#### HOUSE OF REPRESENTATIVES TWENTY-FOURTH LEGISLATURE, 2008 STATE OF HAWAII

H.B. NO. <sup>2776</sup> H.D. 1

#### A BILL FOR AN ACT

RELATING TO CONTROLLED SUBSTANCES.

#### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1	SECTION 1. Chapter 329, Hawaii Revised Statutes, is
2	amended by adding two new sections to part IV to be
3	appropriately designated and to read as follows:
4	"§329- Administrative penalties. (a) Any person who
5	violates this chapter or any rule adopted by the department
6	pursuant to this chapter shall be fined not more than \$10,000
7	for each separate offense. Any action taken to collect the
8	penalty provided for in this subsection shall be considered a
9	civil action and the fine shall be deposited into the state
10	general fund.
11	(b) The director may impose by order the administrative
12	penalty specified in this section, in addition to any other
13	administrative or judicial remedy provided by this part, or by
14	rules adopted pursuant to this chapter. Factors to be
15	considered in imposing the administrative penalty include:
16	(1) The nature and history of the violation;
17	(2) Any prior violation; and



1	(3) The opportunity, difficulty, and history of
2	corrective action.
3	For any judicial proceeding to recover the administrative
4	penalty imposed, the administrator need only show that notice
5	was given, a hearing was held or the time granted for requesting
6	a hearing has expired without such a request, the administrative
7	penalty was imposed, and the penalty remains unpaid.
8	<b>§329-</b> Injunctive relief. The administrator may
9	institute a civil action in any court of competent jurisdiction
10	for injunctive relief to prevent any violation of this chapter
11	or any rule adopted to implement this chapter. The court shall
12	have powers to grant relief in accordance with the Hawaii rules
13	of civil procedure."
14	SECTION 2. Section 329-1, Hawaii Revised Statutes, is
15	amended by adding two new definitions to be appropriately
16	inserted and to read as follows:
17	"Designated member of the health care team" includes
18	physician assistants, advanced practice registered nurses, and
19	covering physicians.
20	"Physician-patient relationship" means the collaborative
21	relationship between physicians and their patients upon which
22	the health and well-being of patients depends, and in which the
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1	treating	physician or the physician's designated member of the
2	health ca	re team, at a minimum:
3	(1)	Personally performs a face-to-face history and
4		physical examination of the patient that is
5		appropriate to the specialty training and experience
6		of the physician or the designated member of the
7		health care team, makes a diagnosis and formulates a
8		therapeutic plan, or personally treats a specific
9		injury or condition;
10	(2)	Discusses with the patient the diagnosis or treatment,
11		including the benefits of other treatment options; and
12	(3)	Ensures the availability of appropriate follow-up
13		care."
14	SECT	ION 3. Section 329-38, Hawaii Revised Statutes, is
15	amended a	s follows:
16	1.	By amending subsection (g) to read:
17	"(g)	Prescriptions for controlled substances shall be
18	issued on	ly as follows:
19	(1)	All prescriptions for controlled substances shall
20		originate from within the State and be dated as of,
21		and signed on, the day when the prescriptions were
22		issued and shall contain:
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1	(A) The first and last name and address of the
2	patient; and
3	(B) The drug name, strength, dosage form, quantity
4	prescribed, and directions for use. Where a
5	prescription is for gamma hydroxybutyric acid,
6	methadone, or buprenorphine, the practitioner
7	shall record as part of the directions for use,
8	the medical need of the patient for the
9	prescription.
10	The controlled substance prescriptions shall be no
11	larger than eight and one-half inches by eleven inches
12	and no smaller than three inches by four inches.
13	A practitioner may sign a prescription in the same
14	manner as the practitioner would sign a check or legal
15	document (e.g., J.H. Smith or John H. Smith) and shall
16	use both words and figures (e.g., alphabetically and
17	numerically as indications of quantity, such as five
18	(5)), to indicate the amount of controlled substance
19	to be dispensed. Where an oral order is not
20	permitted, prescriptions shall be written with ink or
21	indelible pencil or typed, shall be manually signed by
22	the practitioner, and shall include the name, address,



