant.

1 M. If the board finds that the information provided pursuant to  
2 this section and additional information provided during the conference  
3 warrants revocation or suspension of a license or registration, probation,  
4 issuance of a decree of censure or a letter of reprimand or imposition of  
5 a civil penalty, it shall initiate formal proceedings pursuant to title  
6 41, chapter 6, article 10.

7 N. If the licensee or registrant wishes to be present at the formal  
8 hearing in person or by representation, or both, the licensee or  
9 registrant must file with the board an answer to the charges in the notice  
10 of hearing. The answer must be in writing, be verified under oath and be  
11 filed within thirty days after service of the notice of hearing. Failure  
12 to answer the board's notice of hearing is deemed an admission of the  
13 charges in the notice of hearing, **AT WHICH TIME THE BOARD MAY ADOPT THE**  
14 **FINDINGS OF FACT, ALLEGATIONS AND CONCLUSIONS OF LAW AND TAKE DISCIPLINARY**  
15 **ACTION AUTHORIZED BY THIS CHAPTER.**

16 O. An advisory letter is a nondisciplinary public document.

17 P. If the board during an investigation determines that a criminal  
18 violation might have occurred, it shall disclose its investigative  
19 evidence and information to the appropriate criminal justice agency for  
20 its consideration.

21 Q. In determining the appropriate disciplinary action under this  
22 section, the board shall consider all previous nondisciplinary and  
23 disciplinary actions against a licensee or registrant.

24 R. The board may deny a license or registration to an applicant for  
25 the grounds prescribed in subsection A of this section.

26 S. A person who is licensed or registered pursuant to this chapter  
27 or by any other jurisdiction and who has a license or registration revoked  
28 or suspended shall not obtain a license or registration as a pharmacy  
29 technician or pharmacy technician trainee or work as a pharmacy technician  
30 or pharmacy technician trainee without the approval of the board or its  
31 designee.

32 Sec. 8. Section 32-1927.02, Arizona Revised Statutes, is amended to  
33 read:

34 **32-1927.02. Permittees; disciplinary action**

35 A. The board may discipline a permittee if:

36 1. The board determines that the permittee or permittee's employee  
37 is guilty of unethical conduct pursuant to section 32-1901.01,  
38 subsection A.

39 2. Pursuant to a psychiatric examination, the permittee or the  
40 permittee's employee is found to be mentally unfit to safely engage in  
41 employment duties.

42 3. The board determines that the permittee or the permittee's  
43 employee is physically or mentally incapacitated to such a degree as to  
44 render the permittee or permittee's employee unfit to safely engage in  
45 employment duties.



1           4. The permit was issued through error.

2           5. A permittee or permittee's employee allows a person who does not  
3 possess a current license or registration issued by the board to work as a  
4 pharmacist, pharmacy intern, pharmacy technician or pharmacy technician  
5 trainee.

6           B. A permittee who after a formal hearing is found by the board to  
7 be guilty of unethical conduct, to be mentally or physically unable safely  
8 to engage in employment duties or to be in violation of this chapter or a  
9 rule adopted under this chapter or whose employee after a formal hearing  
10 is found by the board to be guilty of unethical conduct, to be mentally or  
11 physically unable safely to engage in employment duties or to be in  
12 violation of this chapter or a rule adopted under this chapter is subject  
13 to any one or combination of the following:

14           1. A civil penalty of not more than \$1,000 for each violation of  
15 this chapter or a rule adopted under this chapter.

16           2. A letter of reprimand.

17           3. A decree of censure.

18           4. Completion of board-designated pharmacy law continuing education  
19 courses.

20           5. Probation.

21           6. Suspension or revocation of the permit.

22           C. The board may charge the costs of formal hearings to the  
23 permittee whom it finds to be in violation of this chapter or a rule  
24 adopted under this chapter or whose employee it finds to be in violation  
25 of this chapter or a rule adopted under this chapter.

