



STATE OF ARIZONA
OFFICE OF THE GOVERNOR

DOUGLAS A. DUCEY
GOVERNOR

EXECUTIVE OFFICE

May 25, 2019

The Honorable Katie Hobbs
Secretary of State
1700 W. Washington, 7th Floor
Phoenix, AZ 85007

Dear Secretary Hobbs:

I am transmitting to you the following bills from the Fifty-fourth Legislature, 1st Regular Session, which I signed on May 25th, 2019:

H.B. 2058 dental hygienists; scope of practice (Barto)
H.B. 2405 regulated water company; violations; enforcement (Shope)
H.B. 2492 state highway work zones; accidents (Bolding)
H.B. 2676 public officers; records; confidentiality (J. Allen)
S.B. 1103 pharmacy board; authority; modifications (Carter)

Sincerely,

Douglas A. Ducey
Governor
State of Arizona

cc: Senate Secretary
Chief Clerk of the House of Representatives
Arizona News Service

House Engrossed Senate Bill

FILED

KATIE HOBBS

SECRETARY OF STATE

State of Arizona
Senate
Fifty-fourth Legislature
First Regular Session
2019

CHAPTER 257
SENATE BILL 1103

AN ACT

AMENDING SECTION 32-1904, ARIZONA REVISED STATUTES; AMENDING TITLE 32, CHAPTER 18, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTION 32-1921.01; AMENDING SECTIONS 32-1940, 32-1961 AND 32-1968, ARIZONA REVISED STATUTES; REPEALING SECTION 32-1971, ARIZONA REVISED STATUTES; AMENDING SECTIONS 32-1977, 32-3248.02 AND 36-2525, 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 32-1904, Arizona Revised Statutes, is amended to
3 read:

4 32-1904. Powers and duties of board; immunity

5 A. The board shall:

6 1. Make bylaws and adopt rules that are necessary ~~for the~~
7 ~~protection of~~ TO PROTECT the public and that pertain to the practice of
8 pharmacy, the manufacturing, wholesaling or supplying of drugs, devices,
9 poisons or hazardous substances, the use of pharmacy technicians and
10 support personnel and the lawful performance of its duties.

11 2. Fix standards and requirements ~~for the registration~~ TO REGISTER
12 and ~~reregistration of~~ REREGISTER pharmacies, except as otherwise
13 specified.

14 3. Investigate compliance as to the quality, label and labeling of
15 all drugs, devices, poisons or hazardous substances and take action
16 necessary to prevent the sale of these if they do not conform to the
17 standards prescribed in this chapter, the official compendium or the
18 federal act.

19 4. Enforce its rules. In so doing, the board or its agents have
20 free access, ~~at all reasonable~~ DURING THE hours REPORTED WITH THE BOARD OR
21 THE POSTED HOURS AT THE FACILITY, to any pharmacy, manufacturer,
22 wholesaler, third-party logistics provider, nonprescription drug permittee
23 or other establishment in which drugs, devices, poisons or hazardous
24 substances are manufactured, processed, packed or held, or to enter any
25 vehicle being used to transport or hold such drugs, devices, poisons or
26 hazardous substances for the purpose of:

27 (a) Inspecting the establishment or vehicle to determine ~~if~~ WHETHER
28 any provisions of this chapter or the federal act are being violated.

29 (b) Securing samples or specimens of any drug, device, poison or
30 hazardous substance after paying or offering to pay for ~~such~~ THE sample.

31 (c) Detaining or embargoing a drug, device, poison or hazardous
32 substance in accordance with section 32-1994.

33 5. Examine and license as pharmacists and pharmacy interns all
34 qualified applicants as provided by this chapter.

35 6. Require each applicant for an initial license to apply for a
36 fingerprint clearance card pursuant to section 41-1758.03. If an
37 applicant is issued a valid fingerprint clearance card, the applicant
38 shall submit the valid fingerprint clearance card to the board with the
39 completed application. If an applicant applies for ~~a~~ a fingerprint
40 clearance card and is denied, the applicant may request that the board
41 consider the application for licensure notwithstanding the absence of a
42 valid fingerprint clearance card. The board, in its discretion, may
43 approve an application for licensure despite the denial of a valid
44 fingerprint clearance card if the board determines that the applicant's