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1 telephone number, and registration number of the 2 practitioner. The prescriptions may be prepared by a 3 secretary or agent for the signature of the practitioner, but the prescribing practitioner shall 4 5 be responsible in case the prescription does not 6 conform in all essential respects to this chapter and any rules adopted pursuant to this chapter. 7 In receiving an oral prescription from a practitioner, a 8 9 pharmacist shall promptly reduce the oral prescription 10 to writing, which shall include the following 11 information: the name, strength, and quantity of the 12 drug, in figures only, and specific directions for the 13 drug's use; the date the oral prescription was received; the full name, DEA registration number, and 14 15 oral code number of the practitioner; and the name and 16 address of the person for whom the controlled 17 substance was prescribed or the name of the owner of 18 the animal for which the controlled substance was 19 prescribed. 20 A corresponding liability shall rest upon a 21 pharmacist who fills a prescription not prepared in 22 the form prescribed by this section. A pharmacist may

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1 add a patient's missing address or change a patient's 2 address on all controlled substance prescriptions 3 after verifying the patient's identification and noting the identification number on the back of the 4 prescription. The pharmacist shall not make changes 5 to the patient's name, the controlled substance being 6 7 prescribed, the quantity of the prescription, the 8 practitioner's DEA number, or the practitioner's 9 signature; 10 (2)An intern, resident, or foreign-trained physician, or 11 a physician on the staff of a Department of Veterans 12 Affairs facility or other facility serving veterans, 13 exempted from registration under this chapter, shall 14 include on all prescriptions issued by the physician: 15 The registration number of the hospital or other (A) 16 institution; and 17 The special internal code number assigned to the (B) 18 physician by the hospital or other institution in 19 lieu of the registration number of the 20 practitioner required by this section.

21 The hospital or other institution shall forward a copy22 of this special internal code number list to the



1		department as often as necessary to update the
2		department with any additions or deletions. Failure
3		to comply with this paragraph shall result in the
4		suspension of that facility's privilege to fill
5		controlled substance prescriptions at pharmacies
6		outside of the hospital or other institution. Each
7	~	written prescription shall have the name of the
8		physician stamped, typed, or hand-printed on it, as
9		well as the signature of the physician;
10	(3)	An official exempted from registration shall include
11		on all prescriptions issued by the official:
12		(A) The official's branch of service or agency (e.g.,
13		"U.S. Army" or "Public Health Service"); and
14		(B) The official's service identification number, in
15		lieu of the registration number of the
16		practitioner required by this section. The
17		service identification number for a Public Health
18		Service employee shall be the employee's social
19		security identification number.
20		Each prescription shall have the name of the officer
21		stamped, typed, or [handprinted] hand-printed on it,
22		as well as the signature of the officer; and



1	(4)	A physician assistant registered to prescribe
2		controlled substances under the authorization of a
3		supervising physician shall include on all controlled
4		substance prescriptions issued:
5		(A) The DEA registration number of the supervising
6		physician; and
7		(B) The DEA registration number of the physician
8		assistant.
9		Each written controlled substance prescription issued
10		shall include the printed, stamped, typed, or hand-
11		printed name, address, and phone number of both the
12		supervising physician and physician assistant, and
13	×	shall be signed by the physician assistant. The
14		medical record of each written controlled substance
15		prescription issued by a physician assistant shall be
16		reviewed and initialed by the physician assistant's
17		supervising physician within seven working days."
18	2.	By amending subsections (j), (k), (l), and (m) to
19	read:	• • •
20	"(j)	A prescription for a schedule II controlled substance
21	may be tr	ansmitted by the practitioner or the practitioner's