26           D. The board on its own motion may investigate any evidence that  
27 appears to show that a permittee or permittee's employee is or may be  
28 guilty of unethical conduct, is or may be mentally or physically unable  
29 safely to engage in employment duties or is or may be in violation of this  
30 chapter or a rule adopted under this chapter. Any person may, and any  
31 licensee or permittee must, report to the board any information that  
32 appears to show that a permittee or permittee's employee is or may be  
33 guilty of unethical conduct, is or may be mentally or physically unable  
34 safely to engage in employment duties or is or may be in violation of this  
35 chapter or a rule adopted under this chapter. The board or the executive  
36 director shall notify the permittee as to the content of the complaint as  
37 soon as reasonable. Any person or entity that reports or provides  
38 information to the board in good faith is not subject to an action for  
39 civil damages. It is an act of unethical conduct for any permittee to  
40 fail to report as required by this subsection.

41           E. The board or, if delegated by the board, the executive director  
42 shall require any combination of mental, physical, psychological,  
43 psychiatric or medical competency examinations and conduct necessary  
44 investigations, including investigational interviews between  
45 representatives of the board and the permittee or permittee's employee, to

1 fully inform itself about any information filed with the board under  
2 subsection D of this section. These examinations may also include  
3 biological fluid testing. The board may require the permittee or  
4 permittee's employee, at that person's expense, to undergo assessment by a  
5 board-approved substance abuse treatment and rehabilitation program.

6 F. If after completing its investigation the board finds that the  
7 information provided pursuant to subsection D of this section is not of  
8 sufficient seriousness to merit disciplinary action against the permit,  
9 the board may take any of the following actions:

10 1. Dismiss if the complaint is without merit.

11 2. File an advisory letter. The permittee may file a written  
12 response with the board within thirty days after receiving the advisory  
13 letter.

14 3. Require the permittee to complete board-designated pharmacy law  
15 continuing education courses.

16 G. The board shall not disclose the name of the person who provides  
17 information regarding a permittee's or permittee's employee's drug or  
18 alcohol impairment or the name of the person who files a complaint if that  
19 person requests anonymity.

20 H. If after completing its investigation the board believes that  
21 the information is or may be true, it may request a conference with the  
22 permittee or permittee's employee. If the permittee or permittee's  
23 employee refuses the invitation for a conference and the investigation  
24 indicates that grounds may exist for revocation or suspension of a permit,  
25 probation, issuance of a decree of censure or a letter of reprimand or  
26 imposition of a civil penalty, the board shall issue a formal notice that  
27 a hearing be held pursuant to title 41, chapter 6, article 10.

28 I. If through information provided pursuant to subsection D of this  
29 section or by other means the board finds that the protection of the  
30 public health, welfare and safety requires emergency action against the  
31 permit, the board may restrict a permit or order a summary suspension of a  
32 permit pending proceedings for revocation or other action. If the board  
33 acts pursuant to this subsection, the board shall also serve the permittee  
34 with a written notice of complaint and formal hearing that sets forth the  
35 charges and the permittee's right to a formal hearing on the charges  
36 before the board or an administrative law judge within sixty days pursuant  
37 to title 41, chapter 6, article 10.

38 J. If after completing the conference the board finds the  
39 information provided pursuant to subsection D of this section is not of  
40 sufficient seriousness to merit revocation or suspension of a permit,  
41 probation, issuance of a decree of censure or a letter of reprimand or  
42 imposition of a civil penalty, it may take the following actions:

43 1. Dismiss if the information is without merit.

1           2. File an advisory letter. The permittee may file a written  
2 response with the board within thirty days after receiving the advisory  
3 letter.

4           3. Require the permittee to complete board-designated pharmacy law  
5 continuing education courses.

6           K. If during a conference the board finds that the information  
7 provided pursuant to subsection D of this section indicates that grounds  
8 may exist for revocation or suspension of a permit, probation, issuance of  
9 a decree of censure or a letter of reprimand or imposition of a civil  
10 penalty, it may take the following actions:

11           1. Dismiss if the information is without merit.

12           2. File an advisory letter. The permittee may file a written  
13 response with the board within thirty days after the permittee receives  
14 the advisory letter.

15           3. Require the permittee to complete board-designated pharmacy law  
16 continuing education courses.

17           4. Enter into an agreement with the permittee to discipline the  
18 permittee, restrict the permittee's business activities or rehabilitate or  
19 assess the permittee in order to protect the public and ensure the  
20 permittee's ability to safely engage in employment duties. The agreement  
21 may include, at a minimum, the following disciplinary actions, business  
22 activity restrictions and rehabilitative or assessment programs:

23           (a) Issuance of a letter of reprimand.

