

NOTICES OF FINAL RULEMAKING

The Administrative Procedure Act requires the publication of the final rules of the state's agencies. Final rules are those which have appeared in the Register 1st as proposed rules and have been through the formal rulemaking process including approval by the Governor's Regulatory Review Council. The Secretary of State shall publish the notice along with the Preamble and the full text in the next available issue of the Arizona Administrative Register after the final rules have been submitted for filing and publication.

NOTICE OF FINAL RULEMAKING

TITLE 4. PROFESSIONS AND OCCUPATIONS

CHAPTER 23. BOARD OF PHARMACY

PREAMBLE

1. **Sections Affected**

| | |
|-----------|-------|
| R4-23-110 | Amend |
| R4-23-201 | Amend |
| R4-23-202 | Amend |
| R4-23-203 | Amend |
| R4-23-205 | Amend |
2. **The specific authority for the rulemaking, including both the authorizing statute (general) and the statutes the rules are implementing (specific):**

Authorizing Statutes: A.R.S. §§ 32-1904(A)(1), (A)(5), and (A)(7)
Implementing Statutes: A.R.S. §§ 32-1922, 32-1924, 32-1925, and 41-1072
3. **The effective date of the rules:**

January 12, 1998
4. **A list of all previous notices appearing in the Register addressing the final rule:**

Notice of Rulemaking Docket Opening: 1 A.A.R. 461, May 12, 1995; and 2 A.A.R. 4359, October 25, 1996
Notice of Proposed Rulemaking: 3 A.A.R. 2618, October 3, 1997
5. **The name and address of agency personnel with whom persons may communicate regarding the rule:**

Name: Dean Wright, Compliance Officer
Address: Board of Pharmacy
5060 North 19th Avenue, Suite 101
Phoenix, Arizona 85015
Telephone: (602) 255-5125, Ext. 131
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6. **An explanation of the rule, including the agency's reason for initiating the rule:**

This rule was necessitated by a change in the administrative procedures act in the 1995 legislative session. The legislature created A.R.S. § 41-1072 which requires the establishment of licensure time-frames.

The rule establishes license time-frames to comply with A.R.S. § 41-1072. The rule amends the definition of "AZPLEX" by adding the following sentence: "The Board shall use an examination written and administered by the Board staff or a Board-approved national pharmacy law examination written and administered in cooperation with NABP". The rule adds new definitions for the terms "day", "delinquent license", "NABP", "NAPLEX", "red C stamp", and "score transfer". The NABP (National Association of Boards of Pharmacy) has changed the name of the national pharmacist licensure examination from NABPLEX (National Association of Boards of Pharmacy Licensing Examination) to NAPLEX (North American Pharmacist Licensure Examination). This change should lead to reciprocal licensure agreements between licensing authorities in the United States and other North American countries. This will allow pharmacists to begin moving from 1 country to the other in the same way they move from 1 state to another today. The rule amends R4-23-201, R4-23-202, and R4-23-203 with extensive grammar, format, and style changes necessary under the current administrative procedures act and other necessary language changes to provide a clear, concise, and understandable document.

The rule amends R4-23-201(B) by clarifying the testing methods used for licensure. The new language allows the use of new technology as it becomes available. R4-23-201(D) is amended by deleting an unused requirement to pass a practical examination before reinstatement. The amended rule requires an appearance before the Board to furnish satisfactory proof of fitness to be licensed as a pharmacist.

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In addition to extensive grammar, format, and style changes, the rule adds new language to R4-23-202(A) that clarifies when a pharmacy degree program is accredited by the American Council on Pharmaceutical Education. The rule amends R4-23-202(B) to show the dual nature of the application process. Pharmacist licensure by examination requires passing 2 examinations, the AZPLEX and NAPLEX. New language is added to denote the individual application requirements for the 2 examinations. New subsection (B)(4) requires registration to take the NAPLEX which is administered for the Board by NABP. Through this agreement, NABP specifies the examination fee and this fee is paid directly to NABP by an applicant. The rule changes existing language and adds new language to subsection (C) establishing passing grade, notification, and re-examination requirements for both the AZPLEX and NAPLEX. The rule amends subsection (D) to clarify the score transfer process. Subsection (E) is amended with new language that requires the Board Office to mail a receipt for payment of the licensure fee to an applicant within 1 working day of receiving the payment. Subsection (F) is deleted as the grade certification process is now totally computerized and no longer requires the payment of a fee by an applicant. The rule adds a new subsection (F) that details the time-frames for licensure by examination, including administrative completeness and substantive review as required by A.R.S. § 41-1072.

In addition to extensive grammar, format, and style changes, the rule adds new language to R4-23-203(B) that specifies when an application for licensure by reciprocity is deemed received by the Board. Additional new language in subsection (B) requires an applicant to submit with the application form the documents specified in the application form. Existing language in R4-23-203(C)(2) requires the Board to "notify all applicants of the result of their examination". The rule amends subsection (C)(2) by adding new language that goes beyond just notification but instead requires the Board to "mail an applicant's AZPLEX results no later than 14 days from the date of the applicant's examination". New language is added to subsection (C)(3) to clarify the re-examination process by requiring that the applicant submit a written request to retake the AZPLEX. Subsection (D) is amended with new language that requires the Board Office to mail a receipt for payment of the licensure fee to an applicant within 1 working day of receiving the payment. The rule adds a new subsection (E) for time-frames for licensure by reciprocity.

The rule amends R4-23-205 by completely rewriting subsection (A), adding a new subsection (B), and renumbering subsections (B) through (E) to (C) through (F). To make the rule clear, concise, and understandable, subsection (A) is rewritten so that the licensure fees as specified in statute are clear and understandable by category. The rule amends renumbered subsection (C)(4) to reflect a statutory change by replacing the words "patent and proprietary medicine" with "nonprescription drug" and the number "15" with "30". Renumbered subsection (D)(2) is deleted as this fee is no longer required. Subsection (C)(3) is renumbered to (D)(2) and the word "board" is capitalized. Subsection (C)(4) is renumbered to (D)(3). Renumbered subsection (E) is amended to reflect the only exception for not refunding fees as specified in A.R.S. § 41-1077.

The rule addresses grammar, format, and style changes necessary under the current administrative procedures act and other necessary language changes to provide a clear, concise, and understandable document.

The Board believes that adoption of these rules will benefit the public by establishing clear time-frame standards for the license application and examination process.

7. **A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:**
Not applicable.
8. **The summary of the economic, small business, and consumer impact:**
This economic, small business and consumer impact statement for the license time-frame rule analyzes the costs, savings, and benefits that accrue to the Board of Pharmacy, Secretary of State, licensees, and the public.