22 agent to a pharmacy by facsimile equipment; provided that the



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1	original	written, signed prescription is presented to the
2	pharmacis	t for review prior to the actual dispensing of the
3	controlle	d substance, except as noted in [ <del>subsection</del> ]
4	subsectio	ns (k), (l), [ <del>or</del> ] <u>and</u> (m). The original prescription
5	shall be	maintained in accordance with section 329-36. A
6	prescript	ion for a schedule III, IV, or V controlled substance
7	may be tr	ansmitted by the practitioner or the practitioner's
8	agent to	a pharmacy by facsimile; provided [ <del>that</del> ] <u>further</u> :
9	(1)	The information shall be communicated only between the
10		prescribing practitioner or the prescriber's
11		authorized agent and the pharmacy of the patient's
12		choice[ $\div$ ]. The original prescription shall be
13		maintained by the practitioner in accordance with
14		section 329-36;
15	(2)	The information shall be communicated in a
16		retrievable, recognizable format acceptable to the
17		intended recipient and shall include the physician's
18		oral code designation and the name of the recipient
19		pharmacy;
20	(3)	No electronic system, software, or other intervening
21		mechanism or party shall alter the practitioner's
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prescription, order entry, selection, or intended



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selection without the practitioner's approval on a per 1 prescription per order basis. Facsimile prescription 2 information shall not be altered by any system, 3 software, or other intervening mechanism or party 4 prior to receipt by the intended pharmacy; 5 6 (4)The prescription information processing system shall provide for confidentiality safeguards required by 7 federal or state law; and 8 (5) Prescribing practitioners and pharmacists shall 9 exercise prudent and professional judgment regarding 10 11 the accuracy, validity, and authenticity of any facsimile prescription information. The facsimile 12 shall serve as the original written prescription for 13 14 purposes of this section and shall be maintained in 15 accordance with section 329-36. 16 (k) A prescription prepared in accordance with subsection (g) written for a narcotic listed in schedule II to be 17 18 compounded for the direct administration to a patient by parenteral, intravenous, intramuscular, subcutaneous, or 19 intraspinal infusion, but does not extend to the dispensing of 20 oral dosage units of controlled substances, may be transmitted 21 22 by the practitioner or the practitioner's agent to the pharmacy HB2776 HD1 HMS 2008-1798 10 

by facsimile. The original prescription shall be maintained by 1 2 the practitioner in accordance with section 329-36. The 3 pharmacist shall note on the face of the facsimile prescription in red ink "Home Infusion/IV" and this facsimile shall serve as 4 5 the original written prescription for purposes of this section 6 and it shall be maintained in accordance with section 329-36. (1) A prescription prepared in accordance with subsection 7 (q) written for a schedule II substance for a patient enrolled 8 9 in a hospice care program certified or paid for by medicare 10 under Title XVIII or a hospice program that is licensed by the State may be transmitted by the practitioner or the 11 12 practitioner's agent to the dispensing pharmacy by facsimile. 13 The original prescription shall be maintained by the practitioner in accordance with section 329-36. 14 The practitioner or practitioner's agent shall note on the 15 16 prescription that the patient is a hospice patient. The 17 pharmacist shall note on the face of the facsimile prescription 18 in red ink "HOSPICE" and this facsimile shall serve as the original written prescription for purposes of this section and 19 it shall be maintained in accordance with section 329-36. 20 21 A prescription prepared in accordance with subsection (m)

