

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 1st Session of the 58th Legislature (2021)

4 ENGROSSED SENATE
5 BILL NO. 697

 By: Standridge of the Senate

 and

 McEntire of the House

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9 An Act relating to prescription drugs; defining
10 terms; requiring wholesale drug distributors to make
11 adequate provisions for the return of certain
12 outdated prescription drugs; requiring wholesale drug
13 distributors to establish certain written policy;
14 stating criteria of policy; providing exemption;
15 providing eligibility criteria for drugs; requiring
16 prompt full credit to purchaser; requiring certain
17 notification and documentation; requiring wholesale
18 drug distributors to maintain certain records;
19 prohibiting submission of drugs under certain
20 conditions; providing for disciplinary action;
21 requiring compliance with applicable laws, rules and
22 regulations; providing for codification; and
23 providing an effective date.

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BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

 SECTION 1. NEW LAW A new section of law to be codified
in the Oklahoma Statutes as Section 355.4 of Title 59, unless there
is created a duplication in numbering, reads as follows:

 A. As used in this section:

1 1. "Full credit" means a cash refund or credit with the drug
2 wholesale distributor for the purchase price of the drug as
3 established by drug invoice less a reasonable fee for handling of
4 the returned drugs. A reasonable fee shall not be more than seven
5 percent (7%) of the total invoice price of the returned drugs; and

6 2. "Reverse drug distributor" means a firm, whether located
7 inside or outside this state, that receives drugs for destruction,
8 return credit or otherwise disposes of drugs received from a
9 registrant located in this state who holds a permit or license to
10 dispense or possess drugs. As used in this paragraph, "registrant"
11 means a person registered by the Director of the Oklahoma State
12 Bureau of Narcotics and Dangerous Drugs Control under Section 2-302
13 of Title 63 of the Oklahoma Statutes.

14 B. Effective with all drug orders placed on or after the
15 effective date of this act, all wholesale drug distributors shall
16 make adequate provisions for the return of outdated prescription
17 drugs, both full and partial containers, for up to six (6) months
18 after the labeled expiration date for prompt full credit.

19 C. Wholesale drug distributors shall establish a written policy
20 providing for the return of outdated prescription drugs sold to a
21 client by such wholesale drug distributor. Such policy may include
22 a procedure for the drugs to be returned to the drug manufacturer,
23 may include a requirement that the drugs be returned in the original
24 containers in which it was purchased, and may include the use of a

1 reverse drug distributor. Such policy shall be available to the
2 State Board of Pharmacy or its agents upon request.

3 D. Influenza vaccines shall be exempt from the requirements of
4 this provision if they have an expiration date of less than one year
5 from the date such drug is manufactured.

6 E. In order to be eligible for full credit, the drug must be
7 received by the wholesale drug distributor, or if not the wholesale
8 drug distributor, its agent designated in its return policy, no
9 later than the sixth month from the labeled expiration date. A
10 signed delivery receipt shall constitute evidence of the drugs
11 having been returned.

12 F. Prompt full credit to the purchaser shall occur within sixty
13 (60) calendar days from the date the return drugs were received by
14 the wholesale drug distributor or its designated agent. If the
15 wholesale drug distributor determines that the drugs were not
16 returned within six (6) months of the labeled expiration date, or
17 were not returned consistent with the written return policy, then
18 the wholesale drug distributor shall notify the purchaser in writing
19 within thirty (30) calendar days of the receipt of the drugs of its
20 intent not to give full credit. Wholesale drug distributors shall
21 maintain documentation supporting its refusal to give full credit
22 for a period of two (2) years. Such documentation shall be
23 available to the Board or its agent upon request.

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1 G. Wholesale drug distributors shall maintain records of all
2 credits made under this section for a period of two (2) years and
3 such record shall be made available to the Board or its agent upon
4 request.

5 H. The submission of drugs by a purchaser licensed by the Board
6 in this state for refund or credit to a wholesale drug distributor
7 pursuant to this section when the drugs are in a container other
8 than the one in which it was purchased, when the drugs were not
9 purchased from that wholesale drug distributor, or when the drugs
10 were purchased for a pharmacy or facility outside this state shall
11 constitute fraudulent and unprofessional conduct and may subject the
12 purchaser to disciplinary action by the Board.

13 I. The return of drugs under this section shall comply with all
14 other applicable federal, state and local laws, rules and
15 regulations.

16 SECTION 2. This act shall become effective November 1, 2021.

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18 COMMITTEE REPORT BY: COMMITTEE ON PUBLIC HEALTH, dated 04/07/2021 -
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