- 1 criminal history information on which the denial was based does not alone
2 disqualify the applicant from licensure.
- 3 7. Issue duplicates of lost or destroyed permits on the payment of
4 a fee as prescribed by the board.
- 5 8. Adopt rules ~~for the rehabilitation of~~ TO REHABILITATE
6 pharmacists and pharmacy interns as provided by this chapter.
- 7 9. At least once every three months, notify pharmacies regulated
8 pursuant to this chapter of any modifications on prescription writing
9 privileges of podiatrists, dentists, doctors of medicine, registered nurse
10 practitioners, osteopathic physicians, veterinarians, physician
11 assistants, optometrists and homeopathic physicians of which it receives
12 notification from the STATE board of podiatry examiners, STATE board of
13 dental examiners, Arizona medical board, ARIZONA STATE board of nursing,
14 ARIZONA board of osteopathic examiners in medicine and surgery, ARIZONA
15 STATE veterinary medical examining board, Arizona regulatory board of
16 physician assistants, STATE board of optometry or board of homeopathic and
17 integrated medicine examiners.
- 18 10. CHARGE A PERMITTEE A FEE, AS DETERMINED BY THE BOARD, FOR AN
19 INSPECTION IF THE PERMITTEE REQUESTS THE INSPECTION.
- 20 11. ISSUE ONLY ONE ACTIVE OR OPEN LICENSE PER INDIVIDUAL.
- 21 12. ALLOW A LICENSEE TO REGRESS TO A LOWER LEVEL LICENSE ON WRITTEN
22 EXPLANATION AND REVIEW BY THE BOARD FOR DISCUSSION, DETERMINATION AND
23 POSSIBLE ACTION.
- 24 B. The board may:
- 25 1. Employ chemists, compliance officers, clerical help and other
26 employees subject to title 41, chapter 4, article 4 and provide laboratory
27 facilities for the proper conduct of its business.
- 28 2. Provide, by ~~education of~~ EDUCATING and ~~information to~~ INFORMING
29 the licensees and ~~to~~ the public, assistance in ~~the curtailment of~~
30 CURTAILING abuse in the use of drugs, devices, poisons and hazardous
31 substances.
- 32 3. Approve or reject the manner of storage and security of drugs,
33 devices, poisons and hazardous substances.
- 34 4. Accept monies and services to assist in ~~the enforcement of~~
35 ENFORCING this chapter from other than licensees:
- 36 (a) For performing inspections and other board functions.
- 37 (b) For the cost of copies of the pharmacy and controlled
38 substances laws, the annual report of the board and other information from
39 the board.
- 40 5. Adopt rules for professional conduct appropriate to the
41 establishment and maintenance of a high standard of integrity and dignity
42 in the profession of pharmacy.
- 43 6. Grant permission to deviate from a state requirement for
44 experimentation and technological advances.

- 1 7. Adopt rules for the training and practice of pharmacy interns,
2 pharmacy technicians and support personnel.
- 3 8. Investigate alleged violations of this chapter, conduct hearings
4 in respect to violations, subpoena witnesses and take such action as it
5 deems necessary to revoke or suspend a license or a permit, place a
6 licensee or permittee on probation or warn a licensee or permittee under
7 this chapter or to bring notice of violations to the county attorney of
8 the county in which a violation took place or to the attorney general.
- 9 9. By rule, approve colleges or schools of pharmacy.
- 10 10. By rule, approve programs of practical experience, clinical
11 programs, internship training programs, programs of remedial academic work
12 and preliminary equivalency examinations as provided by this chapter.
- 13 11. Assist in the continuing education of pharmacists and pharmacy
14 interns.
- 15 12. Issue inactive status licenses as provided by this chapter.
- 16 13. Accept monies and services from the federal government or
17 others for educational, research or other purposes pertaining to the
18 enforcement of this chapter.
- 19 14. By rule, except from the application of all or any part of this
20 chapter any material, compound, mixture or preparation containing any
21 stimulant or depressant substance included in section 13-3401, paragraph
22 6, subdivision (c) or (d) from the definition of dangerous drug if the
23 material, compound, mixture or preparation contains one or more active
24 medicinal ingredients not having a stimulant or depressant effect on the
25 central nervous system, provided that such admixtures are included in such
26 combinations, quantity, proportion or concentration as to vitiate the
27 potential for abuse of the substances that do have a stimulant or
28 depressant effect on the central nervous system.
- 29 15. Adopt rules for the revocation, suspension or reinstatement of
30 licenses or permits or the probation of licensees or permittees as
31 provided by this chapter.
- 32 16. Issue a certificate of free sale to any person that is licensed
33 by the board as a manufacturer for the purpose of manufacturing or
34 distributing food supplements or dietary supplements as defined in rule by
35 the board and that wants to sell food supplements or dietary supplements
36 domestically or internationally. The application shall contain all of the
37 following:
 - 38 (a) The applicant's name, address, e-mail address, telephone and
39 fax number.
 - 40 (b) The product's full, common or usual name.
 - 41 (c) A copy of the label for each product listed. If the product is
42 to be exported in bulk and a label is not available, the applicant shall
43 include a certificate of composition.
 - 44 (d) The country of export, if applicable.
 - 45 (e) The number of certificates of free sale requested.

1 17. Establish an inspection process ~~for the issuance of~~ TO ISSUE
2 certificates of free sale or good manufacturing practice certifications.
3 The board shall establish in rule:

4 (a) A fee ~~for the issuance of~~ TO ISSUE certificates of free sale.

5 (b) A fee ~~for the issuance of~~ TO ISSUE good manufacturing practice
6 certifications.

7 (c) An annual inspection fee.

8 18. DELEGATE TO THE EXECUTIVE DIRECTOR THE AUTHORITY TO:

9 (a) VOID A LICENSE OR PERMIT APPLICATION AND DEEM ALL FEES
10 FORFEITED BY THE APPLICANT IF THE APPLICANT PROVIDED INACCURATE
11 INFORMATION ON THE APPLICATION. EXCEPT FOR INACCURATE INFORMATION
12 PROVIDED REGARDING EDUCATION OR CRIMINAL HISTORY, THE APPLICANT SHALL HAVE
13 THE OPPORTUNITY TO CORRECT THE INACCURATE INFORMATION WITHIN THIRTY DAYS
14 AFTER THE INITIAL APPLICATION WAS VOIDED. IF THE APPLICANT PROVIDES
15 INACCURATE INFORMATION REGARDING EDUCATION OR CRIMINAL HISTORY AND THE
16 APPLICATION IS VOIDED, THE APPLICANT MAY SUBMIT A NEW APPLICATION WITH ALL
17 ASSOCIATED FEES.