22 (g) written for a schedule II controlled substance for a



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1	resident of a state-licensed long-term care facility may be		
2	transmitted by the practitioner or the practitioner's agent to		
3	the dispensing pharmacy by facsimile. The original prescription		
4	shall be maintained by the practitioner in accordance with		
5	section 329-36. The pharmacist shall note on the face of the		
6	facsimile prescription in red ink "LTCF" and this facsimile		
7	shall serve as the original written prescription for purposes of		
8	this section and it shall be maintained in accordance with		
9	section 329-36."		
10	SECTION 4. Section 329-41, Hawaii Revised Statutes, is		
11	amended to read as follows:		
12	"§329-41 Prohibited acts Bpenalties. (a) It is		
13	unlawful for any person:		
13	unlawful for any person:		
13 14	unlawful for any person: (1) Who is subject to part III to distribute, administer,		
13 14 15	unlawful for any person: (1) Who is subject to part III to distribute, administer, prescribe, or dispense a controlled substance in		
13 14 15 16	<pre>unlawful for any person:    (1) Who is subject to part III to distribute, administer,     prescribe, or dispense a controlled substance in     violation of section 329-38[+] or rules authorized</pre>		
13 14 15 16 17	<pre>unlawful for any person:     (1) Who is subject to part III to distribute, administer,     prescribe, or dispense a controlled substance in     violation of section 329-38[+] or rules authorized     under section 329-31; however, a licensed manufacturer</pre>		
13 14 15 16 17 18	<pre>unlawful for any person:     (1) Who is subject to part III to distribute, administer,     prescribe, or dispense a controlled substance in     violation of section 329-38[+] or rules authorized     under section 329-31; however, a licensed manufacturer     or wholesaler may sell or dispense a controlled</pre>		
<ol> <li>13</li> <li>14</li> <li>15</li> <li>16</li> <li>17</li> <li>18</li> <li>19</li> </ol>	<pre>unlawful for any person: (1) Who is subject to part III to distribute, administer,     prescribe, or dispense a controlled substance in     violation of section 329-38[+] or rules authorized     under section 329-31; however, a licensed manufacturer     or wholesaler may sell or dispense a controlled     substance to a master of a transpacific ship or a</pre>		
<ol> <li>13</li> <li>14</li> <li>15</li> <li>16</li> <li>17</li> <li>18</li> <li>19</li> <li>20</li> </ol>	<pre>unlawful for any person: (1) Who is subject to part III to distribute, administer,     prescribe, or dispense a controlled substance in     violation of section 329-38[+] or rules authorized     under section 329-31; however, a licensed manufacturer     or wholesaler may sell or dispense a controlled     substance to a master of a transpacific ship or a     person in charge of a transpacific aircraft upon which</pre>		

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1		aircraft when not in port; provided schedule I or II
2		controlled substances shall be sold to the master of
3		such ship or person in charge of such aircraft only in
4		accordance with the provisions set forth in 21 Code of
5		Federal Regulations, Sections 1301, 1305, and 1307,
6		adopted pursuant to Title 21, United States Code,
7		Section 821;
8	(2)	Who is a registrant to manufacture a controlled
9		substance not authorized by the registrant's
10		registration or to distribute or dispense a controlled
11		substance not authorized by the registrant's
12		registration to another registrant or another
13		authorized person;
14	(3)	To refuse or fail to make available, keep, or furnish
15		any record, notification, order form, prescription,
16		statement, invoice, or information in patient charts
17		relating to the administration, dispensing, or
18		prescribing of controlled substances;
19	(4)	To refuse any lawful entry into any premises for any
20		inspection authorized by this chapter;
21	(5)	Knowingly to keep or maintain any store, shop,
22		warehouse, dwelling, building, vehicle, boat,



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1		aircraft, or other structure or place for the purpose
2		of using these substances or which is used for keeping
3		or selling them in violation of this chapter or
4		chapter 712, part IV; [ <del>or</del> ]
5	(6)	Who is a practitioner or pharmacist to dispense a
6		controlled substance to any individual not known to
7		the practitioner or pharmacist, without first
8		obtaining proper identification and documenting, by
9		signature on a log book kept by the practitioner or
10		pharmacist, the identity of and the type of
11		identification presented by the individual obtaining
12		the controlled substance. If the individual does not
13		have any form of proper identification, the pharmacist
14		shall verify the validity of the prescription and
15		identity of the patient with the prescriber, or their
16		authorized agent, before dispensing the controlled
17		substance. For the purpose of this section, "proper
18		identification" means government-issued identification
19		containing the photograph, printed name, and signature
20		of the individual obtaining the controlled
21		<pre>substance[-];</pre>