24           (b) Issuance of a decree of censure.

25           (c) Business activity restrictions, including limitations on the  
26 number, type, classification or schedule of drug, device, poison,  
27 hazardous substance, controlled substance or precursor chemical that may  
28 be manufactured, sold, distributed or dispensed.

29           (d) Successful completion of board-designated pharmacy law  
30 continuing education courses.

31           (e) Rehabilitative or assessment programs, including board-approved  
32 community service or successful completion of a board-approved substance  
33 abuse treatment and rehabilitation program at the permittee's own expense.

34           (f) A civil penalty of not more than \$1,000 for each violation of  
35 this chapter or a rule adopted under this chapter.

36           (g) A period and terms of probation best adapted to protect the  
37 public health and safety and rehabilitate or assess the permittee  
38 concerned. Probation may include temporary suspension and any or all of  
39 the disciplinary actions, business practice restrictions, rehabilitative  
40 or assessment programs listed in this section or any other program agreed  
41 to by the board and the permittee.

42           L. If the board finds that the information provided pursuant to  
43 subsection D of this section and additional information provided during  
44 the conference indicate that grounds may exist for revocation or  
45 suspension of a permit, probation, issuance of a decree of censure or a

1 letter of reprimand or imposition of a civil penalty, it shall initiate  
2 formal proceedings pursuant to title 41, chapter 6, article 10.

3 M. If the permittee wishes to be present at the formal hearing in  
4 person or by representation, or both, the permittee must file with the  
5 board an answer to the charges in the notice of hearing. The answer must  
6 be in writing, be verified under oath and be filed within thirty days  
7 after service of the notice of hearing. Failure to answer the board's  
8 notice of hearing is deemed an admission of the charges in the notice of  
9 hearing, **AT WHICH TIME THE BOARD MAY ADOPT THE FINDINGS OF FACT,  
10 ALLEGATIONS AND CONCLUSIONS OF LAW AND TAKE DISCIPLINARY ACTION AUTHORIZED  
11 BY THIS CHAPTER.**

12 N. If the board, during any investigation, determines that a  
13 criminal violation might have occurred, it shall disclose its  
14 investigative evidence and information to the appropriate criminal justice  
15 agency for its consideration.

16 O. In determining the appropriate disciplinary action under this  
17 section, the board shall consider all previous nondisciplinary and  
18 disciplinary actions against a permittee.

19 P. The board may deny a permit to an applicant for the grounds  
20 prescribed in subsection A of this section.

21 Q. If the board approves a permit and the business fails to become  
22 operational within nine months after the date the permit is granted, the  
23 permit is no longer valid. The board may grant a onetime extension for  
24 the business to become operational.

25 Sec. 9. Section 32-1930, Arizona Revised Statutes, is amended to  
26 read:

27 32-1930. Types of permits; permit restrictions and  
28 requirements; discontinuance of pharmacy permit

29 A. On application, the board may issue the following classes or  
30 kinds of permits:

31 1. If approved by the board, a pharmacy, limited service pharmacy,  
32 automated prescription-dispensing kiosk, full service wholesale drug,  
33 third-party logistics provider, nonprescription drug wholesale and drug  
34 manufacturer's permit.

35 2. A drug packager or drug prepacker permit to an individual or  
36 establishment that is currently listed by the United States food and drug  
37 administration and has met the requirements of that agency to purchase,  
38 repackage, relabel or otherwise alter the manufacturer's original package  
39 of an approved drug product with the intent of reselling these items to  
40 persons or businesses authorized to possess or resell the repackaged,  
41 prepackaged or relabeled drug.

42 3. A durable medical equipment distributor and compressed medical  
43 gas distributor permit and a durable medical equipment supplier and  
44 compressed medical gas supplier permit.

1 B. The board shall deny or revoke a pharmacy permit if a medical  
2 practitioner receives compensation, either directly or indirectly, from a  
3 pharmacy as a result of the practitioner's prescription orders. This does  
4 not include compensation to a medical practitioner who is the owner of a  
5 building where space is leased to a pharmacy at the prevailing rate, not  
6 resulting in a rebate to the medical practitioner.

7 C. If a pharmacy permanently discontinues operation, the permittee  
8 shall immediately surrender the permit to the executive director. The  
9 permittee shall remove all drug signs and symbols, either within or  
10 without the premises, and shall remove or destroy all drugs, devices,  
11 poisons and hazardous substances.