With the adoption of the proposed rule, the impact on established Board of Pharmacy procedures, Board staff time, and other administrative costs is minimal. The benefits to the Board and its compliance and office staff are non-quantifiable. The estimated additional cost to the Secretary of State's office is minimal. This additional cost stems from Secretary of State's staff time publishing the rules.

The benefits provided by the proposed rule are non-quantifiable. The rule should benefit the agency's relations with the regulated public by preventing misunderstandings about the time necessary for licensure. The public will benefit from clear and concise standards for the license application and examination process.

The rule will have no financial impact unless the Board fails to meet the time-frame limits set by the rule. This failure would send the application fee back to the applicant resulting in a small cost savings for the regulated public. The Board would also pay a penalty for failure into the general fund resulting in a small increase in revenue for the State. The Board does not foresee noncompliance with the time-frames set in the rule. All parties benefit from a clear, concise, and understandable license application and examination process with definite time-frames. The use of definite time-frames prevents misunderstanding and promotes better communication between the Board and the regulated public.
9. **A description of the changes between the proposed rules, including supplemental notices, and final rules (if applicable):**
There are no changes between the proposed rules and the final rules.
10. **A summary of the principal comments and the agency response to them:**
The only comment received was a verbal comment in support of the proposed rule.
11. **Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:**
Not applicable.

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12. Incorporations by reference and their location in the rules:
None.
13. Was this rule previously adopted as an emergency rule?
No.
14. The full text of the rules follows:

TITLE 4. PROFESSIONS AND OCCUPATIONS

CHAPTER 23. BOARD OF PHARMACY

ARTICLE 1. ADMINISTRATION

Section

R4-23-110. Definitions

ARTICLE 2. PHARMACIST LICENSURE

R4-23-201. General

R4-23-202. Licensure by Examination

R4-23-203. Licensure by Reciprocity

R4-23-205. Fees

ARTICLE 1. ADMINISTRATION

R4-23-110. Definitions

"Active ingredient" means any component which is intended to furnish pharmacological activity or other direct effect in the diagnosis, cure, mitigation, treatment, or prevention of disease or to affect the structure or any function of the body of man or other animals. The term shall include those components which may undergo chemical change in the manufacture of the drug and be present in the finished drug products in a modified form intended to furnish the specified activity or effect.

"Authentication of product history" means identifying the purchasing source, the ultimate fate, and any intermediate handling of any component of a radiopharmaceutical or other drug.

"AZPLEX" means Arizona pharmacy law examination written and administered by the Board Staff or a Board-approved national pharmacy law examination written and administered in cooperation with NABP.

"Batch" means a specific quantity of drug that has uniform character and quality, within specified limits, and is produced according to a single manufacturing order during the same cycle of manufacture.

"Beyond use date" means a date determined by a pharmacist and placed on a prescription label at the time of dispensing intended to indicate a time beyond which the contents of the prescription are not recommended to be used.

"Biological safety cabinet" means a containment unit suitable for the preparation of low to moderate risk agents where there is a need for protection of the product, personnel and environment, consistent with National Sanitation Foundation (NSF) standards, published in the National Sanitation Foundation Standard 49, Class II (Laminar Flow) Biohazard Cabinetry, Revised June 1987 edition, incorporated herein by reference and on file with the Office of the Secretary of State.

"Class 100 environment" means an atmospheric environment in compliance with the Federal Standard 209 Clean Room and Work Station Requirements: Controlled Environment, publication FED-STD-209D, June 15, 1988, edition which includes January 28, 1991, changes, incorporated herein by reference and on file with the Office of the Secretary of State.

"Community pharmacy" means any place under the direct supervision of a pharmacist where the practice of pharmacy

occurs or where prescription orders are compounded and dispensed other than a hospital pharmacy or a limited service pharmacy.

"Component" means any ingredient intended for use in compounding or manufacturing drugs in dosage form, including an ingredient that may not appear in the finished product.

"Correctional facility" has the same meaning as set forth in A.R.S. §§ 13-2501 and 31-341.

"Current good compounding practices" means the minimum standards for methods used in, and facilities or controls used for, compounding a drug to ensure that the drug has the identity and strength and meets the quality and purity characteristics it purports or is represented to possess.

"Cytotoxic" means a pharmaceutical that has the capability of killing living cells.

"Day" means a calendar day unless otherwise specified.

"Delinquent license" means a pharmacist or intern license that is suspended for failure to renew and pay all required fees on or before the date the renewal is due.

"Drug sample" means a unit of a prescription drug that is not intended to be sold and is intended to promote the sale of the drug.

"Extreme emergency" means the occurrence of a fire, water leak, electrical failure, public disaster or other catastrophe constituting an imminent threat of physical harm to pharmacy personnel or patrons.

"First aid stations" means units within a business or industrial organization which are limited to, as the name implies, first aid treatment or injuries incurred in association with the business function.

"Inactive ingredient" means any component other than an "active ingredient" present in a drug.

"Industrial medical stations" means units where drugs are stored, established within businesses and industrial organizations.

"Internal test assessment" means, but is not limited to, performing quality assurance procedures necessary to ensure the integrity of the test.

"Limited-service correctional pharmacy" means a limited-service pharmacy, as defined in A.R.S. § 32-1901, that holds a current permit issued by the Board pursuant to A.R.S. § 32-1931, is located in a correctional facility, and engages in the compounding, production, dispensing, and distribution of drugs.

"Limited-service mail-order pharmacy" means a limited-service pharmacy, as define in A.R.S. § 32-1931, that holds a current permit issued by the Board pursuant to A.R.S. § 32-1931, and dispenses a majority of its prescription medication or prescription-only devices by mailing or delivering the prescription medication or prescription-only device to an individual by the United States mail, a common or contract carrier, or a delivery service.

"Limited-service nuclear pharmacy" means a limited service pharmacy, as defined in A.R.S. § 32-1901, that holds a cur-

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rent permit issued by the Board under A.R.S. § 32-1931, and provides radiopharmaceutical services.

"Limited-service pharmacy permittee" means a person who has applied for and obtained a limited-service pharmacy permit in compliance with A.R.S. §§ 32-1929, 32-1930, 32-1931, and A.A.C. R4-23-606.

"Long-term care consultant pharmacist" means a pharmacist providing consulting services to a long term care facility.

"Lot" means a batch or any portion of a batch of a drug or in the case of a drug produced by a continuous process, an amount of drug produced in a unit of time or quantity in a manner that assures it uniformity, and in either case which is identified by a distinctive lot number and has uniform character and quality with specified limits.

"Lot number" or "control number" means any distinctive combination of letters or numbers, or both, from which the complete history of the compounding or manufacturing, control, packaging, and distribution of a batch or lot of a drug can be determined.