1	(7)	Who is a practitioner to predate or pre-sign
2		prescriptions to facilitate the obtaining or attempted
3		obtaining of controlled substances; or
4	(8)	Who is a practitioner to facilitate the issuance or
5		distribution of a written prescription or to issue an
6		oral prescription for a controlled substance when not
7		physically in the state.
8	(b)	It is unlawful for any person subject to part III of
9	this chap	ter, to administer, prescribe, or knowingly dispense
10	any contr	olled substance without a bona fide physician-patient
11	relations	hip.
12	[ <del>(b)</del>	] <u>(c)</u> Any person who violates this section is guilty
13	of a clas	s C felony[-]; provided that any person who violates
14	subsectio	n (b) shall be guilty of a crime as provided in part IV
15	of chapte	r 712 for the relevant type and quantity of the
16	controlle	d substance administered, prescribed, or dispensed in
17	violation	of subsection (b)."
18	SECT	ION 5. Section 329-42, Hawaii Revised Statutes, is
19	amended b	y amending subsection (a) to read as follows:
20	"(a)	It is unlawful for any person knowingly or
21	intention	ally:



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1	(1)	To distribute as a registrant a controlled substance
2		classified in schedule I or II, except pursuant to an
3		order form as required by section 329-37;
4	(2)	To use in the course of the manufacture $[\frac{\partial r}{\underline{l}}]$
5		distribution, administration, or prescribing of a
6		controlled substance a registration number that is
7		fictitious, revoked, suspended, expired, or issued to
8		another person;
9	(3)	To obtain or attempt to obtain any controlled
10		substance or procure or attempt to procure the
11		administration of any controlled substance:
12		(A) By fraud, deceit, misrepresentation, embezzlement,
13		theft;
14		(B) By the forgery or alteration of a prescription or
15		of any written order;
16		(C) By furnishing fraudulent medical information or
17		the concealment of a material fact;
18		(D) By the use of a false name, patient identification
19		number, or the giving of false address;
20		(E) By the unauthorized use of a physician's oral
21		call-in number; or



1		(F) By the alteration of a prescription by the
2		addition of future refills;
3	(4)	To furnish false or fraudulent material information
4		in, or omit any material information from, any
5		application, report, or other document required to be
6		kept or filed under this chapter, or any record
7		required to be kept by this chapter;
8	(5)	To make, distribute, or possess any punch, die, plate,
9		stone, or other thing designed to print, imprint, or
10		reproduce the trademark, trade name, or other
11		identifying mark, imprint, or device of another or any
12		likeness of any of the foregoing upon any drug or
13		container or labeling thereof so as to render the drug
14		a counterfeit substance;
15	(6)	To misapply or divert to the person's own use or other
16		unauthorized or illegal use or to take, make away
17		with, or secrete, with intent to misapply or divert to
18		the person's own use or other unauthorized or illegal
19		use, any controlled substance that shall have come
20		into the person's possession or under the person's
21		care as a registrant or as an employee of a registrant
22	à	who is authorized to possess controlled substances or



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- 1	has access to controlled substances by virtue of the
2	person's employment; or
3	(7) To make, distribute, possess, or sell any prescription
4	form, whether blank, faxed, computer generated,
5	photocopied, or reproduced in any other manner without
6	the authorization of the licensed practitioner."
7	SECTION 6. Section 329-52, Hawaii Revised Statutes, is
8	amended to read as follows:
9	"§329-52 Administrative inspections [-and warrants]. [-(a)-
10	Issuance and execution of administrative inspection warrants
11	shall be as follows:
12	(1) A judge of the circuit court, or any district judge
13	within the judge's jurisdiction, and upon proper oath
14	or affirmation showing probable cause, may issue
15	warrants for the purpose of conducting administrative
16	inspections authorized by this chapter or rules
17	hereunder, and seizures of the property appropriate to
18	the inspections. For purposes of the issuance of
19	administrative inspection warrants, probable cause
20	exists upon showing a valid public interest in the
21	effective enforcement of this chapter or rules
22	hereunder, sufficient to justify administrative