12 D. An automated prescription-dispensing kiosk may not contain or  
13 dispense a controlled substance as defined in section 36-2501 and the  
14 controlled substances act (P.L. 91-513; 84 Stat. 1242; 21 United States  
15 Code section 802).

16 E. ALL PERMITS SHALL CONTAIN THE NAME OF THE BUSINESS THAT MATCHES  
17 THE NAME ON THE PERMITTEE'S FACILITY, INVOICES AND PHARMACY PERMIT.

18 F. THE PERMITTEE'S HOURS OF OPERATION SHALL BE ENTERED IN THE  
19 PERMITTEE'S ONLINE PROFILE AND UPDATED WITHIN FIFTEEN DAYS AFTER ANY  
20 CHANGE IN THE PERMITTEE'S HOURS OF OPERATION.

21 Sec. 10. Section 32-1965, Arizona Revised Statutes, is amended to  
22 read:

23 32-1965. Prohibited acts

24 COMMITTING OR CAUSING ANY OF the following acts ~~or the causing of~~  
25 ~~any thereof~~, in addition to any ~~others so~~ OTHER ACT specified in this  
26 chapter, ~~are~~ IS prohibited:

27 1. ~~The manufacture, sale~~ MANUFACTURING, SELLING, holding or  
28 offering for sale ~~of~~ any drug, device, poison, ~~or~~ hazardous substance  
29 that is adulterated or misbranded.

30 2. ~~The adulteration~~ ADULTERATING or misbranding ~~of~~ any drug, device,  
31 poison, ~~or~~ hazardous substance.

32 3. ~~The alteration, mutilation, destruction, obliteration,~~ ALTERING,  
33 MUTILATING, DESTROYING, OBLITERATING or ~~removal of~~ REMOVING the whole or  
34 any part of the labeling of, or ~~the~~ doing ~~of~~ any other act with respect  
35 to, a drug, device, poison, ~~or~~ hazardous substance, if such AN act is  
36 done while ~~such~~ THE article is held for sale and results in ~~such~~ THE  
37 article being adulterated or misbranded.

38 4. ~~The manufacture, sale~~ MANUFACTURING, SELLING, holding or  
39 offering for sale ~~of~~ a counterfeit drug or forging, counterfeiting,  
40 simulating, ~~or~~ falsely representing or without proper authority using any  
41 mark, stamp, tag, label, ~~or~~ other identification device authorized or  
42 required by rules adopted under ~~the provisions of~~ this chapter, ~~or~~ ~~of~~ the  
43 federal act.

1           5. ~~The~~ Using, on the labeling of any drug or device, or in any  
2 advertisement, relating to ~~such~~ A drug or device, ~~of~~ any representation  
3 or suggestion that ~~such~~ THE drug or device complies with ~~the provisions of~~  
4 this chapter.

5           6. In the case of a prescription-only drug or a controlled  
6 substance that requires a prescription order by state or federal law, the  
7 failure of the manufacturer, packer, or distributor to transmit, to any  
8 medical practitioner who makes a written request for information about  
9 such A drug, true and correct copies of all printed matter included in any  
10 package in which that drug is distributed or other printed matter approved  
11 under the federal act.

12           7. Engaging in the practice of pharmacy without first having a  
13 current license in good standing issued by the board.

14           8. Making or offering to make a forged, counterfeit, altered or  
15 photocopied prescription or drug order for the purpose of obtaining  
16 prescription-only DRUGS or controlled ~~substance drugs~~ SUBSTANCES.

17           9. WHOLESALING OR DISTRIBUTING A PRESCRIPTION DRUG OR DEVICE, A  
18 CONTROLLED SUBSTANCE, A NONPRESCRIPTION DRUG, MEDICAL GAS OR DURABLE  
19 MEDICAL EQUIPMENT WITHOUT A VALID BOARD-ISSUED PERMIT.

20           10. IN THE CASE OF A MANUFACTURER, MANUFACTURING, POSSESSING OR  
21 SHIPPING INTO THIS STATE A MANUFACTURED PRESCRIPTION DRUG OR DEVICE, A  
22 CONTROLLED SUBSTANCE, A NONPRESCRIPTION DRUG, A PRECURSOR CHEMICAL OR ANY  
23 OTHER REGULATED CHEMICAL WITHOUT A VALID BOARD-ISSUED PERMIT.