"Materials approval unit" means any organizational element having the authority and responsibility to approve or reject components, in-process materials, packaging components and final products.

"Mediated instruction" means learning transmitted via intermediate mechanisms such as audio and/or visual tape telephone transmission, etc.

"NABP" means National Association of Boards of Pharmacy.

"NABPLEX" means National Association of Boards of Pharmacy Licensure Examination.

"NAPLEX" means North American Pharmacist Licensure Examination.

"Occupational Medicine" or "Industrial Medicine" means the field of medicine dealing with the medical problems associated with persons employed in any occupation.

"Outpatient" or "Outpatient setting" means a person that receives medical treatment as result of not being a residential patient in a health care institution, or a location where medical treatment is provided to patients not required to be overnight residents of the facility.

"Patient profile" means a readily retrievable, centrally located information record which contains, but is not limited to: patient demographics, allergies, and medication profile.

"Pharmaceutical care" means the provision of drug therapy and other pharmaceutical patient care services intended to achieve outcomes, related to the cure or prevention of a disease, elimination or reduction of a patient's symptoms, or arresting or slowing of a disease process, by identifying potential and actual drug-related problems, resolving actual drug-related problems, and preventing potential drug-related problems.

"Pharmacy law continuing education" means a continuing education activity that addresses practice issues related to state or federal pharmacy statutes, rules or regulations, offered by an Approved Provider.

"Prepackaged drug" means a drug which is packaged, ordinarily in frequently prescribed quantities, labeled, in compliance with A.R.S. §§ 32-1967 and 32-1968, for storage and subsequent dispensing by a pharmacist, or pharmacy intern under the supervision of a pharmacist, who at that time verifies that it is properly labeled for the patient.

"Provider pharmacist" means the pharmacist who supplies medication to a long term care facility and maintains medication profiles.

"Radiopharmaceutical" means any drug that emits ionizing radiation and includes:

Any nonradioactive reagent kit, nuclide generator, or ancillary drug intended to be used in the preparation of any radiopharmaceutical but does not include drugs such as carbon-containing compounds or potassium-containing salts, that contain trace quantities of naturally occurring radionuclides; and

Any biological product that is labeled with a radionuclide or intended to be labeled with a radionuclide.

"Radiopharmaceutical quality assurance" means the performance of appropriate chemical, biological, and physical tests on potential radiopharmaceuticals and the interpretation of the resulting data to determine the suitability of the potential radiopharmaceuticals for use in humans and animals. Radiopharmaceutical quality assurance includes internal test assessment, authentication of product history, and the keeping of proper records.

"Radiopharmaceutical services" means, the procuring, storing, handling, compounding, preparing, labeling, quality assurance testing, dispensing, distributing, transferring, recordkeeping, and disposing of radiochemicals, radiopharmaceuticals, and ancillary drugs, and includes quality assurance procedures, radiological health and safety procedures, consulting activities associated with the use of radiopharmaceuticals, and any other activities required for the provision of pharmaceutical care.

"Red C stamp" means a device used with red ink to make an invoice of a controlled substance in schedules III through V readily retrievable, as required by state and federal rules, by imprinting the invoice with a red letter C at least 1 inch high.

"Remodel" means to structurally alter the pharmacy area or location.

"Remote drug storage area" means an area that is outside the premises of the pharmacy, used for the storage of drugs, locked to deny access by unauthorized persons, and secured against the use of force.

"Resident" means a person admitted to and residing in a long term care facility.

"Score transfer" means the process that enables an applicant to take the NAPLEX in a jurisdiction and be eligible for licensure by examination in other jurisdictions.

"Sterile pharmaceutical product" means a dosage form free from living micro-organisms.

"Strength" means:

The concentration of the drug substance (for example, w/w, w/v, or unit dose/volume basis) and/or

The potency, that is, the therapeutic activity of the drug substance as indicated by bioavailability tests or by controlled clinical data (expressed, for example, in terms of unity by reference to a standard).

"Supervision" means the pharmacist shall be present, assume legal responsibility, and have personal oversight of activities relating to the acquisition, preparation, distribution, and sale of prescription medications by pharmacy interns or supportive personnel.

"Supplying" is the issuing of 1 or more doses of a proprietary drug in the original container of a manufacturer for subsequent use by the patient.

"Supportive Personnel" means an individual trained to perform activities related to the preparation and distribution of prescription medications, under the supervision of a pharmacist and consistent with policy and procedures as required in R4-23-403.

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“Wholesale distribution” means distribution of drugs to persons other than a consumer or patient, but does not include:

The sale, purchase, or trade of a drug or an offer to sell, purchase, or trade a drug for emergency medical reasons. For purposes of this section, “emergency medical reasons” includes transfer of prescription drugs by a community or hospital pharmacy to another community or hospital pharmacy to alleviate a temporary shortage;

The sale, purchase, or trade of a drug, an offer to sell, purchase, or trade a drug, or the dispensing of a drug pursuant to a prescription;

The distribution of drug samples by manufacturers’ representatives or distributors’ representatives; or

The sale, purchase, or trade of blood and blood components intended for transfusion.

“Wholesale distributor” means anyone engaged in wholesale distribution of drugs, including, but not limited to manufacturers; repackers; own-label distributors; private-label distributors; jobbers; brokers; warehouses, including manufacturers’ and distributors’ warehouses, chain drug warehouses, and wholesale drug warehouses; independent wholesale drug traders; and retail pharmacies that conduct wholesale distributions in the amount of at least 5% of gross sales.

ARTICLE 2. PHARMACIST LICENSURE

R4-23-201. General

- A. Licensure required: Before posing or practicing as a pharmacist in Arizona, a person shall possess a valid pharmacist license issued by the Board. No person may pose or practice as a pharmacist in Arizona until he shall have been licensed as such by the Board. There is no temporary licensure.
- B. Methods of licensure: Licensure as a pharmacist shall be either:
1. By practical examination, using paper and pencil written testing, computer adaptive testing, or other Board-approved testing methods; by written and practical examination or
 2. By reciprocity.
- C. Practicing pharmacist holding a delinquent license: Delinquent who has been practicing: Before an Arizona pharmacist license will be reinstated, a Any pharmacist, whose Arizona pharmacist license is has been delinquent for 5 five or more years and who is has been practicing pharmacy outside the Board’s jurisdiction with a pharmacist license issued by within another jurisdiction, shall; be required to
1. Pass pass the AZPLEX or other Board-approved a jurisprudence examination,
 2. Pay all delinquent in addition to payment of all back annual renewal fees, and
 3. Pay penalty fees before reinstatement.
- D. Non-practicing pharmacist holding a delinquent license: Delinquent who has not been practicing: Before an Arizona pharmacist license will be reinstated, a Any pharmacist, whose Arizona pharmacist license is has been delinquent for 5 a period of five or more years; and who did has not practice been practicing pharmacy within the last year, shall complete the requirements in subsection (C) and appear before the Board to furnish satisfactory proof of fitness to be licensed as a pharmacist, in addition to the requirements in subsection (C) above, be required to pass a practical examination before reinstatement.