1	inspection of the area, premises, building or
2	conveyance in the circumstances specified in the
3	application for the warrant;
4	(2) A warrant shall issue only upon an affidavit of a
5	designated officer or employee having knowledge of the
6	facts alleged, sworn to before the judge and
7	establishing the grounds for issuing the warrant. If
8	the judge is satisfied that grounds for the
9	application exist or that there is probable cause to
10	believe they exist, the judge shall issue a warrant
11	identifying the area, premises, building, or
12	conveyance to be inspected, the purpose of the
13	inspection, and, if appropriate, the type of property
14	to be inspected, if any. The warrant shall:
15	(A) State the grounds for its issuance and the name of
16	each person whose affidavit has been taken in
17	support thereof;
18	(B) Be directed to a person authorized by section 329-
19	51 to execute it;
20	(C) Command the person to whom it is directed to
21	inspect the area, premises, building, or
22	conveyance identified for the purpose specified
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1	and, if appropriate, direct the seizure of the
2	property specified;
3	(D) Identify the item or types of property to be
4	seized, if any;
5	(E) Direct that it be served during normal business
6	hours and designate the judge to whom it shall be
7	returned;
8	(3) A warrant issued pursuant to this section must be
9	executed and returned within ten days of its date
10	unless, upon a showing of a need for additional time,
11	the court orders otherwise. If property is seized
12	pursuant to a warrant, a copy shall be given to the
13	person from whom or from whose premises the property
14	is taken, together with a receipt for the property
15	taken. The return of the warrant shall be made
16	promptly, accompanied by a written inventory of any
17	property taken. The inventory shall be made in the
18	presence of the person executing the warrant and of
19	the person from whose possession or premises the
20	property was taken, if present, or in the presence of
21	at-least one credible person other than the person
22	executing the warrant. A copy of the inventory shall



1		be delivered to the person from whom or from whose
2		premises the property was taken and to the applicant
3		for the warrant;
4	<del>(4)</del>	The judge who has issued a warrant shall attach
5		thereto a copy of the return and all papers returnable
6	a.	in connection therewith and file them with the chief
7		clerk of the judicial circuit in which the inspection
8		was made.
9	<del>(b)</del>	The department of public safety may make
10	administr	cative inspections of controlled premises in accordance
11	with the	following provisions:
12	<del>(1)</del>	For purposes of this section only, "controlled
13		premises" means:
14		(A) Places where persons registered or exempted from
15		registration requirements under this chapter are
16		required to keep records; and
17		(B) Places including factories, warehouses,
18		establishments, and conveyances in which persons
19		registered or exempted from registration
20	,	requirements under this chapter are permitted to
21		hold, manufacture, compound, process, sell,



1	deliver, or otherwise dispose of any controlled
2	substance.
3	(2) When authorized by an administrative inspection
4	warrant issued pursuant to subsection (a) an officer
5	or employee designated by the department of public
6	safety, upon presenting the warrant and appropriate
7	credentials to the owner, operator, or agent in
8	charge, may enter controlled premises for the purpose
9	of conducting an administrative inspection.
10	(3) When authorized by an administrative inspection
11	warrant, an officer or employee designated by the
12	department of public safety may:
13	(A) Inspect and copy records required by this chapter
14	to-be-kept;
15	(B) Inspect, within reasonable limits and in a
16	reasonable manner, controlled premises and all
17	pertinent equipment, finished and unfinished
18	material, containers and labeling found therein,
19	and, except as provided in subsection (b)(5), all
20	other things therein, including records, files,
21	papers, processes, controls, and facilities
22	bearing on violation of this chapter; and