18 (b) IF THE PRESIDENT OR VICE PRESIDENT OF THE BOARD CONCURS AFTER
19 REVIEWING THE CASE, ENTER INTO AN INTERIM CONSENT AGREEMENT WITH A
20 LICENSEE OR PERMITTEE IF THERE IS EVIDENCE THAT A RESTRICTION AGAINST THE
21 LICENSE OR PERMIT IS NEEDED TO MITIGATE DANGER TO THE PUBLIC HEALTH AND
22 SAFETY. THE BOARD SHALL SUBSEQUENTLY FORMALLY ADOPT THE INTERIM CONSENT
23 AGREEMENT WITH ANY MODIFICATIONS THE BOARD DEEMS NECESSARY FOR THE
24 AGREEMENT TO BE FULLY ENFORCEABLE.

25 (c) TAKE NO ACTION OR DISMISS A COMPLAINT THAT HAS INSUFFICIENT
26 EVIDENCE THAT A VIOLATION OF STATUTE OR RULE OCCURRED.

27 (d) REQUEST AN APPLICANT OR LICENSEE TO PROVIDE COURT DOCUMENTS AND
28 POLICE REPORTS IF THE APPLICANT OR LICENSEE HAS BEEN CHARGED WITH OR
29 CONVICTED OF A CRIMINAL OFFENSE. THE EXECUTIVE DIRECTOR MAY DO EITHER OF
30 THE FOLLOWING IF THE APPLICANT OR LICENSEE FAILS TO PROVIDE THE REQUESTED
31 DOCUMENTS TO THE BOARD WITHIN FOURTEEN BUSINESS DAYS AFTER THE REQUEST:

32 (i) CLOSE THE APPLICATION, DEEM THE APPLICATION FEE FORFEITED AND
33 NOT CONSIDER A NEW APPLICATION COMPLETE UNLESS THE REQUESTED DOCUMENTS ARE
34 SUBMITTED WITH THE APPLICATION.

35 (ii) SUSPEND THE LICENSEE AND OPEN A COMPLAINT FOR UNPROFESSIONAL
36 CONDUCT.

37 C. AT EACH REGULARLY SCHEDULED BOARD MEETING THE EXECUTIVE DIRECTOR
38 SHALL PROVIDE TO THE BOARD A LIST OF THE EXECUTIVE DIRECTOR'S ACTIONS
39 TAKEN PURSUANT TO SUBSECTION B, PARAGRAPH 18, SUBDIVISIONS (a), (c) AND
40 (d) OF THIS SECTION SINCE THE LAST BOARD MEETING.

41 ~~E.~~ D. The executive director and other personnel or agents of the
42 board are not subject to civil liability for any act done or proceeding
43 undertaken or performed in good faith and in furtherance of the purposes
44 of this chapter.

1 Sec. 2. Title 32, chapter 18, article 2, Arizona Revised Statutes,
2 is amended by adding section 32-1921.01, to read:

3 32-1921.01. Disclosures on applications; licensees;
4 applicability

5 A. A PHARMACIST, PHARMACY INTERN, PHARMACY TECHNICIAN AND PHARMACY
6 TECHNICIAN TRAINEE ARE NOT REQUIRED TO DISCLOSE THE FOLLOWING INFORMATION
7 WHEN FILING AN APPLICATION UNDER THIS CHAPTER:

8 1. A SINGLE MISDEMEANOR CHARGE THAT WAS DISMISSED, EXPUNGED OR SET
9 ASIDE MORE THAN FIVE YEARS BEFORE THE DATE OF APPLICATION.

10 2. A SINGLE MISDEMEANOR CONVICTION THAT OCCURRED MORE THAN TEN
11 YEARS BEFORE THE DATE OF APPLICATION.

12 3. A SINGLE FELONY CONVICTION THAT WAS REDUCED TO A MISDEMEANOR
13 CONVICTION OR THAT WAS DISMISSED, EXPUNGED OR SET ASIDE MORE THAN TEN
14 YEARS BEFORE THE DATE OF APPLICATION.

15 B. AN APPLICANT OR LICENSEE WHO HAS HAD MORE THAN ONE OF ANY CHARGE
16 OR CONVICTION SPECIFIED IN SUBSECTION A OF THIS SECTION SHALL DISCLOSE
17 THAT INFORMATION TO THE BOARD.

18 C. SUBSECTION A OF THIS SECTION APPLIES TO CURRENT LICENSEES.

19 Sec. 3. Section 32-1940, Arizona Revised Statutes, is amended to
20 read:

21 32-1940. Investigations; hearings; conferences; records;
22 confidentiality

23 A. Information received and records kept by the board in connection
24 with investigations conducted pursuant to this chapter ~~before a public~~
25 ~~hearing or conference~~ are confidential and are not open to the public or
26 subject to civil discovery.