24           Sec. 11. Section 36-2602, Arizona Revised Statutes, is amended to  
25 read:

26           36-2602. Controlled substances prescription monitoring  
27 program; contracts; retention and maintenance of  
28 records

29           A. The board shall adopt rules to establish a controlled substances  
30 prescription monitoring program. The program shall:

- 31           1. Be operated, monitored and maintained by the board.
- 32           2. Be staffed by the board.

33           3. Include a computerized central database tracking system to track  
34 the prescribing, dispensing and consumption of schedule II, III, IV and V  
35 controlled substances that are dispensed by a medical practitioner or by a  
36 pharmacy that holds a valid license or permit issued pursuant to title 32.  
37 The database shall include data from the department of health services  
38 that identifies residents of this state who possess a registry  
39 identification card issued pursuant to chapter 28.1 of this title. The  
40 tracking system shall not interfere with the legal use of a controlled  
41 substance for managing severe or intractable pain.

42           4. Assist law enforcement to identify illegal activity related to  
43 prescribing, dispensing and consuming schedule II, III, IV and V  
44 controlled substances.

1           5. Provide information to patients, medical practitioners and  
2 pharmacists to help avoid the inappropriate use of schedule II, III, IV  
3 and V controlled substances.

4           6. Be designed to minimize inconvenience to patients, prescribing  
5 medical practitioners and pharmacies while effectuating the collection and  
6 storage of information.

7           B. The board may enter into private or public contracts, including  
8 intergovernmental agreements pursuant to title 11, chapter 7, article 3,  
9 to ensure the effective operation of the program. Each contractor must  
10 comply with the confidentiality requirements prescribed in this article  
11 and is subject to the criminal penalties prescribed in section 36-2610.

12           C. The board shall maintain the following records for the following  
13 periods of time:

14           1. A record of dispensing a controlled substance for seven years  
15 after the date the controlled substance was dispensed.

16           2. ~~Affidavits~~ SEARCH WARRANTS for the purpose of an open  
17 investigation by law enforcement for two years.

18           3. Court orders requesting medical record information in the  
19 program for two years.

20           4. A patient's request of the patient's own prescription history  
21 for two years.

22           5. A prescriber report for two years.

23           Sec. 12. Section 36-2603, Arizona Revised Statutes, is amended to  
24 read:

25           36-2603. Computerized central database tracking system task  
26 force; consultation on electronic prescribing;  
27 membership

28           A. The board shall appoint a task force to help it administer the  
29 computerized central database tracking system, to identify educational,  
30 outreach and support services to advance medical practitioners' adoption  
31 of electronic prescribing of schedule II controlled substances and  
32 pharmacy implementation of section 36-2525 and to consult with regarding  
33 recommendations for exceptions to the electronic prescribing requirements  
34 prescribed in section 36-2525. The chairperson of the board shall ~~chair~~  
35 **SERVE AS CHAIRPERSON OF** the task force. The task force shall **BE LIMITED**  
36 **TO NOT MORE THAN FIFTEEN MEMBERS AND** include the following members:

37           1. Pharmacists, medical practitioners and other licensed health  
38 care providers.

39           2. Representatives of professional societies and associations for  
40 pharmacists, medical practitioners and other licensed health care  
41 providers.

42           3. Representatives of professional licensing boards.

43           4. Representatives of the Arizona health care cost containment  
44 system administration.

1           5. Representatives of state and federal agencies that have an  
2 interest in controlling controlled substances.

3           6. Criminal prosecutors.

4           7. Representatives of a health information organization in this  
5 state.

6           B. The task force shall meet to establish the procedures and  
7 conditions relating to the release of prescription information pursuant to  
8 section 36-2604. The task force shall meet at least once each year and at  
9 the call of the chairperson.

10          C. Task force members serve at the pleasure of the board and are  
11 not eligible to receive compensation or reimbursement of expenses.