1	(C) Inventory any stock of any controlled substance
2	therein and obtain samples thereof.
3	(4) This section does not prevent the inspection without a
4	warrant of books and records pursuant to an
5	administrative subpoena issued in accordance with law,
6	nor does it prevent entries and administrative
7	inspections, including seizures of property, without a
8	warrant:
9	(A) If the owner, operator, or agent in charge of the
10	controlled premises consents;
11	(B) In situations presenting imminent danger to health
12	or safety;
13	(C) In situations involving inspection of conveyances
14	if there is reasonable cause to believe that the
15	mobility of the conveyance makes it impracticable
16	to-obtain-a-warrant;
17	(D) In any other exceptional or emergency circumstance
18	where time or opportunity to apply for a warrant
19	is_lacking; or
20	(E) In all other situations in which a warrant is not
21	constitutionally required.



1	<del>(5)</del>	An inspection authorized by this section shall not
2		extend to financial data, sales data, other than
3		shipment data, or pricing data unless the owner,
4		operator, or agent in charge of the controlled
5		premises consents in writing.]
6	(a) The	administrator or any of the administrator's agents may
7	<u>make admi</u>	nistrative inspections of controlled premises upon
8	presentin	g appropriate credentials to the registrant or persons
9	subject t	o parts III, IV, VIII, and IX of this chapter or their
10	agents in	accordance with the following provisions:
11	(1)	Inspections shall be at reasonable times and within
12		reasonable limits and in a reasonable manner of
13		controlled premises and vehicles in which persons
14		registered or exempted from registration requirements
15		under this chapter are permitted to hold, manufacture,
16		compound, process, sell, dispense, deliver, or
17		otherwise dispose of any controlled substance or
18		regulated chemical designated under section 329-61 and
19		all pertinent equipment, finished and unfinished
20		materials, containers, and labeling therein to
21		determine if this chapter is being violated;



1	(2)	The administrator or any of the administrator's agents	
2		shall have access to and may copy any and all records,	
3		books, logs, or documents pertaining to the	
4		administering, prescribing, dispensing, or sale of	
5		controlled substances or regulated chemicals	
6		designated under this chapter without a warrant; and	
7	(3)	The administrator or any of the administrator's agents	
8		may inventory any stock of any controlled substance or	
9		regulated chemical designated under section 329-61 and	
10		secure samples or specimens of any drug, device, or	
11		chemical not seized as evidence by paying or offering	
12		to pay for the sample. The administrator shall make	
13		or cause to be made examinations of samples secured	
14	under this section to determine whether or not this		
15		chapter is being violated.	
16	(b)	An inspection of records authorized by this section	
17	shall not	extend to financial data, data relating to pricing of	
18	items, other than shipment and sale amounts, unless the owner,		
19	operator, or agent in charge of the controlled premises consents		
20	in writing.		
21	(C)	For purposes of this section, "controlled premises"	
22		means:	
	HB2776 HD1 HMS 2008-1798		

- 1	<u>(A)</u>	Places where persons registered or exempted from
2		registration requirements under this chapter are
3		required to keep records; and
4	<u>(B)</u>	Places, including factories, warehouses,
5		establishments, and conveyances in which persons
6		registered or exempted from registration
7		requirements under this chapter are permitted to
8		hold, manufacture, compound, process, sell,
9		dispense, deliver, or otherwise dispose of any
10		controlled substance or regulated chemical
11		designated under section 329-61."
12	SECTION	7. This Act does not affect rights and duties that
13	matured, pena	lties that were incurred, and proceedings that were
14	begun, before	its effective date.
15	SECTION	8. Statutory material to be repealed is bracketed
16	and stricken.	New statutory material is underscored.
17	SECTION	9. This Act shall take effect on January 1, 2050.



#### Report Title:

Controlled Substances

#### Description:

Prohibits pre-signed and predated prescriptions. Clarifies how the narcotic enforcement division administrator shall conduct inspections at pharmacies. (HB2776 HD1)

