

HOUSE COMMITTEE OF REFERENCE REPORT

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Chairman of Committee

March 17, 2016  
Date

Committee on Health, Insurance, & Environment.

After consideration on the merits, the Committee recommends the following:

HB16-1324 be amended as follows, and as so amended, be referred to the Committee on Finance with favorable recommendation:

- 1 Amend printed bill, page 2, line 2, after "**amend**" insert "(3) (b) and".
- 2 Page 2, strike line 5 and substitute "**devices - rules - definition.** (3) (b)
- 3 (I) EXCEPT AS PERMITTED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH (b),
- 4 a wholesaler may sell or deliver to a person responsible for the control of
- 5 an animal a drug intended for veterinary use for that animal only if a
- 6 licensed veterinarian has issued, ~~prior to such~~ BEFORE sale or delivery, a
- 7 written prescription order for the drug in the course of an existing, valid
- 8 veterinarian-client-patient relationship as defined in section 12-64-103
- 9 (15.5); except that, if the prescription order is for a drug that is not a
- 10 controlled substance or is a controlled substance listed on schedule III,
- 11 IV, or V, the licensed veterinarian may issue an oral prescription order for
- 12 that drug. If the licensed veterinarian issues an oral prescription order for
- 13 a controlled substance listed on schedule III, IV, or V, the licensed
- 14 veterinarian shall provide a written prescription to the wholesaler within
- 15 three business days after issuing the oral order.
- 16 (II) (A) WHETHER A COMPOUNDED DRUG IS A CONTROLLED
- 17 SUBSTANCE OR A NONCONTROLLED SUBSTANCE, A WHOLESALER MAY SELL
- 18 OR DELIVER THE COMPOUNDED DRUG TO A LICENSED VETERINARIAN
- 19 WITHOUT THE LICENSED VETERINARIAN HAVING A
- 20 VETERINARIAN-CLIENT-PATIENT RELATIONSHIP IN PLACE AT THE TIME OF
- 21 THE SALE OR DISTRIBUTION IF THE COMPOUNDED DRUG IS SOLD OR
- 22 DISTRIBUTED FOR OFFICE USE PURSUANT TO PARAGRAPH (b) OF
- 23 SUBSECTION (6) OF THIS SECTION OR FOR OFFICE STOCK PURSUANT TO

1 SECTION 12-42.5-118.5.

2 (B) A LICENSED VETERINARIAN SHALL NOT ADMINISTER OR  
3 DISPENSE A COMPOUNDED DRUG PURSUANT TO THIS SUBPARAGRAPH (II)  
4 WITHOUT A VALID VETERINARIAN-CLIENT-PATIENT RELATIONSHIP IN PLACE  
5 AT THE TIME OF ADMINISTERING THE COMPOUNDED DRUG TO AN ANIMAL  
6 PATIENT OR DISPENSING THE COMPOUNDED DRUG TO A CLIENT.

7 (6) (b) (I) The board shall promulgate rules".

8 Page 2, line 20, strike "DISPENSED." and substitute "DISPENSED, BUT ONLY  
9 IF THE NONRESIDENT PHARMACY OUTLET HAS PROVIDED THE BOARD WITH  
10 A COPY OF THE MOST RECENT INSPECTION OF THE NONRESIDENT  
11 PHARMACY OUTLET BY THE AGENCY THAT REGULATES PHARMACEUTICALS  
12 IN THE STATE OF RESIDENCE AND INFORMATION ABOUT THE PROCEDURE  
13 AND CRITERIA OF INSPECTIONS IN THAT STATE, AND THE BOARD APPROVES  
14 THE INSPECTION REPORT AND THE STATE'S INSPECTION PROCEDURE AND  
15 CRITERIA AS SATISFACTORILY DEMONSTRATING PROOF OF COMPLIANCE  
16 WITH THE BOARD'S OWN INSPECTION PROCEDURE AND CRITERIA. THE  
17 BOARD MAY PROMULGATE RULES CONCERNING ITS REVIEW OF  
18 NONRESIDENT PHARMACY OUTLET INSPECTIONS."

19 Page 4, line 9, after "(d)" insert "(I)".

20 Page 4, line 10, strike "(I)" and substitute "(A)".

21 Page 4, line 13, strike "(II)" and substitute "(B)".

22 Page 4, after line 14 insert:

23 "(II) NOTWITHSTANDING SUBPARAGRAPH (I) OF THIS PARAGRAPH  
24 (d), "PRESCRIPTION DRUG OUTLET" DOES NOT INCLUDE A NONRESIDENT  
25 PHARMACY OUTLET UNLESS THE NONRESIDENT PHARMACY OUTLET HAS  
26 PROVIDED THE BOARD WITH A COPY OF THE MOST RECENT INSPECTION OF  
27 THE NONRESIDENT PHARMACY BY THE AGENCY THAT REGULATES  
28 PHARMACEUTICALS IN THE STATE OF RESIDENCE AND INFORMATION ABOUT  
29 THE PROCEDURE AND CRITERIA FOR INSPECTIONS IN THAT STATE, AND THE  
30 BOARD HAS APPROVED THE INSPECTION REPORT AND THE STATE'S  
31 INSPECTION PROCEDURE AND CRITERIA AS SATISFACTORILY  
32 DEMONSTRATING PROOF OF COMPLIANCE WITH THE BOARD'S OWN  
33 INSPECTION PROCEDURE AND CRITERIA."

1 Page 5, after line 10 insert:

2 "SECTION 5. **Effective date.** This act takes effect January 1,  
3 2017."

4 Renumber succeeding section accordingly.

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