

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 2nd Session of the 59th Legislature (2024)

4 COMMITTEE SUBSTITUTE
5 FOR ENGROSSED
6 SENATE BILL NO. 1943

By: Paxton of the Senate

and

Pfeiffer of the House

8
9 COMMITTEE SUBSTITUTE

10 An Act relating to the Uniform Controlled Dangerous
11 Substances Act; amending 63 O.S. 2021, Section 2-302,
12 as amended by Section 1, Chapter 103, O.S.L. 2023 (63
13 O.S. Supp. 2023, Section 2-302), which relates to
14 registration requirements; setting expiration of
15 registration and requirement for application
16 annually; requiring certain disclosure at
17 application; providing exception; prohibiting
18 transfer of registration; amending 63 O.S. 2021,
19 Section 2-303, as amended by Section 1, Chapter 31,
20 1st Extraordinary Session, O.S.L. 2023 (63 O.S. Supp.
21 2023, Section 2-303), which relates to registration;
22 removing ability for persons to be initially
23 permitted and certain fees associated with
24 registration; providing for promulgation of rules;
 updating statutory language; and providing an
 effective date.

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

SECTION 1. AMENDATORY 63 O.S. 2021, Section 2-302, as
amended by Section 1, Chapter 103, O.S.L. 2023 (63 O.S. Supp. 2023,
Section 2-302), is amended to read as follows:

1 Section 2-302. A. Every person who manufactures, distributes,
2 dispenses, prescribes, administers or uses for scientific purposes
3 any controlled dangerous substance within or into this state, or who
4 proposes to engage in the manufacture, distribution, dispensing,
5 prescribing, administering or use for scientific purposes of any
6 controlled dangerous substance within or into this state shall
7 obtain a registration issued by the Director of the Oklahoma State
8 Bureau of Narcotics and Dangerous Drugs Control, in accordance with
9 rules promulgated by the Director. Persons registered by the
10 Director under Section 2-101 et seq. of this title to manufacture,
11 distribute, dispense or conduct research with controlled dangerous
12 substances may possess, manufacture, distribute, dispense or conduct
13 research with those substances to the extent authorized by their
14 registration and in conformity with the other provisions of the
15 Uniform Controlled Dangerous Substances Act. Every wholesaler,
16 manufacturer or distributor of any drug product containing
17 pseudoephedrine or phenylpropanolamine, or their salts, isomers or
18 salts of isomers, shall obtain a registration issued by the Director
19 of the Oklahoma State Bureau of Narcotics and Dangerous Drugs
20 Control in accordance with rules promulgated by the Director and as
21 provided for in Section 2-332 of this title. Any person who
22 manufactures, distributes, dispenses, prescribes, administers or
23 uses for scientific purposes any controlled dangerous substances
24 within or into this state without first obtaining a registration

1 issued by the Director of the Oklahoma State Bureau of Narcotics and
2 Dangerous Drugs Control shall be subject to the same statutory and
3 administrative jurisdiction of the Director as if that person were
4 an applicant or registrant.

5 B. Out-of-state pharmaceutical suppliers who provide controlled
6 dangerous substances to individuals within this state shall obtain a
7 registration issued by the Director of the Oklahoma State Bureau of
8 Narcotics and Dangerous Drugs Control, in accordance with rules
9 promulgated by the Director. This provision shall also apply to
10 wholesale distributors who distribute controlled dangerous
11 substances to pharmacies or other entities registered within this
12 state in accordance with rules promulgated by the Director.

13 C. Every person who owns in whole or in part a public or
14 private medical facility for which a majority of patients are issued
15 on a reoccurring monthly basis a prescription for opioids,
16 benzodiazepines, barbiturates or carisoprodol, but not including
17 buprenorphine with naloxone or buprenorphine as used for medication-
18 assisted treatment services, shall obtain a registration issued by
19 the Director of the Oklahoma State Bureau of Narcotics and Dangerous
20 Drugs Control.

21 D. Every manufacturer and distributor required to register
22 under the provisions of this section shall provide all data required
23 pursuant to 21 U.S.C., Section 827(d)(1) on a monthly basis to the
24 Oklahoma State Bureau of Narcotics and Dangerous Drugs Control.

