

CS FOR SENATE BILL NO. 37(L&C)

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTIETH LEGISLATURE - FIRST SESSION

BY THE SENATE LABOR AND COMMERCE COMMITTEE

Offered: 4/13/17

Referred: Finance

Sponsor(s): SENATOR GIESSEL BY REQUEST

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to the Board of Pharmacy; relating to the licensing and inspection of**
2 **certain facilities located outside the state; relating to drug supply chain security; and**
3 **creating a position of executive administrator for the Board of Pharmacy."**

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 *** Section 1.** AS 08.80.030(b) is amended to read:

6 (b) In order to fulfill its responsibilities, the board has the powers necessary
7 for implementation and enforcement of this chapter, including the power to

8 (1) elect a president and secretary from its membership and adopt rules
9 for the conduct of its business;

10 (2) license by examination or by license transfer the applicants who are
11 qualified to engage in the practice of pharmacy;

12 (3) assist the department in inspections and investigations for
13 violations of this chapter, or of any other state or federal statute relating to the practice
14 of pharmacy;

- 1 (4) adopt regulations to carry out the purposes of this chapter;
- 2 (5) establish and enforce compliance with professional standards and
3 rules of conduct for pharmacists engaged in the practice of pharmacy;
- 4 (6) determine standards for recognition and approval of degree
5 programs of schools and colleges of pharmacy whose graduates shall be eligible for
6 licensure in this state, including the specification and enforcement of requirements for
7 practical training, including internships;
- 8 (7) establish for pharmacists and pharmacies minimum specifications
9 for the physical facilities, technical equipment, personnel, and procedures for the
10 storage, compounding, and dispensing of drugs or related devices, and for the
11 monitoring of drug therapy;
- 12 (8) enforce the provisions of this chapter relating to the conduct or
13 competence of pharmacists practicing in the state, and the suspension, revocation, or
14 restriction of licenses to engage in the practice of pharmacy;
- 15 (9) license and regulate the training, qualifications, and employment of
16 pharmacy interns and pharmacy technicians;
- 17 (10) issue licenses to persons engaged in the manufacture and
18 distribution of drugs and related devices;
- 19 (11) establish and maintain a controlled substance prescription
20 database as provided in AS 17.30.200;
- 21 (12) establish standards for the independent administration by a
22 pharmacist of vaccines and related emergency medications under AS 08.80.168,
23 including the completion of an immunization training program approved by the board;
- 24 (13) establish standards for the independent dispensing by a
25 pharmacist of an opioid overdose drug under AS 17.20.085, including the completion
26 of an opioid overdose training program approved by the board;
- 27 **(14) license and inspect the facilities of wholesale drug distributors**
28 **and outsourcing facilities located outside the state under AS 08.80.159;**
- 29 **(15) establish the qualifications and duties of the executive**
30 **administrator and delegate authority to the executive administrator that is**
31 **necessary to conduct board business.**

1 * **Sec. 2.** AS 08.80.030 is amended by adding a new subsection to read:

2 (c) The minimum specifications for facilities, equipment, personnel, and
3 procedures for the compounding, storage, and dispensing of drugs established under
4 (b)(7) of this section must be consistent with the requirements of 21 U.S.C. 201 - 208
5 (Drug Supply Chain Security Act).

6 * **Sec. 3.** AS 08.80.157 is amended by adding a new subsection to read:

7 (k) This section applies to wholesale drug distributors and outsourcing
8 facilities located outside the state under AS 08.80.159.

9 * **Sec. 4.** AS 08.80 is amended by adding a new section to read:

10 **Sec. 08.80.159. Licensing and inspection of facilities outside of state.** (a)

11 Before shipping, mailing, or delivering prescription drugs to a licensee in the state or
12 advertising in the state, a wholesale drug distributor or outsourcing facility that is
13 located outside the state shall

14 (1) obtain a license under AS 08.80.157;

15 (2) appoint an agent on whom process can be served in the state; and

16 (3) authorize inspection of the facility by a designee of the board under
17 (b) of this section.

18 (b) In addition to the requirements of (a) of this section, an outsourcing facility
19 shall

20 (1) register as an outsourcing facility with the United States Food and
21 Drug Administration; and

22 (2) comply with the requirements of 21 U.S.C. 503B (Drug Quality
23 and Security Act of 2013).

24 (c) Upon application by a wholesale drug distributor or outsourcing facility for
25 a license under this section, the board may

26 (1) require an inspection of a facility located outside the state; and

27 (2) approve a designee to conduct the inspection.

28 (d) The board shall adopt regulations necessary to implement this section.

29 * **Sec. 5.** AS 08.80 is amended by adding a new section to article 2 to read:

30 **Sec. 08.80.270. Executive administrator of the board.** (a) The board shall

31 employ an executive administrator to carry out the duties established under (b) of this

1 section.

2 (b) The executive administrator shall perform duties associated with the
3 licensing and regulation of licensees under this chapter as prescribed by the board.

4 * **Sec. 6.** AS 08.80.480 is amended by adding a new paragraph to read:

5 (37) "outsourcing facility" means a facility at one geographic location
6 or address that is engaged in the compounding of sterile drugs for a facility at another
7 geographic location.