12          Sec. 13. Section 36-2606, Arizona Revised Statutes, is amended to  
13 read:

14           36-2606. Registration; access; requirements; mandatory use;  
15                           annual user satisfaction survey; report;  
16                           definitions

17          A. A medical practitioner regulatory board shall notify each  
18 medical practitioner who receives an initial or renewal license and who  
19 intends to apply for registration or has an active registration under the  
20 controlled substances act (21 United States Code sections 801 through 904)  
21 of the medical practitioner's responsibility to register with the Arizona  
22 state board of pharmacy and be granted access to the controlled substances  
23 prescription monitoring program's central database tracking system. The  
24 Arizona state board of pharmacy shall provide access to the central  
25 database tracking system to each medical practitioner who has a valid  
26 license pursuant to title 32 and who possesses an Arizona registration  
27 under the controlled substances act (21 United States Code sections 801  
28 through 904). The Arizona state board of pharmacy shall notify each  
29 pharmacist of the pharmacist's responsibility to register with the Arizona  
30 state board of pharmacy and be granted access to the controlled substances  
31 prescription monitoring program's central database tracking system. The  
32 Arizona state board of pharmacy shall provide access to the central  
33 database tracking system to each pharmacist who has a valid license  
34 pursuant to title 32, chapter 18 and who is employed by either:

35           1. A facility that has a valid United States drug enforcement  
36 administration registration number.

37           2. The administration, a contractor or a health care insurer and  
38 who has a national provider identifier number.

39          B. The registration is:

40           1. Valid in conjunction with a valid United States drug enforcement  
41 administration registration number and a valid license issued by a medical  
42 practitioner regulatory board established pursuant to title 32, chapter 7,  
43 11, 13, 14, 15, 16, 17, 25 or 29.



1           2. Valid in conjunction with a valid license issued by the Arizona  
2 state board of pharmacy for a pharmacist who is employed by either:

3           (a) A facility that has a valid United States drug enforcement  
4 administration registration number.

5           (b) The administration, a contractor or a health care insurer and  
6 who has a national provider identifier number.

7           3. Not transferable or assignable.

8           C. An applicant for registration pursuant to this section must  
9 apply as prescribed by the board.

10          D. Pursuant to a fee prescribed by the board by rule, the board may  
11 issue a replacement registration to a registrant who requests a  
12 replacement because the original was damaged or destroyed, because of a  
13 change of name or for any other good cause as prescribed by the board.

14          E. A person who is authorized to access the controlled substances  
15 prescription monitoring program's central database tracking system may do  
16 so using only that person's assigned identifier and may not use the  
17 assigned identifier of another person.

18          F. ~~Beginning the later of October 1, 2017 or sixty days after the~~  
19 ~~statewide health information exchange has integrated the controlled~~  
20 ~~substances prescription monitoring program data into the exchange,~~ A  
21 medical practitioner, before prescribing an opioid analgesic or  
22 benzodiazepine controlled substance listed in schedule II, III or IV for a  
23 patient, shall obtain a patient utilization report regarding the patient  
24 for the preceding twelve months from the controlled substances  
25 prescription monitoring program's central database tracking system at the  
26 beginning of each new course of treatment and at least quarterly while  
27 that prescription remains a part of the treatment. Each medical  
28 practitioner regulatory board shall notify the medical practitioners  
29 licensed by that board of the applicable date. ~~A medical practitioner may~~  
30 ~~be granted a one-year waiver from the requirement in this subsection due~~  
31 ~~to technological limitations that are not reasonably within the control of~~  
32 ~~the practitioner or other exceptional circumstances demonstrated by the~~  
33 ~~practitioner, pursuant to a process established by rule by the Arizona~~  
34 ~~state board of pharmacy.~~

35          G. Before a pharmacist dispenses or before a pharmacy technician or  
36 pharmacy intern of a remote dispensing site pharmacy dispenses a schedule  
37 II controlled substance, a dispenser shall obtain a patient utilization  
38 report regarding the patient for the preceding twelve months from the  
39 controlled substances prescription monitoring program's central database  
40 tracking system at the beginning of each new course of treatment.

41          H. The medical practitioner or dispenser is not required to obtain  
42 a patient utilization report from the central database tracking system  
43 pursuant to subsection F of this section if any of the following applies:

44           1. The patient is receiving hospice care or palliative care for a  
45 serious or chronic illness.