27 B. Notwithstanding any other law or code of ethics regarding
28 practitioner confidences, the physician-patient privilege between a
29 medical practitioner and a patient, both as it relates to the competency
30 of the witness and to the exclusion of confidential communications, does
31 not pertain to any board investigations or other proceedings conducted
32 pursuant to this chapter to the extent necessary to determine if WHETHER a
33 violation of this chapter has occurred. Communications or records
34 disclosed pursuant to this subsection are confidential and may be used
35 only in a judicial or administrative proceeding or investigation resulting
36 from a report, investigation or hearing required or authorized under this
37 chapter.

38 C. The board, its employees and agents and any other person
39 receiving this information shall keep the identity of the patient
40 confidential at all times.

41 D. The board shall report evidence of a crime uncovered during an
42 investigation to the appropriate criminal justice agency.

43 E. This section does not prevent the board from disclosing
44 investigative materials concerning a licensee's alleged violation of this

1 chapter to the licensee, ~~or~~ the licensee's attorney, ANOTHER STATE OR
2 FEDERAL REGULATORY AGENCY OR A LAW ENFORCEMENT AGENCY.

3 Sec. 4. Section 32-1961, Arizona Revised Statutes, is amended to
4 read:

5 32-1961. Limit on dispensing, compounding and sale of drugs

6 A. Except as otherwise provided in this chapter, it is unlawful for
7 any person to compound, sell or dispense any drugs or to dispense or
8 compound the prescription orders of a medical practitioner, unless that
9 person is a pharmacist or a pharmacy intern acting under the direct
10 supervision of a pharmacist. This subsection does not prevent a pharmacy
11 technician or support personnel from assisting in the dispensing of drugs
12 if this is done pursuant to rules adopted by the board and under the
13 direct supervision of a licensed pharmacist or under remote supervision by
14 a pharmacist.

15 B. Except as otherwise provided in this chapter, it is unlawful for
16 any person, without placing a pharmacist in active personal charge at each
17 place of business, to:

- 18 1. Open, advertise or conduct a pharmacy.
- 19 2. Stock, expose or offer drugs for sale at retail, except as
20 otherwise specifically provided.
- 21 3. Use or exhibit the title "DRUG", "drugs", "drugstore", "~~drug~~
22 ~~shop~~", "pharmacy", "apothecary" OR "PRESCRIPTION" or any combination of
23 these words or titles or any title, symbol or description of like import
24 or any other term designed to take its place.

25 Sec. 5. Section 32-1968, Arizona Revised Statutes, is amended to
26 read:

27 32-1968. Dispensing prescription-only drug; prescription
28 orders; refills; labels; misbranding; dispensing
29 soft contact lenses; opioid antagonists

30 A. A prescription-only drug shall be dispensed only under one of
31 the following conditions:

- 32 1. By a medical practitioner in conformance with section 32-1921.
- 33 2. On a written prescription order bearing the prescribing medical
34 practitioner's manual signature.
- 35 3. On an electronically transmitted prescription order containing
36 the prescribing medical practitioner's electronic or digital signature
37 ~~that is reduced promptly to writing and filed by the pharmacist.~~
- 38 4. On a written prescription order generated from electronic media
39 containing the prescribing medical practitioner's electronic or manual
40 signature. A prescription order that contains only an electronic
41 signature must be applied to paper that uses security features that will
42 ensure the prescription order is not subject to any form of copying or
43 alteration.
- 44 5. On an oral prescription order that is reduced promptly to
45 writing and filed by the pharmacist.

1 6. By refilling any written, electronically transmitted or oral
2 prescription order if a refill is authorized by the prescriber either in
3 the original prescription order, by an electronically transmitted refill
4 order that is documented promptly and filed by the pharmacist or by an
5 oral refill order that is documented promptly and filed by the pharmacist.

6 7. On a prescription order that the prescribing medical
7 practitioner or the prescribing medical practitioner's agent transmits by
8 fax or e-mail.

9 8. On a prescription order that the patient transmits by fax or by
10 e-mail if the patient presents a written prescription order bearing the
11 prescribing medical practitioner's manual signature when the
12 prescription-only drug is picked up at the pharmacy.

13 B. A prescription order shall not be refilled if it is either:

14 1. Ordered by the prescriber not to be refilled.

15 2. More than one year since it was originally ordered.

16 C. A prescription order shall contain the date it was issued, the
17 name and address of the person for whom or owner of the animal for which
18 the drug is ordered, refills authorized, if any, the legibly printed name,
19 address and telephone number of the prescribing medical practitioner, the
20 name, strength, dosage form and quantity of the drug ordered and
21 directions for its use.

22 D. Any drug dispensed in accordance with subsection A of this
23 section is exempt from the requirements of section 32-1967, except section
24 32-1967, subsection A, paragraphs 1, 10 and 11 and the packaging
25 requirements of section 32-1967, subsection A, paragraphs 7 and 8, if the
26 drug container bears a label containing the name and address of the
27 dispenser, the serial number, the date of dispensing, the name of the
28 prescriber, the name of the patient, or, if an animal, the name of the
29 owner of the animal and the species of the animal, directions for use and
30 cautionary statements, if any, contained in the order. This exemption
31 does not apply to any drug dispensed in the course of the conduct of a
32 business of dispensing drugs pursuant to diagnosis by mail or the internet
33 or to a drug dispensed in violation of subsection A of this section.