R4-23-202. Licensure by Examination

- A. Eligibility: To be eligible for licensure The Board shall license as a pharmacist by examination, a any person shall who:
1. Have an Has graduated with the undergraduate or 1st professional degree in pharmacy from a school or college of pharmacy whose professional degree program, at the time the person graduates, is has been accredited by the American Council on Pharmaceutical Education, and;
 2. Complete Has completed not less than 1500 hours of intern training as specified in R4-23-303.
- B. Application:
1. An applicant for licensure by examination the written examinations shall file with the Board:
 - a. A completed an application form for the examinations at least 30 days before prior to the date of the AZPLEX examinations, and
 - b. A completed registration form for the NAPLEX at least 30 days before the applicant’s preferred NAPLEX testing window or an Official NABP Score Transfer Report through the Board Office on-line computer link with NABP indicating the applicant’s score on the NAPLEX taken in another jurisdiction.
 2. The Board Office shall deem an application form or registration form received on the date that the Board Office stamps on the form as the form is delivered to the Board Office and a score transfer received on the date that the NABP transmits the applicant’s Official NABP Score Transfer Report through the on-line computer link to the Board Office.
 3. An applicant shall make The application for licensure by examination shall be made on a form furnished by the Board and shall submit with the application form, accompanied by the documents specified in the application form, and the examination application fee specified in R4-23-205(C)(1)(a). The fee shall be paid to the Arizona State Board of Pharmacy by money order or; certified or personal check.
 3. The Board shall notify the applicant of the time and place of the examination.
 4. An applicant shall make the NAPLEX registration on a form furnished by the Board or NABP and shall submit with the registration form, the documents specified in the registration form, and the examination fee specified by NABP. The fee shall be made payable to NABP by money order, certified check, or bank draft.
 5. The Board shall deem a NAPLEX registration The application to take the National Association of Boards of Pharmacy Licensure Examination (NABPLEX) and or AZPLEX application for licensure by examination to be invalid after the Arizona Pharmacy Law Examination (AZPLEX) in Arizona shall be valid for 12 months from the date the Board Office determines an application or registration form is complete, received by the Board. An applicant whose application or registration form is invalid and who wishes to continue licensure procedures, shall submit a new application form or registration form and fee.
- C. Passing grade; notification; re-examination:
1. To pass the required examinations, an The applicant shall obtain a score of at least 75 on the NABPLEX NAPLEX and 75% on the AZPLEX.

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2. The NABP will forward an applicant's NAPLEX score to the Board 2 weeks after the applicant's examination date. The Board Office shall mail the NAPLEX score to an applicant no later than 7 days after the Board Office receives the applicant's score from NABP.
 - 3.2. The Board Office shall mail an applicant's AZPLEX score to the applicant no later than 14 days after the applicant takes the examination notify all applicants of the result of their examinations.
 - 4.3. If An the applicant who fails the NAPLEX NABPLEX examination, he or she may apply to take for a subsequent examination. An applicant applying to take a subsequent examination shall submit to the Board Office a completed NAPLEX registration form and shall again pay the examination fee specified by NABP in R4-23-205(A). The fee shall be made payable to NABP by money order, certified check, or bank draft. An applicant who fails the NAPLEX 3 times shall petition the Board for permission before retaking the examination.
 - 5.4. If An the applicant who fails the AZPLEX examination, may apply for reexamination within the 12-month-application period defined in subsection paragraph (B)(5).(4) of this section. An applicant Applicants applying for reexamination shall submit to the Board Office a written request to retake the AZPLEX including the examination date preferred by the applicant and pay the examination fee specified in R4-23-205(C)(1)(b) R4-23-205(A). The fee shall be paid to the Arizona State Board of Pharmacy by money order or certified or personal check. An applicant who fails the AZPLEX 3 times shall petition the Board for permission before retaking the examination. Applicants shall be allowed to take up to two reexaminations within the 12-month application period.
- D. NAPLEX score transfer: NABPLEX Score Transfer
1. An applicant Applicants who receives a passing score on the NAPLEX taken in another jurisdiction NABPLEX shall complete the licensure procedure within have 12 months from the date the Board receives the applicant's Official NABP Score Transfer Report official scores from the NABP by making application for licensure according to subsection (B)(3), National Association of Boards of Pharmacy office to complete licensure. After 12 months the expiration of the 12-month grace period, an applicant the applicants may apply for licensure in Arizona under the provisions of paragraph (B) of this section R4-23-202(B) or R4-23-203(B).
 2. An applicant Applicants who takes the NAPLEX in another jurisdiction and fails the NABPLEX examination may apply for licensure in Arizona under the provisions of paragraph R4-23-202(B) of this section.
- E. Licensure: The Board shall issue a certificate of licensure to a successful applicants upon receipt of the licensure certificate fee specified in R4-23-205(A)(1)(a). The Board Office shall mail a receipt for payment of the licensure fee to the applicant within 1 working day of receiving the payment.
- F. Certification of grades: The Board shall send a certification of the applicant's examination scores to another licensing board upon request and payment of the certification fee specified in R4-23-205.
- F. Time-frames for licensure by examination:
1. The Board Office shall finish an administrative completeness review within 20 days from the date of receipt of an application or registration form.
 2. The Board Office shall issue a written notice of administrative completeness to the applicant if no deficiencies are found in the application or registration form.
 3. If the application or registration form is incomplete, the Board Office shall provide the applicant with a written notice that includes a comprehensive list of the missing information. The 20-day time-frame for the Board Office to finish the administrative completeness review is suspended from the date the notice of incompleteness is served until the applicant provides the Board Office with all missing information.
 4. If the Board Office does not provide the applicant with notice regarding administrative completeness, the application or registration form shall be deemed complete 20 days after receipt by the Board Office.
2. An applicant with an incomplete application or registration form shall submit all of the missing information within 30 days of service of the notice of incompleteness.
- a. If an applicant cannot submit all missing information within 30 days of service of the notice of incompleteness, the applicant may obtain an extension by submitting a written request to the Board Office post marked or delivered no later than 30 days from service of the notice of incompleteness.
 - b. The written request for an extension shall document the reasons the applicant is unable to meet the 30-day deadline.
 - c. The Board Office shall review the request for an extension of the 30-day deadline and grant the request if the Board Office determines that an extension of the 30-day deadline will enable the applicant to assemble and submit the missing information. An extension of the 30-day deadline shall be for no more than 30 days. The Board Office shall notify the applicant in writing of its decision to grant or deny the request for an extension. An applicant who requires an additional extension shall submit an additional written request in accordance with this subsection.
3. If an applicant fails to submit a complete application or registration form within the time allowed, the Board Office shall close the applicant's file. An applicant, whose file is closed and who later wishes to obtain a license, shall apply again in accordance with subsection (B).
4. From the date on which the administrative completeness review of an application or registration form is finished, the Board Office shall complete a substantive review of the applicant's qualifications in no more than 20 days.
- a. If an applicant is found to be ineligible, the Board Office shall issue a written notice of denial to the applicant.
 - b. If an applicant is found to be eligible to take the NAPLEX, the Board Office shall issue a written notice of eligibility to the applicant and the NABP.
 - c. If an applicant is found to be eligible to take the AZPLEX, the Board Office shall issue a written notice of eligibility to the applicant.
 - d. If the Board Office finds deficiencies during the substantive review of an application or registration