- 1           2. The patient is receiving care for cancer, a cancer-related  
2 illness or condition or dialysis treatment.
- 3           3. A medical practitioner will administer the controlled substance.
- 4           4. The patient is receiving the controlled substance during the  
5 course of inpatient or residential treatment in a hospital, nursing care  
6 facility, assisted living facility, correctional facility or mental health  
7 facility.
- 8           5. The medical practitioner is prescribing the controlled substance  
9 to the patient for not more than a five-day period for an invasive medical  
10 or dental procedure or a medical or dental procedure that results in acute  
11 pain to the patient.
- 12          6. The medical practitioner is prescribing the controlled substance  
13 to the patient for not more than a five-day period for a patient who has  
14 suffered an acute injury or a medical or dental disease process that is  
15 diagnosed in an emergency department setting and that results in acute  
16 pain to the patient. An acute injury or medical disease process does not  
17 include back pain.
- 18          I. On or before December 31, 2026, a vendor that provides  
19 electronic medical records services to a medical practitioner in this  
20 state shall integrate the vendor's electronic medical records system with  
21 the program's central database tracking system either directly or through  
22 the statewide health information exchange or a third-party vendor.
- 23          J. If a medical practitioner or dispenser uses electronic medical  
24 records that integrate data from the controlled substances prescription  
25 monitoring program, a review of the electronic medical records with the  
26 integrated data shall be deemed compliant with the review of the program's  
27 central database tracking system as required in subsection F of this  
28 section.
- 29          K. The board shall promote and enter into data sharing agreements  
30 to integrate and display patient utilization reports within electronic  
31 medical records.
- 32          L. By complying with this section, a medical practitioner or  
33 dispenser who acts in good faith, or the medical practitioner's or  
34 dispenser's employer, is not subject to liability or disciplinary action  
35 arising solely from either:
- 36           1. Requesting or receiving, or failing to request or receive,  
37 prescription monitoring data from the program's central database tracking  
38 system.
- 39           2. Acting or failing to act on the basis of the prescription  
40 monitoring data provided by the program's central database tracking  
41 system.
- 42          M. Notwithstanding any provision of this section to the contrary,  
43 medical practitioners or dispensers and their delegates are not in  
44 violation of this section during any time period in which the controlled  
45 substances prescription monitoring program's central database tracking

1 system is suspended or is not operational or available in a timely manner.  
2 If the program's central database tracking system is not accessible, the  
3 medical practitioner or dispenser or the medical practitioner's or  
4 dispenser's delegate shall document the date and time the practitioner,  
5 dispenser or delegate attempted to use the central database tracking  
6 system pursuant to a process established by board rule.

7 N. The board shall conduct an annual voluntary survey of program  
8 users to assess user satisfaction with the program's central database  
9 tracking system. The survey may be conducted electronically. On or  
10 before December 1 of each year, the board shall provide a report of the  
11 survey results to the president of the senate, the speaker of the house of  
12 representatives and the governor and shall provide a copy of this report  
13 to the secretary of state.

14 O. This section does not prohibit a medical practitioner regulatory  
15 board or the Arizona state board of pharmacy from obtaining and using  
16 information from the program's central database tracking system.

17 P. For the purposes of this section:

18 1. "Administration" has the same meaning prescribed in section  
19 36-2901.

20 2. "Contractor" has the same meaning prescribed in section 36-2901.

21 3. "Dispenser" means a pharmacist who is licensed pursuant to title  
22 32, chapter 18.

23 4. "Emergency department" means the unit within a hospital that is  
24 designed to provide emergency services.

25 5. "Health care insurer" has the same meaning prescribed in section  
26 20-3151.

27 Sec. 14. Section 36-2608, Arizona Revised Statutes, is amended to  
28 read:

29 36-2608. Reporting requirements; waiver; exceptions

30 A. If a medical practitioner OR PHARMACIST dispenses a controlled  
31 substance listed in section 36-2513, 36-2514, 36-2515 or 36-2516 or the  
32 rules adopted pursuant to chapter 27, article 2 of this title, ~~or if a~~  
33 ~~prescription for a controlled substance listed in any of those sections or~~  
34 ~~naloxone hydrochloride or any other opioid antagonist that is approved by~~  
35 ~~the United States food and drug administration is dispensed by a pharmacy~~  
36 ~~in this state, a health care facility in this state for outpatient use or~~  
37 ~~a board-permitted nonresident pharmacy for delivery~~ to a person residing  
38 in this state, the medical practitioner, ~~health care facility or pharmacy~~  
39 OR PHARMACIST must report the following information as applicable and as  
40 prescribed by the board by rule:

41 1. The name, address, telephone number, prescription number and  
42 United States drug enforcement administration controlled substance  
43 registration number of the dispenser.