1 Controlled dangerous substances in Schedule I shall be reported in
2 accordance with rules promulgated by the Director. Reporting of
3 controlled dangerous substances pursuant to 21 U.S.C., Section
4 827(d) (1) shall include, but not be limited to:

5 1. The manufacturer's or distributor's name, address, phone
6 number, DEA registration number and controlled dangerous substance
7 registration number issued by the Bureau;

8 2. The name, address and DEA registration number of the entity
9 to whom the controlled dangerous substance was sold;

10 3. The date of the sale of the controlled dangerous substance;

11 4. The name and National Drug Code of the controlled dangerous
12 substance sold; and

13 5. The number of containers and the strength and quantity of
14 controlled dangerous substances in each container sold.

15 E. The information maintained and provided pursuant to
16 subsection D of this section shall be confidential and not open to
17 the public. Access to the information shall, at the discretion of
18 the Director, be limited to:

19 1. Peace officers certified pursuant to the provisions of
20 Section 3311 of Title 70 of the Oklahoma Statutes who are employed
21 as investigative agents of the Oklahoma State Bureau of Narcotics
22 and Dangerous Drugs Control or the Office of the Attorney General;

23 2. The United States Drug Enforcement Administration Diversion
24 Group Supervisor; and

1 3. A multicounty grand jury properly convened pursuant to the
2 provisions of the Multicounty Grand Jury Act.

3 F. Manufacturers, distributors, home care agencies, hospices,
4 home care services, medical facility owners referred to in
5 subsection C of this section and scientific researchers shall obtain
6 a registration annually. Other practitioners shall obtain a
7 registration for a period to be determined by the Director that will
8 be for a period not less than one (1) year nor more than three (3)
9 years.

10 G. Every trainer or handler of a canine controlled dangerous
11 substances detector who, in the ordinary course of such trainer's or
12 handler's profession, desires to possess any controlled dangerous
13 substance, annually, shall obtain a registration issued by the
14 Director for a fee of Seventy Dollars (\$70.00). Such persons shall
15 be subject to all applicable provisions of Section 2-101 et seq. of
16 this title and such applicable rules promulgated by the Director for
17 those individuals identified in subparagraph a of paragraph 32 of
18 Section 2-101 of this title. Persons registered by the Director
19 pursuant to this subsection may possess controlled dangerous
20 substances to the extent authorized by their registration and in
21 conformity with the other provisions of the Uniform Controlled
22 Dangerous Substances Act.

1 H. The following persons shall not be required to register and
2 may lawfully possess controlled dangerous substances under the
3 provisions of Section 2-101 et seq. of this title:

4 1. An agent, or an employee thereof, of any registered
5 manufacturer, distributor, dispenser or user for scientific purposes
6 of any controlled dangerous substance, if such agent is acting in
7 the usual course of such agent's or employee's business or
8 employment;

9 2. Any person lawfully acting under the direction of a person
10 authorized to administer controlled dangerous substances under
11 Section 2-312 of this title;

12 3. A common or contract carrier or warehouser, or an employee
13 thereof, whose possession of any controlled dangerous substance is
14 in the usual course of such carrier's or warehouser's business or
15 employment;

16 4. An ultimate user or a person in possession of any controlled
17 dangerous substance pursuant to a lawful order of a practitioner;

18 5. An individual pharmacist acting in the usual course of such
19 pharmacist's employment with a pharmacy registered pursuant to the
20 provisions of Section 2-101 et seq. of this title;

21 6. A nursing home licensed by this state;

22 7. Any Department of Mental Health and Substance Abuse Services
23 employee or any person whose facility contracts with the Department
24 of Mental Health and Substance Abuse Services whose possession of

1 any dangerous drug, as defined in Section 353.1 of Title 59 of the
2 Oklahoma Statutes, is for the purpose of delivery of a mental health
3 consumer's medicine to the consumer's home or residence;

4 8. Registered nurses and licensed practical nurses; and

5 9. An assisted living facility licensed by this state.