34 E. The board by rule also may require additional information on the
35 label of prescription medication that the board believes to be necessary
36 for the best interest of the public's health and welfare.

37 F. A prescription-only drug or a controlled substance that requires
38 a prescription order is deemed to be misbranded if, at any time before
39 dispensing, its label fails to bear the statement "Rx only". A drug to
40 which subsection A of this section does not apply is deemed to be
41 misbranded if, at any time before dispensing, its label bears the caution
42 statement quoted in this subsection.

43 G. A pharmacist may fill a prescription order for soft contact
44 lenses only as provided in this chapter.

1 H. A pharmacist may dispense naloxone hydrochloride or any other
2 opioid antagonist that is approved by the United States food and drug
3 administration on the receipt of a standing order and according to
4 protocols adopted by the board pursuant to section 32-1979. For the
5 purposes of this subsection, "standing order" means a signed prescription
6 order that authorizes the pharmacist to dispense naloxone hydrochloride or
7 any other opioid antagonist for emergency purposes and that is issued by a
8 medical practitioner licensed in this state or a state or county health
9 officer who is a medical practitioner licensed in this state.

10 Sec. 6. Repeal

11 Section 32-1971, Arizona Revised Statutes, is repealed.

12 Sec. 7. Section 32-1977, Arizona Revised Statutes, is amended to
13 read:

14 32-1977. Sale of methamphetamine precursors by a pharmacy
15 permittee; electronic sales tracking system;
16 violation; classification; state preemption

17 A. A ~~retailer~~ PERMITTEE UNDER THIS CHAPTER shall not sell to the
18 same person, and a person shall not purchase, products containing more
19 than three and six-tenths grams per day or more than nine grams per
20 thirty-day period of ephedrine or pseudoephedrine base, or their salts,
21 isomers or salts of isomers. These limits apply to the total amount of
22 base ephedrine and pseudoephedrine contained in the products and not to
23 the overall weight of the products.

24 B. The ~~retailer~~ PERMITTEE must keep nonprescription products
25 containing pseudoephedrine or ephedrine behind the counter or in a locked
26 case where a customer does not have direct access.

27 C. The ~~retailer~~ PERMITTEE shall require a person purchasing a
28 nonprescription product that contains pseudoephedrine or ephedrine to
29 present valid ~~government issued~~ GOVERNMENT-ISSUED photo identification at
30 the point of sale. The ~~retailer~~ PERMITTEE shall record all of the
31 following:

- 32 1. The name and address of the purchaser.
- 33 2. The name and quantity of product purchased.
- 34 3. The date and time of purchase.
- 35 4. Purchaser identification type and number.

36 D. ~~Beginning January 1, 2013,~~ Before completing a sale pursuant to
37 this section, a ~~retailer~~ PERMITTEE must use an electronic sales tracking
38 system and electronically submit the required information to the national
39 precursor log exchange administered by the national association of drug
40 diversion investigators if the system is available to ~~retailers~~ PERMITTEES
41 without a charge for access. For the purposes of this subsection,
42 "available to ~~retailers~~ PERMITTEES without a charge for access":

43 1. Includes:

44 (a) Access to the web-based electronic sales tracking software,
45 including inputting and retrieving data free of charge.

- 1 (b) Training free of charge.
- 2 (c) Technical support to integrate to point of sale vendors without
- 3 a charge, if necessary.
- 4 2. Does not include:
- 5 (a) Costs relating to required internet access.
- 6 (b) Optional hardware that a pharmacy may choose to purchase for
- 7 workflow purposes.
- 8 (c) Other equipment.
- 9 E. If a ~~retailer~~ PERMITTEE that sells a nonprescription product
- 10 containing pseudoephedrine or ephedrine experiences mechanical or
- 11 electronic failure of the electronic sales tracking system and is unable
- 12 to comply with the electronic sales tracking requirements of this section,
- 13 the ~~retailer~~ PERMITTEE must maintain a written log or an alternative
- 14 electronic recordkeeping mechanism until the ~~retailer~~ PERMITTEE is able to
- 15 comply with the electronic sales tracking system requirements. A ~~retailer~~
- 16 PERMITTEE that does not have internet access to the electronic sales
- 17 tracking system is compliant with the requirements of this section if the
- 18 retailer maintains a written log or an alternative electronic
- 19 recordkeeping mechanism.
- 20 F. The national association of drug diversion investigators shall
- 21 forward state transaction records in the national precursor log exchange
- 22 to the board of pharmacy each week and provide real-time access to the
- 23 national precursor log exchange information through the national precursor
- 24 log exchange online portal to law enforcement in this state as authorized
- 25 by the board of pharmacy.
- 26 G. The system prescribed in this section must be capable of
- 27 generating a stop sale alert notification that ~~completion of~~ COMPLETING
- 28 the sale would result in the ~~retailer~~ PERMITTEE or purchaser violating the
- 29 quantity limits prescribed in this section. The ~~retailer~~ PERMITTEE may
- 30 not complete the sale if the system generates a stop sale alert. The
- 31 electronic sales tracking system prescribed in this section must contain
- 32 an override function that may be used by dispensers of ephedrine or
- 33 pseudoephedrine who have a reasonable fear of imminent bodily harm if they
- 34 do not complete a sale. The system must log each instance that a ~~retailer~~
- 35 PERMITTEE uses the override function.
- 36 H. A person who violates this section is guilty of a class 3
- 37 misdemeanor, punishable by fine only.
- 38 I. This section does not apply to a person who obtains the product
- 39 pursuant to a valid prescription order.
- 40 J. The reporting of sales of ephedrine or pseudoephedrine products
- 41 is of statewide concern. The regulation of sales pursuant to this section
- 42 is not subject to further regulation by a county, city, town or other
- 43 political subdivision of this state.

