

SESSION OF 2014

**SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2561**

As Recommended by House Committee on  
Health and Human Services

**Brief\***

HB 2561 would amend the Kansas Pharmacy Act to allow the Board of Pharmacy (Board), through rules and regulations, to change the timing of expiration dates for pharmacist licenses, registrations for pharmacy technicians, and registrations and permits for other entities regulated by the Board, and to allow for the prorating of fees for license and registration periods less than those established; set maximum fees for renewal of certain registrations and for the issuance of duplicate permits and registrations; remove language providing for a single registration for a manufacturer or distributor of any drugs operating more than one facility in the state or for a parent entity with divisions, subsidiaries or affiliate companies within the state under specific circumstances; remove the registration and fee requirements for pharmacy students; establish registration requirements, disciplinary measures, and other requirements for pharmacist interns; and make technical amendments.

Specific changes would be made as described below.

**License, Registration, and Permit Expiration and  
Renewal**

The expiration dates for licenses, registrations, and permits set in statute as dates certain would be removed and replaced with Board authority to establish expiration dates by rules and regulations. Registrations for pharmacy technicians

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\*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

would change to a system of biennial renewals established by rules and regulations. Pharmacist licenses would continue to be renewed biennially and all other registrations and permits issued by the Board would continue to expire annually, but the expiration dates for both groups would be determined by rules and regulations.

The 30-day grace period for renewal of a pharmacist license, a pharmacy technician registration, and registrations and permits for other entities under the authority of the Board would be removed and payment of renewal fees would be required prior to the expiration of the license or registration. Prorating of fees for pharmacist licenses or pharmacy technician registration periods less than those established by the Board by rules and regulations would be allowed.

Application blanks presently sent for the renewal of registrations and permits for pharmacies, drug manufacturers, wholesale drug distributors, sales at public auctions, samples distributors, retail distributors, institutional drug rooms, and veterinary medical teaching hospital pharmacies would be replaced with a mailed renewal notice.

The pharmacy student registration and fee requirements would be eliminated.

### **Maximum Fees for Duplicate Permits and Certain Renewals**

Fees for duplicate registrations or permits would be limited to not more than \$1.25 for permits and \$10.00 for certificates of registrations. Renewal fees for samples distribution permits would be limited to not more than \$50.00. Renewal fees for durable medical equipment registrations would be limited to not more than \$300.00.

### **Elimination of Single Registration for Multiple Facilities**

The bill would eliminate the single registration option for a manufacturer or distributor of any drugs operating more than one facility in the state or for a parent entity with divisions, subsidiaries, or affiliate companies within the state when operations are conducted in more than one location and there is joint ownership and control among all the entities.

### **Pharmacy Interns**

The bill would provide for the registration, discipline, training, and oversight of pharmacy interns. The new section relating to pharmacy interns would be part of the Kansas Pharmacy Act.

### ***Fees and Expiration of Registrations***

The pharmacy intern registration fee would be fixed by rules and regulations of the Board in an amount not to exceed \$25.00, and the registration would expire six years from the date of issuance.

### ***Discipline***

The Board would be allowed to limit, suspend, or revoke a registration, or deny an application for issuance or renewal of any pharmacy intern on the same grounds the Board would have authority to take action against the license of a pharmacist. The Board also would be allowed to temporarily suspend or temporarily limit the registration of any pharmacist intern with an emergency adjudicative proceeding under the Kansas Administrative Procedure Act if grounds exist for disciplinary action and continuation of pharmacist intern functions would constitute an imminent danger to public health and safety.

### ***Change in Employer and Posting Requirements***

Pharmacy interns would be required to provide the Board with the name and address of a new employer within 30 days of obtaining new employment. Each pharmacy would be required to maintain a list of the names of pharmacy interns employed by the pharmacy. Pharmacy intern registrations would be required to be displayed in the part of the business where the intern is engaged in his or her activities.

### ***Training***

The bill would authorize the Board to adopt rules and regulations necessary to ensure pharmacy interns are adequately trained as to the nature and scope of their duties.

### ***Oversight by Supervising Pharmacist***

Pharmacy interns would be required to work under the direct supervision and control of a pharmacist, who would be responsible to determine that the pharmacy intern is in compliance with applicable rules and regulations of the Board and who would be responsible for the acts and omissions of the pharmacist intern in performing the intern's duties.

### **Background**

The bill was introduced by the House Committee on Health and Human Services at the request of the Board of Pharmacy. The Board representative testified before the House Committee that establishing expiration dates for all licenses, registrations, and permits through rules and regulations would be more efficient, provide a steady revenue stream by allowing for the collection of fees throughout the year rather than at the end of the fiscal year, and not burden the resources of the office. In support of removing statutory language permitting the issuance of a single registration to

multiple locations of a distributor or manufacturer if they were owned by the same entity, the representative noted the existing language does not follow regulatory schemes in the Kansas Pharmacy Act or the Controlled Substances Act and is not practical for record keeping, for disciplinary purposes, or for following the same practices as the federal Drug Enforcement Agency (DEA). Further, the representative noted such registrations have never been issued, and the DEA requires all registrants to have a separate DEA number.

There was no opponent or neutral testimony.

The House Committee recommended the bill be placed on the Consent Calendar.

The fiscal note prepared by the Division of the Budget on the bill states the Board estimates passage of the bill would increase expenditures from the Pharmacy Fee Fund by approximately \$700 in FY 2015. The costs would include those related to payments to the Office of Information and Technology Services for database and file structure modifications at \$70.00 per hour. The Board also indicates costs associated with modifying the state website for online renewals and fees would be negligible. Any fiscal effect associated with the bill is not reflected in *The FY 2015 Governor's Budget Report*.