6 I. The Director may, by rule, waive the requirement for
7 registration or fee for registration of certain manufacturers,
8 distributors, dispensers, prescribers, administrators or users for
9 scientific purposes if the Director finds it consistent with the
10 public health and safety.

11 J. A separate registration shall be required at each principal
12 place of business or professional practice where the applicant
13 manufactures, distributes, dispenses, prescribes, administers or
14 uses for scientific purposes controlled dangerous substances.

15 K. The Director is authorized to inspect the establishment of a
16 registrant or applicant for registration in accordance with rules
17 promulgated by the Director.

18 L. No person engaged in a profession or occupation for which a
19 license to engage in such activity is provided by law shall be
20 registered under the Uniform Controlled Dangerous Substances Act
21 unless such person holds a valid license of such person's profession
22 or occupation.

23 M. Registrations shall be issued on the first day of November
24 of each year and shall expire annually. Registrations may be issued

1 at other times, however, upon certification of the professional
2 licensing board. Registration applications shall be required
3 annually thereafter.

4 N. The licensing boards of all professions and occupations to
5 which the use of controlled dangerous substances is incidental shall
6 furnish a current list to the Director, not later than the first day
7 of October of each year, of the persons holding valid licenses. All
8 such persons except persons exempt from registration requirements
9 under subsection H of this section shall be subject to the
10 registration requirements of Section 2-101 et seq. of this title.

11 O. The licensing board of any professional defined as a mid-
12 level practitioner shall notify and furnish to the Director, not
13 later than the first day of October of each year, that such
14 professional holds a valid license, a current listing of individuals
15 licensed and registered with their respective boards to prescribe,
16 order, select, obtain and administer controlled dangerous
17 substances. The licensing board shall immediately notify the
18 Director of any action subsequently taken against any such
19 individual.

20 P. Beginning November 1, 2010, each registrant that prescribes,
21 administers or dispenses methadone shall be required to check the
22 prescription profile of the patient on the central repository of the
23 Oklahoma State Bureau of Narcotics and Dangerous Drugs Control.

1 Q. All legal entities applying for or approved for registration
2 shall disclose to the Director all beneficial owners of the legal
3 entity. Publicly traded entities shall be exempt from full
4 disclosure; provided that, the publicly traded entity discloses to
5 the Director all beneficial owners who exercise authority or control
6 over controlled dangerous substances at each registered location.

7 R. No registration, or any authority conferred thereby, shall
8 be leased, assigned, or otherwise transferred. No registration
9 shall be transferrable on change of ownership or business activity.

10 SECTION 2. AMENDATORY 63 O.S. 2021, Section 2-303, as
11 amended by Section 1, Chapter 31, 1st Extraordinary Session, O.S.L.
12 2023 (63 O.S. Supp. 2023, Section 2-303), is amended to read as
13 follows:

14 Section 2-303. A. The Director of the Oklahoma State Bureau of
15 Narcotics and Dangerous Drugs Control shall register an applicant to
16 own a medical facility as described in subsection C of Section 2-302
17 of this title, or to manufacture, distribute, dispense, prescribe,
18 administer or use for scientific purposes controlled dangerous
19 substances included in Schedules I through V of Section 2-101 et
20 seq. of this title unless the Director determines that the issuance
21 of such registration is inconsistent with the public interest. In
22 determining the public interest, the following factors shall be
23 considered:
24

1 1. Maintenance of effective controls against diversion of
2 particular controlled dangerous substances and any Schedule I or II
3 substance compounded therefrom into other than legitimate medical,
4 scientific or industrial channels including examination of the
5 fitness of his or her employees or agents to handle dangerous
6 substances;

7 2. Compliance with applicable state and local law;

8 3. Has been found guilty of, entered a plea of guilty or nolo
9 contendere to a charge under the Uniform Controlled Dangerous
10 Substances Act or any other state or federal law relating to any
11 substance defined herein as a controlled dangerous substance or any
12 felony under the laws of any state or the United States;

13 4. Furnishing by the applicant false or fraudulent material
14 information in any application filed under Section 2-101 et seq. of
15 this title;

16 5. Past experience in the manufacture, distribution,
17 dispensing, prescribing, administering or use for scientific
18 purposes of controlled dangerous substances, and the existence in
19 the establishment of effective controls against diversion;

20 6. Denial, suspension or revocation of the applicant's federal
21 registration to manufacture, distribute or dispense controlled
22 dangerous substances as authorized by federal law; and

23 7. Such other factors as may be relevant to and consistent with
24 the public health and safety.