1 Sec. 8. Section 32-3248.02, Arizona Revised Statutes, is amended to
2 read:

3 32-3248.02. Health professionals; substance use or addiction
4 continuing education

5 A health professional who is authorized under this title to
6 prescribe schedule II controlled substances and who has a valid United
7 States drug enforcement administration registration number or who is
8 authorized under chapter 18 of this title to dispense controlled
9 substances shall complete a minimum of three hours of opioid-related,
10 substance use disorder-related or addiction-related continuing ~~medical~~
11 education each license renewal cycle. The three hours of continuing
12 medical education OR ACCREDITED CONTINUING EDUCATION THAT IS APPROVED BY
13 THE APPLICABLE HEALTH PROFESSION REGULATORY BOARD shall be included as
14 part of any continuing education requirements for that health
15 professional.

16 Sec. 9. Section 36-2525, Arizona Revised Statutes, is amended to
17 read:

18 36-2525. Prescription orders; labels; packaging; definition

19 A. In addition to the requirements of section 32-1968 pertaining to
20 prescription orders for prescription-only drugs, the prescription order
21 for a controlled substance shall bear the name, address and federal
22 registration number of the prescriber. A prescription order for a
23 schedule II controlled substance drug other than a hospital drug order for
24 a hospital inpatient shall contain only one drug order per prescription
25 blank. If authorized verbally by the prescriber, the pharmacist may make
26 changes to ~~correct errors or omissions made by the prescriber on the~~
27 ~~following parts of a written or electronic schedule II controlled~~
28 ~~substance prescription order, EXCEPT FOR ANY OF THE FOLLOWING:~~

- 29 ~~1. The date issued.~~
30 ~~2. The strength, dosage form or quantity of drug.~~
31 ~~3. The directions for its use.~~

- 32 1. THE PATIENT'S NAME.
33 2. THE PRESCRIBER'S NAME.
34 3. THE DRUG NAME.

35 B. The pharmacist must document on the original prescription order
36 the changes that were made pursuant to the verbal authorization and record
37 the time and date the authorization was granted.

38 C. A person who is registered to dispense controlled substances
39 under this chapter must keep and maintain prescription orders for
40 controlled substances as follows:

- 41 1. Prescription orders for controlled substances listed in
42 schedules I and II must be maintained in a separate prescription file for
43 controlled substances listed in schedules I and II only.

1 2. Prescription orders for controlled substances listed in
2 schedules III, IV and V must be maintained either in a separate
3 prescription file for controlled substances listed in schedules III, IV
4 and V only or in a form that allows them to be readily retrievable from
5 the other prescription records of the registrant. For the purposes of
6 this paragraph, "readily retrievable" means that, when the prescription is
7 initially filed, the face of the prescription is stamped in red ink in the
8 lower right corner with the letter "C" in a font that is not less than one
9 inch high and that the prescription is filed in the usual consecutively
10 numbered prescription file for noncontrolled substance prescriptions. The
11 requirement to stamp the hard copy prescription with a red "C" is waived
12 if a registrant employs an electronic data processing system or other
13 electronic recordkeeping system for prescriptions that permits
14 identification by prescription number and retrieval of original documents
15 by the prescriber's name, patient's name, drug dispensed and date filled.

16 D. Except in emergency situations in conformity with subsection E
17 of this section, under the conditions specified in subsections F and G of
18 this section or when dispensed directly by a medical practitioner to an
19 ultimate user, a controlled substance in schedule II shall not be
20 dispensed without either the written prescription order in ink or
21 indelible pencil or typewritten and manually signed by the medical
22 practitioner or an electronic prescription order as prescribed by federal
23 law or regulation. Beginning January 1, 2020, a schedule II controlled
24 substance that is an opioid may be dispensed only with an electronic
25 prescription order as prescribed by federal law or regulation. A
26 prescription order for a schedule II controlled substance shall not be
27 dispensed more than ninety days after the date on which the prescription
28 order was issued. Notwithstanding any other provision of this section, a
29 pharmacy may sell and dispense a schedule II controlled substance
30 prescribed by a medical practitioner who is located in another county in
31 this state or in another state if the prescription was issued to the
32 patient according to and in compliance with the applicable laws of the
33 state of the prescribing medical practitioner and federal law. A
34 prescription order for a schedule II controlled substance shall not be
35 refilled. A pharmacist is not in violation of this subsection and may
36 dispense a prescription order in the following circumstances:

37 1. During any time period in which an established electronic
38 prescribing system or a pharmacy management system is not operational or
39 available in a timely manner. If the electronic prescribing system or a
40 pharmacy management system is not operational or available, the pharmacist
41 may dispense a prescription order that is written for a schedule II
42 controlled substance that is an opioid. The pharmacist must maintain a
43 record, for a period of time prescribed by the board, of when the
44 electronic prescribing system or pharmacy management system is not
45 operational or available in a timely manner.

