

1 **SENATE FLOOR VERSION**

2 February 12, 2024

3 COMMITTEE SUBSTITUTE
4 FOR

5 SENATE BILL NO. 1943

By: Paxton

6
7 An Act relating to the Uniform Controlled Dangerous
8 Substances Act; amending 63 O.S. 2021, Section 2-302,
9 as amended by Section 1, Chapter 103, O.S.L. 2023 (63
10 O.S. Supp. 2023, Section 2-302), which relates to
11 registration requirements; setting expiration of
12 registration and requirement for application
13 annually; requiring certain disclosure at
14 application; providing exception; prohibiting
15 transfer of registration; amending 63 O.S. 2021,
16 Section 2-303, as amended by Section 1, Chapter 31,
17 1st Extraordinary Session, O.S.L. 2023 (63 O.S. Supp.
18 2023, Section 2-303), which relates to registration;
19 removing ability for persons to be initially
20 permitted and certain fees associated with
21 registration; providing for promulgation of rules;
22 updating statutory language; and providing an
23 effective date.

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

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

28 Section 2-302. A. Every person who manufactures, distributes,
29 dispenses, prescribes, administers or uses for scientific purposes
30 any controlled dangerous substance within or into this state, or who

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

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

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

19 D. Every manufacturer and distributor required to register
20 under the provisions of this section shall provide all data required
21 pursuant to 21 U.S.C., Section 827(d)(1) on a monthly basis to the
22 Oklahoma State Bureau of Narcotics and Dangerous Drugs Control.
23 Controlled dangerous substances in Schedule I shall be reported in
24 accordance with rules promulgated by the Director. Reporting of

1 controlled dangerous substances pursuant to 21 U.S.C., Section
2 827(d) (1) shall include, but not be limited to:

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

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

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

9 4. The name and National Drug Code of the controlled dangerous
10 substance sold; and

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

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

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

21 2. The United States Drug Enforcement Administration Diversion
22 Group Supervisor; and

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

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

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

21 H. The following persons shall not be required to register and
22 may lawfully possess controlled dangerous substances under the
23 provisions of Section 2-101 et seq. of this title:
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1 1. An agent, or an employee thereof, of any registered
2 manufacturer, distributor, dispenser or user for scientific purposes
3 of any controlled dangerous substance, if such agent is acting in
4 the usual course of such agent's or employee's business or
5 employment;

6 2. Any person lawfully acting under the direction of a person
7 authorized to administer controlled dangerous substances under
8 Section 2-312 of this title;

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

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

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

18 6. A nursing home licensed by this state;

19 7. Any Department of Mental Health and Substance Abuse Services
20 employee or any person whose facility contracts with the Department
21 of Mental Health and Substance Abuse Services whose possession of
22 any dangerous drug, as defined in Section 353.1 of Title 59 of the
23 Oklahoma Statutes, is for the purpose of delivery of a mental health
24 consumer's medicine to the consumer's home or residence;

1 8. Registered nurses and licensed practical nurses; and

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

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

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

12 K. The Director is authorized to inspect the establishment of a
13 registrant or applicant for registration in accordance with rules
14 promulgated by the Director.

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

20 M. Registrations shall be issued on the first day of November
21 of each year and shall expire annually. Registrations may be issued
22 at other times, however, upon certification of the professional
23 licensing board. Registration applications shall be required
24 annually thereafter.

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

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

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

21 Q. All legal entities applying for or approved for registration
22 shall disclose to the Director all beneficial owners of the legal
23 entity. Publicly traded entities shall be exempt from disclosure.
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1 R. No registration, or any authority conferred thereby, shall
2 be leased, assigned, or otherwise transferred. No registration
3 shall be transferrable on change of ownership or business activity.

4 SECTION 2. AMENDATORY 63 O.S. 2021, Section 2-303, as
5 amended by Section 1, Chapter 31, 1st Extraordinary Session, O.S.L.
6 2023 (63 O.S. Supp. 2023, Section 2-303), is amended to read as
7 follows:

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

18 1. Maintenance of effective controls against diversion of
19 particular controlled dangerous substances and any Schedule I or II
20 substance compounded therefrom into other than legitimate medical,
21 scientific or industrial channels including examination of the
22 fitness of his or her employees or agents to handle dangerous
23 substances;

24 2. Compliance with applicable state and local law;

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

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

9 5. Past experience in the manufacture, distribution,
10 dispensing, prescribing, administering or use for scientific
11 purposes of controlled dangerous substances, and the existence in
12 the establishment of effective controls against diversion;

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

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

18 Nothing herein shall be deemed to require individual licensed
19 pharmacists to register under the provisions of the Uniform
20 Controlled Dangerous Substances Act.

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

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

21 D. ~~1. The Director shall initially permit persons to register~~
22 ~~who own or operate any establishment engaged in the manufacture,~~
23 ~~distribution, dispensing, prescribing, administering or use for~~
24 ~~scientific purposes of any controlled dangerous substances prior to~~

1 ~~June 4, 1991, and who are registered or licensed by the state.~~ Fees
2 for registration under this section shall be as follows:

3 Practitioners and mid-level

4 practitioners \$140.00 per year
5 of registration

6 Home Care Agencies, Hospices &

7 Home Care Services \$140.00 annually

8 Medical Facility Owners \$300.00 annually

9 Distributors \$300.00 annually

10 Manufacturers \$2,500.00 annually

11 Manufacturer, Wholesaler, or

12 Distributor of drug products

13 containing pseudoephedrine

14 or phenylpropanolamine \$300.00 annually

15 ~~2. A registrant shall be required to pay double the amount of~~
16 ~~the above-listed fee for any renewal of registration received more~~
17 ~~than thirty (30) days late.~~

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

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

1 F. The Director shall promulgate rules necessary for
2 registration application periods.

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

4 COMMITTEE REPORT BY: COMMITTEE ON BUSINESS AND COMMERCE
5 February 12, 2024 - DO PASS AS AMENDED BY CS

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