1 Nothing herein shall be deemed to require individual licensed
2 pharmacists to register under the provisions of the Uniform
3 Controlled Dangerous Substances Act.

4 B. Registration granted under subsection A of this section
5 shall not entitle a registrant to manufacture, distribute, dispense,
6 prescribe, administer or use for scientific purposes controlled
7 dangerous substances in Schedule I or II other than those specified
8 in the registration.

9 C. Practitioners shall be registered to dispense, prescribe,
10 administer or use for scientific purposes substances in Schedules II
11 through V if they are authorized to carry on their respective
12 activities under the laws of this state. A registration application
13 by a practitioner who wishes to conduct research with Schedule I
14 substances shall be accompanied by evidence of the applicant's
15 federal registration to conduct such activity and shall be referred
16 to the Medical Research Commission for advice. The Medical Research
17 Commission shall promptly advise the Director concerning the
18 qualifications of each practitioner requesting such registration.
19 Registration for the purpose of bona fide research or of use for
20 scientific purposes with Schedule I substances by a practitioner
21 deemed qualified by the Medical Research Commission may be denied
22 only on a ground specified in subsection A of Section 2-304 of this
23 title or if there are reasonable grounds to believe that the
24 applicant will abuse or unlawfully transfer such substances or fail

1 to safeguard adequately such applicant's supply of such substances
2 against diversion from legitimate medical or scientific use.

3 D. ~~1. The Director shall initially permit persons to register~~
4 ~~who own or operate any establishment engaged in the manufacture,~~
5 ~~distribution, dispensing, prescribing, administering or use for~~
6 ~~scientific purposes of any controlled dangerous substances prior to~~
7 ~~June 4, 1991, and who are registered or licensed by the state. Fees~~
8 for registration under this section shall be as follows:

9 Practitioners and mid-level

10 practitioners	\$140.00	per year
		of registration

12 Home Care Agencies, Hospices &

13 Home Care Services	\$140.00	annually
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14 Medical Facility Owners	\$300.00	annually
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15 Distributors	\$300.00	annually
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16 Manufacturers	\$2,500.00	annually
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17 Manufacturer, Wholesaler, or

18 Distributor of drug products

19 containing pseudoephedrine

20 or phenylpropanolamine	\$300.00	annually
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21 ~~2. A registrant shall be required to pay double the amount of~~
22 ~~the above-listed fee for any renewal of registration received more~~
23 ~~than thirty (30) days late.~~
24

1 3. ~~A Ten Dollar (\$10.00) fee shall be charged for a duplicate~~
2 ~~registration certificate.~~

3 E. Compliance by manufacturers and distributors with the
4 provisions of the ~~Federal~~ federal Controlled Substances Act, 21
5 U.S.C., Section 801 et seq., respecting registration, excluding
6 fees, shall be deemed sufficient to qualify for registration under
7 Section 2-101 et seq. of this title.

8 F. Applications for renewal of registration shall open on the
9 first day of July annually. Applications for renewal shall be
10 considered timely if submitted by the first day of September
11 annually. Registrations not renewed by the final day of any
12 calendar year in which the registration was issued shall be
13 ineligible for renewal and shall require a new registration upon
14 return to the Bureau. With notice provided prior to expiration, the
15 Director may waive the requirement of a new registration pursuant to
16 promulgated rules. New applications with substantive changes to the
17 original registration shall not be considered a transfer of any
18 activity of continuing nature.

19 SECTION 3. This act shall become effective November 1, 2024.

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21 COMMITTEE REPORT BY: COMMITTEE ON ALCOHOL, TOBACCO AND CONTROLLED
22 SUBSTANCES, dated 04/11/2024 - DO PASS, As Amended.
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