1 2. The prescription order for a schedule II controlled substance
2 that is an opioid is in writing and indicates that the medical
3 practitioner who issued the prescription order provided care for the
4 patient in a veterans administration facility, a health facility on a
5 military base, an Indian health services hospital or other Indian health
6 service facility, or a tribal-owned clinic.

7 E. In emergency situations, emergency quantities of schedule II
8 controlled substances may be dispensed on an oral prescription order of a
9 medical practitioner. Such an emergency prescription order shall be
10 immediately reduced to writing by the pharmacist and shall contain all the
11 information required for schedule II controlled substances except for the
12 manual signing of the order by the medical practitioner. Within seven
13 days after authorizing an emergency oral prescription order, the
14 prescribing medical practitioner shall cause a written prescription order
15 manually signed for the emergency quantity prescribed to be delivered to
16 the dispensing pharmacist or an electronic prescription order to be
17 transmitted to the dispensing pharmacist. In addition to conforming to
18 other requirements for prescription orders for schedule II controlled
19 substances, the prescription order shall indicate electronically or have
20 written on its face "authorization for emergency dispensing" and the date
21 of the oral order. If the prescribing medical practitioner fails to
22 deliver such an emergency prescription order within seven days in
23 conformance with board rules, the pharmacist shall notify the board.
24 Failure of the pharmacist to notify the board voids the authority
25 conferred by this subsection to dispense without a prescription order of a
26 medical practitioner that is electronic or that is written and manually
27 signed.

28 F. Notwithstanding subsections D and N of this section, a patient's
29 medical practitioner or the medical practitioner's agent may transmit to a
30 pharmacy by fax a prescription order written for a schedule II controlled
31 substance, including opioids, if the prescription order is any of the
32 following:

33 1. To be compounded for the direct administration to a patient by
34 parenteral, intravenous, intramuscular, subcutaneous or intraspinal
35 infusion.

36 2. For a resident of a long-term care facility.

37 3. For a patient who is enrolled in a hospice care program that is
38 certified or paid for by medicare under title XVIII or a hospice program
39 that is licensed by this state. The medical practitioner or the medical
40 practitioner's agent must note on the prescription that the patient is a
41 hospice patient.

42 G. A fax transmitted pursuant to subsection F of this section is
43 the original written prescription order for purposes of this section and
44 must be maintained as required by subsection C of this section.

1 H. Except when dispensed directly by a medical practitioner to an
2 ultimate user, a controlled substance included in schedule III or IV that
3 requires a prescription order as determined under state or federal laws
4 shall not be dispensed without a written or oral prescription order of a
5 medical practitioner or an electronic prescription order as prescribed by
6 federal law or regulation. The prescription order shall not be filled or
7 refilled more than six months after the date on which the prescription
8 order was issued. A prescription order authorized to be refilled shall
9 not be refilled more than five times. Additional quantities may only be
10 authorized by the prescribing medical practitioner through issuance of a
11 new prescription order that shall be treated by the pharmacist as a new
12 and separate prescription order.

13 I. Except when dispensed directly by a medical practitioner to an
14 ultimate user, a controlled substance that is included in schedule V and
15 that requires a prescription order as determined under state or federal
16 laws shall not be dispensed without a written or oral prescription order
17 of a medical practitioner. The prescription order may be refilled as
18 authorized by the prescribing medical practitioner but shall not be filled
19 or refilled more than one year after the date of issuance.

20 J. A controlled substance that is listed in schedule III, IV or V
21 and that does not require a prescription order as determined under state
22 or federal laws may be dispensed at retail by a pharmacist or a pharmacy
23 intern under the pharmacist's supervision without a prescription order to
24 a purchaser who is at least eighteen years of age if all of the following
25 are true:

26 1. It is for a legitimate medical purpose.

27 2. Not more than two hundred forty cubic centimeters (eight ounces)
28 of any such controlled substance containing opium, nor more than one
29 hundred twenty cubic centimeters (four ounces) of any other such
30 controlled substance, nor more than forty-eight dosage units of any such
31 controlled substance containing opium, nor more than twenty-four dosage
32 units of any other controlled substance may be dispensed at retail to the
33 same purchaser in any given forty-eight-hour period.

34 3. No more than one hundred dosage units of any single active
35 ingredient ephedrine preparation may be sold, offered for sale, bartered
36 or given away to any one person in any one thirty-day period.

37 4. The pharmacist or pharmacy intern requires every purchaser of a
38 controlled substance under this subsection who is not known to that person
39 to furnish suitable identification, including proof of age if appropriate.

40 5. A bound record book for dispensing controlled substances under
41 this subsection is maintained by the pharmacist and contains the name and
42 address of the purchaser, the name and quantity of the controlled
43 substance purchased, the date of each purchase and the name or initials of
44 the pharmacist or pharmacy intern who dispensed the substance to the

1 purchaser. The book shall be maintained in conformity with the
2 recordkeeping requirements of section 36-2523.

3 K. In the absence of a law requiring a prescription for a schedule
4 V controlled substance, the board, by rules, may require, or remove the
5 requirement of, a prescription order for a schedule V controlled
6 substance.