44 2. The name, address and date of birth of the person for whom the  
45 prescription is written.

1           3. The name, address, telephone number and United States drug  
2 enforcement administration controlled substance registration number of the  
3 prescribing medical practitioner.

4           4. The name, strength, quantity, dosage and national drug code  
5 number of the ~~schedule II, III, IV or V controlled substance or naloxone~~  
6 ~~hydrochloride or other opioid antagonist~~ dispensed PRESCRIPTION.

7           5. The date the prescription was ~~dispensed~~ FILLED.

8           6. THE DATE THE PRESCRIPTION WAS SOLD TO THE ULTIMATE USER OR AGENT  
9 OF THE ULTIMATE USER.

10          ~~6.~~ 7. The number of refills, if any, authorized by the medical  
11 practitioner.

12          B. IF A PHARMACIST DISPENSES FOR OUTPATIENT USE NALOXONE  
13 HYDROCHLORIDE OR ANY OTHER OPIOID ANTAGONIST THAT IS APPROVED BY THE  
14 UNITED STATES FOOD AND DRUG ADMINISTRATION FOR A PATIENT IN THIS STATE  
15 PURSUANT TO SECTION 32-1979, THE PHARMACIST SHALL REPORT THE INFORMATION  
16 LISTED IN SUBSECTION A OF THIS SECTION.

17          ~~B.~~ C. Except as provided in subsection ~~D~~ E of this section, a  
18 dispenser must use the latest version of the standard implementation guide  
19 for prescription monitoring programs published by the American society for  
20 automation in pharmacy to report the required information.

21          ~~C.~~ D. The board shall allow the reporter to transmit the required  
22 information by electronic data transfer ~~if feasible or, if not feasible,~~  
23 ~~on reporting forms as prescribed by the board.~~ The reporter shall submit  
24 the required information ~~once each day~~ WITHIN ONE BUSINESS DAY AFTER THE  
25 DATE THE PRESCRIPTION WAS SOLD.

26          ~~D.~~ E. A dispenser who does not have an automated recordkeeping  
27 system capable of producing an electronic report in the established format  
28 may ~~request a waiver from electronic reporting by submitting a written~~  
29 ~~request to the board. The board shall grant the request if the dispenser~~  
30 ~~agrees in writing to report the data by submitting~~ SUBMIT a completed  
31 universal claim form as prescribed by the board by rule.

32          ~~E. The board by rule may prescribe the prescription form to be used~~  
33 ~~in prescribing a schedule II, III, IV or V controlled substance if the~~  
34 ~~board determines that this would facilitate the reporting requirements of~~  
35 ~~this section.~~

36          F. The reporting requirements of this section do not apply to the  
37 following:

38           1. A controlled substance that is administered directly to a  
39 patient.

40           2. A controlled substance that is dispensed by a medical  
41 practitioner at a health care facility licensed by this state if the  
42 quantity dispensed is limited to an amount adequate to treat the patient  
43 for a maximum of seventy-two hours with not more than two seventy-two-hour  
44 cycles within any fifteen-day period.

45           3. A controlled substance sample.

1           4. The wholesale distribution of a schedule II, III, IV or V  
2 controlled substance. For the purposes of this paragraph, "wholesale  
3 distribution" has the same meaning prescribed in section 32-1981.

4           5. A facility that is registered by the United States drug  
5 enforcement administration as a narcotic treatment program and that is  
6 subject to the recordkeeping provisions of 21 Code of Federal Regulations  
7 section 1304.24.

8           ~~G. A pharmacist who dispenses naloxone hydrochloride or another  
9 opioid antagonist to an individual pursuant to section 32-1979 shall  
10 report the information listed in subsection A, paragraphs 1, 2, 3 and 5 of  
11 this section and the name, strength, quantity, dosage and national drug  
12 code number as prescribed by the board by rule pursuant to subsection A of  
13 this section.~~

14           H. G. Naloxone hydrochloride or any other opioid antagonist shall  
15 not be viewable in the patient utilization report.