- form, the Board Office shall issue a written request to the applicant for additional documentation.
- e. The 20-day time-frame for a substantive review of eligibility to take the NAPLEX or AZPLEX is suspended from the date of a written request for additional documentation until the date that all documentation is received. The applicant shall submit the additional documentation in accordance with subsection (F)(2)
 - f. If the applicant and the Board Office mutually agree in writing, the 20-day substantive review time-frame may be extended once for no more than 10 days.
5. For the purpose of A.R.S. § 41-1072 et seq., the Board establishes the following time-frames for licensure by examination.
- a. Administrative completeness review time-frame: 20 days;
 - b. Substantive review time-frame: 20 days; and
 - c. Overall time-frame: 40 days.

R4-23-203. Licensure by Reciprocity

- A. Eligibility: A person is eligible for licensure by reciprocity who:
- 1. Is licensed as a pharmacist in another jurisdiction that provides reciprocity to Arizona licensees; if such pharmacist
 - 2. Has passed the National Association of Boards of Pharmacy Licensure Examination (NABPLEX) or NAPLEX with a score of 75 or better or was licensed by examination in another jurisdiction having essentially the same standards for licensure as the state of Arizona at the time the pharmacist was licensed; of his or her licensure.
 - 3. Provides evidence to the Board of having completed the required secondary and professional education and training;
 - 4. Has engaged in the practice of pharmacy for a period of at least 1 one year or has met the internship requirements of the state of Arizona within the one-year period immediately before previous to the date of such application; and;
 - 5. Has actively practiced as a pharmacist for 400 or more hours within the last calendar year. If this requirement is has not been met, an the applicant may qualify for licensure by reciprocity by obtaining an Arizona intern license must register as an intern and completing complete 400 hours of internship in an approved internship training site, practice before admittance to the jurisprudence examination.
- B. Application:
- 1. A person who is eligible and wishes to be licensed An applicant for licensure by reciprocity shall file an application form at least 20 days before prior to the date of the written Arizona Pharmacy Law examination (AZPLEX).
 - 2. The Board Office shall deem an application for licensure by reciprocity received on the date that the Board Office stamps on the application form as the form is delivered to the Board Office.
 - 3. An applicant shall make The application for licensure by reciprocity shall be made on a form furnished by the Board and shall submit with the application form, the documents specified in the application form, and accompanied by the reciprocity application fee specified in R4-23-205(B). The fee shall be paid to the Arizona State Board of Pharmacy by money order or, certified,

or personal check and entitles the applicant to 1 sitting of the AZPLEX.

- 4. The Board shall deem an application Applications for reciprocal licensure by reciprocity shall be invalid after for 12 months from the date the Board Office determines an application form is complete, received by the Board. An applicant whose application form is invalid and who wishes to continue licensure procedures, shall submit a new application form and fee.
- C. Passing grade; notification; re-examination:
- 1. An The applicant shall obtain a score of at least 75% on the AZPLEX examination.
 - 2. The Board shall mail an applicant's AZPLEX score to the applicant no later than 14 days after the applicant takes the examination, notify all applicants of the result of their examination.
 - 3. If an the applicant fails the AZPLEX examination, the applicant may apply for reexamination within the 12-month-application period defined in subsection paragraph (B)(4),(?) of this section. An applicant Applicants applying for reexamination shall submit to the Board Office a written request to retake the AZPLEX including the examination date preferred by the applicant and pay the examination fee specified in R4-23-205(C)(1)(b)(A). The fee shall be paid to the Arizona State Board of Pharmacy by money order or certified or personal check. An applicant who fails the AZPLEX 3 times shall petition the Board for permission before retaking the examination. Applicants shall be allowed to take up to two re-examinations within the 12-month-application period.
- D. Licensure: The Board shall will issue a certificate of licensure to a successful applicants upon receipt of the licensure certificate fee specified in R4-23-205(A)(1)(a). The Board Office shall mail a receipt for payment of the licensure fee to an applicant within 1 working day of receiving the payment.
- E. Time-frames for licensure by reciprocity: The Board Office shall follow the time-frames established for licensure by examination in R4-23-202(F).

R4-23-205. Fees

- A. Licensure Application fees:
- 1. Pharmacist by-examination:
 - a. Initial licensure [Prorated according to A.R.S. § 32-1925(B)]; \$110. NABPLEX (National Association of Boards of Pharmacy Licensing Examination): \$200.
 - b. Licensure renewal: \$110. AZPLEX (Arizona Pharmacy Law Examination): \$50.
 - e. Score Transfer: \$100.00.
 - 2. Pharmacy or graduate intern: \$10. Pharmacist by-reciprocity: \$300.
 - 3. Pharmacist biennial renewal: \$110.
 - 4. Pharmacy intern: \$10. (Prorated from month of registration to June 30 of even years.)
- B. Reciprocity fee: \$300.
- C. Examination fees:
- 1. AZPLEX:
 - a. Initial: \$100.
 - b. Retake: \$50.
 - 2. NAPLEX: specified by and made payable to NABP according to R4-23-202(B)(4).
- D. Vendor permit fees:
- 1. No change.
 - 2. No change.
 - 3. No change.

4. Nonprescription drug Patent and proprietary medicine, retail:
a. Category I (30 ~~15~~ or fewer less items): \$100 biennially; and
b. Category II (more than 30 ~~15~~ items): \$200 biennially.

- E.G. Other Fees:
1. No change.