7 L. The label on a container of a controlled substance that is
8 directly dispensed by a medical practitioner or pharmacist and that is not
9 for the immediate administration to the ultimate user, such as a bed
10 patient in a hospital, shall bear the name and address of the dispensing
11 medical practitioner or pharmacist, the serial number, the date of
12 dispensing, the name of the prescriber, the name of the patient or, if an
13 animal, the name of the owner of the animal and the species of the animal,
14 the directions for use and cautionary statements, if any, contained in the
15 prescription order or required by law. If the controlled substance is
16 included in schedule II, III or IV, the label shall bear a transfer
17 warning to the effect: "Caution: federal law prohibits the transfer of
18 this drug to any person other than the patient for whom it was
19 prescribed". The container of a schedule II controlled substance that is
20 an opioid that is directly dispensed by a pharmacist and that is not for
21 the immediate administration to the ultimate user shall have a red cap and
22 a warning label prescribed by the board about potential addiction. The
23 board or the executive director, if delegated by the board, may waive the
24 red cap requirement if implementing the requirement is not feasible
25 because of the specific dosage form or packaging type.

26 M. Controlled substances in schedules II, III, IV and V may be
27 dispensed as electronically transmitted prescriptions if the prescribing
28 medical practitioner is all of the following:

- 29 1. Properly registered by the United States drug enforcement
30 administration.
31 2. Licensed in good standing in the United States jurisdiction in
32 which the medical practitioner practices.
33 3. Authorized to issue such prescriptions in the jurisdiction in
34 which the medical practitioner is licensed.

35 N. Notwithstanding any other provision of this section, beginning
36 January 1, 2020, each prescription order, except a prescription order
37 under subsection F of this section, that is issued by a medical
38 practitioner for a schedule II controlled substance that is an opioid
39 shall be transmitted electronically to the dispensing pharmacy. A medical
40 practitioner is not in violation of this subsection:

- 41 1. During any time in which an established electronic prescribing
42 system or a pharmacy management system is not operational or available in
43 a timely manner. If the electronic prescribing system or a pharmacy
44 management system is not operational or available, the medical
45 practitioner may write a prescription order for a schedule II controlled

1 substance that is an opioid. The medical practitioner shall indicate on
2 the written prescription order that the electronic prescribing system or
3 pharmacy management system is not operational or available. The medical
4 practitioner must maintain a record, for a period of time prescribed by
5 the board, of when the electronic prescribing system or pharmacy
6 management system is not operational or available in a timely manner.

7 2. If the medical practitioner writes a prescription order for a
8 schedule II controlled substance that is an opioid that will be dispensed
9 for the patient from a veterans administration facility, a health facility
10 on a military base, an Indian health services hospital or other Indian
11 health service facility, or a tribal-owned clinic.

12 O. The requirement in subsections D and N of this section for an
13 electronic prescription order does not apply to a prescription order for a
14 schedule II controlled substance that is an opioid that is issued for
15 medication-assisted treatment for a substance use disorder.

16 P. The board, by rule, may provide additional requirements for
17 prescribing and dispensing controlled substances.

18 Q. In consultation with the task force established pursuant to
19 section 36-2603, the board may prescribe by rule additional exceptions to
20 the electronic prescribing requirements specified in this section for both
21 pharmacists and medical practitioners.

22 R. Notwithstanding subsections D and N of this section, a medical
23 practitioner who is licensed pursuant to title 32, chapter 21 is not
24 required to comply with the electronic prescribing requirements of
25 subsections D and N of this section until the Arizona state veterinary
26 medical examining board determines that electronic prescribing software is
27 widely available for veterinarians and notifies the Arizona state board of
28 pharmacy of that determination.

29 S. For the purposes of this section, "medication-assisted
30 treatment" has the same meaning prescribed in section 32-3201.01.

APPROVED BY THE GOVERNOR MAY 25, 2019.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 25, 2019.

Passed the House May 7, 2019,

by the following vote: 56 Ayes,

0 Nays, 4 Not Voting

W.R. Boyce
Speaker of the House
Pro Tempore

Joni Drake
Chief Clerk of the House

Passed the Senate March 4, 2019,

by the following vote: 30 Ayes,

0 Nays, 0 Not Voting

Karen Farn
President of the Senate

Susan Owens
Secretary of the Senate

~~EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR~~

~~This Bill was received by the Governor this~~

~~_____ day of _____, 20____,~~

~~at _____ o'clock _____ M.~~

~~_____
Secretary to the Governor~~

~~Approved this _____ day of~~

~~_____, 20____,~~

~~at _____ o'clock _____ M.~~

~~_____
Governor of Arizona~~

~~EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE~~

~~This Bill was received by the Secretary of State~~

~~this _____ day of _____, 20____,~~

~~at _____ o'clock _____ M.~~

~~_____
Secretary of State~~

S.B. 1103

SENATE CONCURS IN HOUSE
AMENDMENTS AND FINAL PASSAGE

Passed the Senate May 20, 20 19

by the following vote: 27 Ayes,

2 Nays, 1 Not Voting

Karen Jan
President of the Senate

Susan Owens
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill received by the Governor this

20th day of May, 20 19

at 2:23 o'clock P M.

[Signature]
Secretary to the Governor

Approved this 25th day of

May 2019

at 4:26 o'clock P M.

[Signature]
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this 25 day of May, 20 19

at 5:45 o'clock P. M.

[Signature]
Secretary of State

S.B. 1103