- ~~2.~~ Certification of examination grades: \$10.
~~2.3.~~ Duplicate of any Board-issued license, registration, certificate, or permit: \$10.
~~3.4.~~ Certification of electronic security system: \$25.
F.D. Fees are not refunded under any circumstances except for the Board's failure to comply with its established licensure or permit time-frames under A.R.S. § 41-1077.
G.E. No change.

NOTICE OF FINAL RULEMAKING

TITLE 4. PROFESSIONS AND OCCUPATIONS

CHAPTER 30. BOARD OF TECHNICAL REGISTRATION

PREAMBLE

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| <p>1. <u>Sections Affected</u> R4-30-106</p> <p>2. <u>The specific authority for the rulemaking, including both the authorizing statute and the statutes the rules are implementing:</u> Authorizing Statute: A.R.S. 32-106. Implementing Statute: A.R.S. 32-124</p> <p>3. <u>The effective date of the rule:</u> January 15, 1998</p> <p>4. <u>A list of all previous notices appearing in the Register addressing the final rule:</u> Notice of Rulemaking Docket Opening: 3 A.A.R. 1662, June 13, 1997 Notice of Proposed Rulemaking: 3 A.A.R. 2441, September 5, 1997</p> <p>5. <u>The name and address of agency personnel with whom persons may communicate regarding the rule:</u> Name: LaVern Douglas 1951 West Camelback Road, Suite 250 Phoenix, Arizona 85015 Telephone: (602) 255-4053 Fax: (602) 255-4051</p> <p>6. <u>An explanation of the rule, including the agency's reason for initiating the rule:</u> The rule change repeals the current rule setting fees charged by the Board for services rendered by, or on behalf, of the Board.</p> | <p><u>Rulemaking Action</u> Amend</p> |
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The Board is responsible for regulating 6 professions and 1 specialty certification.

Five of the groups regulated by the Board have a national council of state boards for that profession. The Board is authorized to be a member of these councils and is authorized to collect fees for examinations administered, and other services rendered, on behalf of the councils. Each of these national council acts independently when it comes to setting their fees for their services. Additionally, the Board has a contract with a national examination service for the administration of examinations. Fees charged by the examination service are independently set by the service per a contract with the Board. The Board has the responsibility for determining fees charged for local examinations and for other services provided directly by the Board.

Because the changes in charges by the national councils, the national test administration service, and the board occur at different times, it is difficult to adjust board fees in a single rule action. Each reactive package would more than likely be presented to GRRC as a stand alone rule change because of the timing and it is conceivable that the Board would have to write approximately 5 rules per year just to accommodate the need for fee changes. Because of the time it takes to develop and process a rule change, it is difficult for the Board to keep the rule regarding fees current and in line with the fees set by the outside vendors. If a fee is changed by an outside vendor and it takes 9 months to a year for a rule change to go into effect, the Board is put in a position of subsidizing that part of the fee in excess of the published rule or overcharging the customer (in the event of a decrease in the fee) until the disparity is corrected. This change will allow the Board to react quickly to changes in its operating environment.

The fees charged by the Board for services are statutorily capped and the legislation passed in the last legislative session requires the Board to publish all fees. The fees will be published in the back of the board's rule books, in the board's newsletters and in the application packages given to interested members of the public. It is also the Board's intention to post fees on the Board's web site when it is activated.

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7. A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:
Not applicable.
8. The summary of the economic, small business, and consumer impact:
There is no anticipated impact from this change.
9. A description of the changes between the proposed rule, including supplemental notices and final rule (if applicable):
A.R.S. 32-124 allows the Board to establish a schedule of fees for applications, examinations, and miscellaneous services only. The sections pertaining to renewals, payments, waiver of fees, and application fee refunds are being retained.
10. A summary of the principal comments and the agency response to them:
The Board received no public comments on the rule.
11. Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:
Not applicable.
12. Incorporations by reference and their location in the rules:
None.
13. Was this rule previously adopted as an emergency rule?
No.
14. The full text of the rules follows:

TITLE 4. PROFESSIONS AND OCCUPATIONS

CHAPTER 30. BOARD OF TECHNICAL REGISTRATION

ARTICLE 1. GENERAL PROVISIONS

Section

R4-30-106. Fees

ARTICLE 1. GENERAL PROVISIONS

R4-30-106. Fees

A. Application Fees

1. Architect, assayer, engineer, geologist, landscape architect and land surveyor applications: \$90
2. Architect-in-training, assayer-in-training, engineer-in-training, geologist-in-training, landscape architect-in-training and land surveyor-in-training applications: \$30

B. Examination Fees

1. Architect-in-training exam
 - a. Division D/F, structural technology - general and long span (national exam): \$85
 - b. Division E, structural technology - lateral forces (national exam): \$85
 - c. Division G, mechanical, plumbing, electrical and life safety systems (national exam): \$85
 - d. Division H, materials and methods (national exam): \$85
2. Professional architect exam
 - a. Division A, pre-design (national exam): \$85
 - b. Division B, written site design (national exam): \$85
 - c. Division B, graphic site design (national exam): \$110
 - d. Division C, building design (national exam): \$170
 - e. Division I, construction documents and services (national exam): \$85
3. Assayer-in-training exam - Fundamentals (Local exam): \$200
4. Professional assayer exam - Principles and practices (Local exam): \$200
5. Engineer-in-training exam - Fundamentals (National exam): \$75
6. Engineer-in-training handbook: \$5

7. Professional aeronautical, agricultural, civil, chemical, control systems, electrical, environmental, fire protection, industrial, mechanical, metallurgical, mining, nuclear, petroleum and sanitary engineer exams Principles and Practices (national exam): \$105
8. Professional geological engineer exam - principles and practices (local exam): \$200
9. Professional structural engineer exam
 - a. Principles and practice special supplement part I (national exam) \$105
 - b. Principles and practice special supplement part II (national exam): \$145
10. Geologist-in-training exam - Fundamentals (national exam): \$195
11. Professional geologist exam - Principles and practices (National exam): \$195
12. Landscape architect-in-training exam
 - a. Test 2, Programming and environmental analysis (National exam): \$77
 - b. Test 3, Conceptualization and communication (National exam): \$127
 - c. Test 4, Design synthesis (national exam): \$123
13. Professional landscape architect exam
 - a. Test 1, Legal and administrative aspects of practice (National exam): \$70
 - b. Test 5, Integration of technical and design requirements (National exam): \$138
 - c. Test 6, Grading and drainage (National exam): \$130
 - d. Test 7, Implementation of design through construction process (National exam): \$90
14. Land Surveyor-in-training exam - Fundamentals (National exam): \$85
15. Professional land surveyor exam
 - a. Principles and practices (National exam): \$105
 - b. Arizona surveying methods and legal principles (Local exam): \$125
16. Proctoring fees:

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- a. National Council of Architectural Registration Boards examination: \$75
 - b. Council of Landscape Architectural Registration Boards examination: \$50
 - c. Council of Landscape Architectural Registration Boards Examination Cost per test challenged: \$80
 - d. All other examinations: \$25
 - e. Returned check charge: \$20
- A. C. Renewal fees**
- 1. Triennial renewal fee: \$126 The triennial renewal fee is \$126.
- D. Miscellaneous fees**
- 1. Roster of registrants: \$12
 - 2. Technical Registration Code and Rules (beyond initial copy for registration purposes): \$4
 - 3. Computer printout fee per name (non-commercial use): \$10 with a minimum \$50.00 and maximum \$150.00 charge per computer run.
 - 4. Copy fee per page (non-commercial use): \$.20
 - 5. Replacement certificates: \$10
 - 6. Audio tapes copy fee (each): \$10
 - 7. Local review of examination results by applicant: \$25
 - 8. Regrading of examination (if authorized by the Board)
 - a. National Council of Examiners for Engineering and Surveying Examination Cost per item challenged: \$75
 - b. National Council of Architectural Registration Boards Examination per section: \$100
- B. E. Payment of fees shall be in United States dollars and may be in the form of cash, or check, or money order; however, if a check is returned for insufficient funds, repayment, including payment of the returned check charge, shall be made in cash, or by money order or certified check.**
- C. F. Fee Waiver.** Upon written request, the Board shall waive renewal fees for registrants who are retired from active practice and who have attained the age of 65 or more years during the immediately preceding registration period.
- G. Delinquency Penalty.** The penalty for late payment of renewal fees is \$21.00 per year or any fraction of a year.
- D. H. No application fee refunds will be allowed after the application has been assigned an application number and processing commences.**

NOTICE OF FINAL RULEMAKING

TITLE 19. ALCOHOL, HORSE AND DOG RACING, LOTTERY, AND GAMING

CHAPTER 2. ARIZONA RACING COMMISSION

PREAMBLE

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| <p>1. <u>Sections Affected</u> R19-2-104</p> <p>2. <u>The specific authority for the rulemaking, including both the authorizing statute (general) and the statutes the rules are implementing (specific):</u> Authorizing statute: §§ 5-104(A)(2) and 5-104(T) Implementing statute: §§ 5-104 and 5-107(B)</p> <p>3. <u>The effective date of the rules:</u> January 6, 1998</p> <p>4. <u>A list of all previous notices appearing in the Register addressing the final rule:</u> Notice of Rulemaking Docket Opening: 3 A.A.R. 2521, September 12, 1997 Notice of Proposed Rulemaking: 3 A.A.R. 2734, October 10, 1997</p> <p>5. <u>The name and address of agency personnel with whom persons may communicate regarding the rulemaking:</u> Name: Paul Ryneveld Address: Arizona Department of Racing 3877 North 7th Street, Suite 201 Phoenix, Arizona 85014 Telephone: (602) 277-1704 Fax: (602) 277-1165</p> <p>6. <u>An explanation of the rule, including the agency's reasons for initiating the rule:</u> The rule was requested by Turf Paradise Race Course due to the fact that the qualifications for a certified emergency paramedic are equal to or above that of a physician with regard to the administration of triage and 1st emergency paramedic care. The physicians, currently employed at the horse permittees, are retirees that are licensed to practice medicine but do not have an ongoing practice. To employ a physician who does have current practice would be extremely costly to the horse permittee because the physician is required to be available during what would be prime business hours. A certified emergency paramedic can be staffed on a rotating basis thus easing staffing and payroll problems.</p> | <p><u>Rulemaking Action</u> Amend</p> |
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7. A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:
Not applicable.
8. The summary of the economic, small business, and consumer impact:
There is no economic impact on small businesses or consumers.
9. A description of the changes between the proposed rules, including supplemental notices, and final rules (if applicable):
Several minor grammatical changes were made to the final text at the request of the Governor's Regulatory Review Council. The only major changes are to subsection (H)(2) where the reference to A.R.S. § 33-2205 has been added and subsection (H)(6)(d) where "and all other undesirables" was deleted.
10. A summary of the principal comments and the agency response to them:
None.
11. Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:
None.
12. Incorporations by reference and their location in the rules:
Not applicable.
13. Was this rule previously adopted as an emergency rule?
No.
14. The full text of the rules follows:

TITLE 19. ALCOHOL, HORSE AND DOG RACING, LOTTERY, AND GAMING

CHAPTER 2. ARIZONA RACING COMMISSION

ARTICLE 1. HORSE RACING

Section

R19-2-104. Permittee Responsibilities

ARTICLE 1. HORSE RACING

R19-2-104. Permittee Responsibilities

- A. A permittee shall maintain the grounds in a neat, clean, and safe condition. If a steward determines that a permittee is not in compliance with this section does not exist, the steward shall require that the permittee immediately bring the grounds into compliance.
- B. ~~The permittee shall~~ ~~It shall be the responsibility of the permittee to~~ prevent any person, corporation, firm, or association not licensed by the Department from ~~doing or~~ performing any act ~~or acts~~ at its track which requires a license under A.R.S. Title 5, Chapter 1, or this Article these rules.
- C. Each permittee department head shall ~~see~~ ~~be responsible for~~ seeing that the permittee department head's employees are licensed and shall furnish a list of the said employees upon request.
- D. A permittee shall take all steps necessary to deny the privileges of a license to anyone whose license has been revoked or suspended and to keep such a person off the grounds of the permittee and to prevent a person who has been ruled off from entering ~~upon~~ the grounds of the permittee.
- E. ~~A~~ ~~No~~ permittee or ~~any~~ of its employees shall ~~not~~ obstruct in any way a representative of the Department ~~performing~~ ~~acting~~ in the performance of the representative's duties.
- F. ~~A~~ ~~No~~ permittee shall ~~not~~ knowingly allow on its grounds any betting or other operations in contravention of any law of the state of Arizona or of the United States.
- G. The permittee shall ~~immediately~~ ~~forthwith~~ report all observed violations of any racing regulation or statute to the Department and shall cooperate with the Department and with state, federal, and local authorities in investigations of alleged violations thereof.
- H. A permittee shall provide the following services at the track:

1. A horse ambulance, approved by the Department, for the removal of crippled animals from the track.
2. A physician or emergency paramedic certified under A.R.S. § 36-2205 ~~to be~~ on duty during racing hours.
3. An ambulance, ~~to be~~ available during morning works and racing hours.
4. First aid quarters, ~~to be~~ available during morning works and racing hours.
5. A detention paddock (test barn) where all winners and other horses selected by the stewards are ~~shall be~~ taken and ~~shall be~~ kept under the supervision of the Department veterinarian until saliva, urine, blood, and other samples have been obtained.
6. An adequate security force whose duties shall include:
 - a. Maintaining order.
 - b. Excluding from the grounds all handbooks, touts, and operators of gambling devices.
 - c. Excluding from the grounds all persons ruled off by the stewards or the Department.
 - d. Excluding from the grounds all persons not eligible for a license, under ~~pursuant to~~ A.R.S. § 5-108, ~~and all other undesirables.~~
 - e. Immediately reporting ~~Reporting forthwith~~ to the stewards any licensee who, while on the premises of the permittee, creates a disturbance, is intoxicated, interferes with any racing operation, or acts in an abusive or threatening manner to any racing official or other person.
7. A security guard stationed at the stable area entrance whose duties shall include:
 - a. Denying entrance to all persons not holding a license or credentials issued by the Department or a Departmental pass issued by the permittee.
 - b. Allowing any person seeking employment within the stable area to have access to that area for a period of 1 day, provided that:
 - i. The ~~Such~~ person is given a numbered card.
 - ii. A list of recipients of the numbered cards is

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- provided to the track office of the Department upon request.
- iii. The numbered card is retrieved by the security guard when ~~the such~~ person leaves the stable area.
 - iv. The track office of the Department is notified of ~~the said~~ retrieval.
8. A furnished office, including utilities and necessary office equipment, for the exclusive use of Department employees and officials.
 9. A uniformed security official approved by the Department, ~~to be~~ on duty in the Department test barn during its regular business hours. ~~The official whose duty shall be to provide security and to monitor the collection procedure and sealing of samples taken from the horses.~~
 10. A copy of all tip sheets offered for sale in the parking area or elsewhere on the grounds of the permittee, ~~to be~~ furnished daily to the stewards not later than 3 hours before 1st post.
- I. ~~A person shall not sell~~ No tip sheets, pamphlets, or other printed matter purporting to predict the outcome of a race other than official programs, the Daily Racing Form, and newspapers shall ~~be sold~~ in the betting area.
- J. Wagering shall be conducted upon the grounds of a permittee only under the pari-mutuel method as provided by statute and this Article ~~these rules~~ and by the use of such mechanical or other equipment as the Department may require. Bookmaking or betting other than by the pari-mutuel method is prohibited.
- K. ~~A No~~ permittee shall not allow the official racing of horses on any track under its control except as provided by subsection (P) below unless:
1. The conditions of the race have been written by the racing secretary at the meeting.
 2. The entries have been made in accordance with the requirements set forth in R19-2-113.
 3. The race programmed as a part of a regular racing card conducted under the pari-mutuel system.
- L. On a daily basis, and as soon as the entries have been closed and compiled and the declarations have been made, the permittee ~~posts shall post~~ a list of the entries and declarations thereof in a conspicuous place.
- M. ~~A permittee shall print on a daily racing program~~ a list of all officials and director of the permittee and of track and racing officials, together with such pertinent rules as the Department may designate, ~~shall be printed on a daily racing program.~~
- N. ~~A permittee shall not~~ ~~No permittee shall~~ allow an official to act until ~~the such~~ official's appointment has been approved by the Department; provided ~~however,~~ that, in the case of sickness or inability to act, the provisions of R19-2-121(A)(5) ~~of these rules~~ apply.
- O. The permittee shall provide a photo finish and videotape device, approved by the Department, for the purpose of recording all races. ~~The Said~~ photographs and videotapes may be used to aid the stewards in determining the finishes of races. Permittees shall retain for ~~3~~ three months all official race photographs and videotapes. The Department may require that specific photographs and videotapes be retained for a longer period of time of be transmitted to the Department for subsequent administrative or judicial proceedings.
- P. Notwithstanding subsection (K) of this Section, wagering may be conducted, by permission of the Department, on electronically televised simulcasts provided:
1. The simulcasts originate from a racing facility outside the state of Arizona.
 2. The race is televised on the grounds of the permittee.
 3. The televised race is included with the posted races for that racing day.
 4. The televised race complies with the Interstate Horseracing Act of 1978 (15 U.S.C. 3001 et seq.).
 5. Monies wagered are computed in the total daily handle.
 6. ~~An A simulcast originating from a racing facility within the state of Arizona may be permitted provided the out-of-state facility, receiving a simulcast originating from a racing facility within the state of Arizona, the signal operates under the approval and regulation of an official agency of that state.~~
- Q. Any automatic timing device installed by the permittee shall must have the approval of the Department.
- R. Each commercial horse racing permittee shall furnish the Department with annual financial statements audited and certified by a firm approved by the auditor general.
1. ~~The firm shall conduct the~~ The audit ~~must be conducted~~ in accordance with audit standards prescribed by the auditor general.
 2. ~~The firm shall prepare the~~ The financial statements ~~must be prepared~~ in accordance with generally accepted accounting practices.
 3. ~~The firm shall use the~~ The following accounting practices ~~are preferable and shall be used:~~
 - a. Overpayments shall be treated as an asset to the extent that they are recoverable. Overpayments are reported as an asset titled "Purse Overpayments," immediately following current assets. If the permittee and the accountant determine that all or part of any overpayment is not recoverable, the dollar amount expensed and the basis of the determination shall be disclosed in the notes to the financial statements.
 - b. Underpayments shall be reflected as an account payable.
 - c. Wagering income shall be reported net of sales taxes.
 - d. Amounts which a permittee is seeking to recover through litigation shall may not be reported as assets.
 4. ~~The firm shall submit the~~ The following ~~shall be submitted as information with accompanying~~ the financial statements in a form prescribed by the Department:
 - a. An analysis of the composition of and changes in accounts payable which include underpayments and asset accounts which include overpayments,
 - b. A summary of current year purse expense and over- or underpayment,
 - c. The total amount of salaries and bonuses expense,
 - d. Legal and accounting expense attributable to racing-related matters,
 - e. An explanation of the types of revenues and expenses classified in accounts titled "other", and
 - f. Other ~~Such other~~ financial information ~~as shall be requested by the Commission or Department.~~
 5. Financial statements of permittees granted original permits prior to July 1, 1982, shall be on a fiscal year basis. Financial statements of permittees granted original permits after July 1, 1982, may be on a fiscal or calendar year basis at the discretion of the Director.
 6. The firm shall submit financial ~~Financial~~ statements ~~shall be submitted~~ within 120 calendar days of the end of the fiscal or calendar year.

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7. ~~The firm shall report overpayments~~ Overpayments and underpayments shall be reported to the Department in a

form prescribed by the Department within 10 working days after the end of each condition book period.