1	State of Arkansas	As Engrossed: H3/14/11
2	88th General Assembly	A Bill
3	Regular Session, 2011	HOUSE BILL 1444
4		
5	By: Representatives Wright, Alle	en, Baird, T. Baker, J. Burris, Catlett, Clemmer, Collins-Smith, Eubanks,
6	Gaskill, Hickerson, Jean, Lampk	kin, Leding, Lenderman, Mauch, McCrary, Murdock, Post, Ratliff, Rice,
7	Sanders, G. Smith, Steel, Walker	r, Westerman, B. Wilkins, Williams, Woods, Word
8		
9		For An Act To Be Entitled
10	AN ACT TO EL	IMINATE A GROWING EPIDEMIC IN THE STATE
11	OF ARKANSAS	AND TO MAKE PRESCRIPTIVE THE PURCHASE OF
12	PSEUDOEPHEDR	RINE AND SIMILAR DRUGS; FOR OTHER
13	PURPOSES.	
14		
15		
16		Subtitle
17	AN ACT	TO ELIMINATE A GROWING EPIDEMIC IN
18	THE PUI	RCHASE OF PSEUDOEPHEDRINE AND
19	SIMILA	R DRUGS.
20		
21		
22	BE IT ENACTED BY THE GEN	NERAL ASSEMBLY OF THE STATE OF ARKANSAS:
23		
24	SECTION 1. Arkans	sas Code Title 5, Chapter 64, Subchapter 2 is amended
25	to add an additional sec	ction to read as follows:
26	5-64-208. Substan	nces in Schedule III.
27	(a) As used in th	nis section, "ephedrine, pseudoephedrine, and
28	phenylpropanolamine" mea	ans any product containing ephedrine, pseudoephedrine,
29	or phenylpropanolamine o	or any of their salts, isomers, or salts of isomers,
30	alone or in a mixture.	
31	(b) Ephedrine, ps	seudoephedrine, and phenylpropanolamine are designated
32	Schedule III controlled	substances in addition to the drugs and other
33	substances listed in Sch	nedule III of the List of Controlled Substances for
34	the State of Arkansas pr	comulgated by the Director of the Department of
35	<u>Health.</u>	
36	(c) Ephedrine, ps	seudoephedrine, and phenylpropanolamine shall be

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1
    dispensed only by prescription.
 2
           (d) It is a defense in any criminal prosecution for possession of
    ephedrine, pseudoephedrine, and phenylpropanolamine without a prescription
 3
    that the ephedrine, pseudoephedrine, and phenylpropanolamine was lawfully
 4
    purchased before the effective date of this section.
 5
 6
 7
           SECTION 2. Arkansas Code § 5-64-212 is repealed.
8
          5-64-212. Substances in Schedule V.
9
          (a) An ephedrine combination product, pseudoephedrine, and
10
    phenylpropanolamine, as defined in § 5-64-1103(g), are designated Schedule V
11
     controlled substances in addition to the drugs and other substances listed in
    Schedule V of the List of Controlled Substances for the State of Arkansas
12
13
    promulgated by the Director of the Division of Health of the Department of
14
    Health and Human Services.
15
          (b) The Schedule V classification does not apply to:
16
                (1) An exempt product described in § 5-64-1103(b)(1);
17
                (2) Any ephedrine or pseudoephedrine in liquid, liquid capsule,
18
    or liquid gel capsule form described in § 5-64-1103(b)(2); or
19
                (3)(A) A product that is dispensed pursuant to a valid
    prescription that is not restricted to five (5) refills within a six (6)
20
21
    month period.
22
                       (B) A product described in subdivision (b)(3)(A) of this
23
    section is regulated in the same manner as any nonscheduled prescription drug
    and shall be kept in a container that is supplied by the pharmacy and labeled
24
25
    in a manner consistent with any other prescription.
26
           (c) The director may reschedule a product described in subdivision
    (b)(1) or (b)(2) of this section if it is determined that the conversion of
27
28
    the active ingredient in the product into methamphetamine or its salts or
29
    precursors is feasible.
30
          (d) A wholesale distributor with exclusive rights to distribute
    pseudoephedrine to only licensed pharmacies is exempt from Schedule V
31
32
    requirements for the storage and distribution of pseudoephedrine.
33
34
           SECTION 3. Arkansas Code § 5-64-1005 is amended to read as follows:
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           5-64-1005. Exemptions.
36
          The provisions of § 5-64-1001 do Section 5-64-1001 does not apply to
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As Engrossed: H3/14/11 HB1444

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1
     any of the following:
 2
                 (1) Any pharmacist or other authorized person who sells or
 3
     furnishes a substance upon the prescription of a physician, dentist,
 4
     podiatrist, or veterinarian;
 5
                 (2) Any physician, dentist, podiatrist, or veterinarian who
 6
     administers or furnishes a substance to his or her patient; or
 7
                 (3) Any manufacturer or wholesaler licensed by the Arkansas
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     State Board of Pharmacy that sells, transfers, or otherwise furnishes a
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     substance to a licensed pharmacy, physician, dentist, podiatrist, or
     veterinarian; or
10
11
                 (4) Any sale, transfer, furnishing, or receipt by a retail
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     distributor of any drug that contains any ephedrine, pseudoephedrine,
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     norpseudoephedrine, or phenylpropanolamine and that is sold, transferred, or
14
     furnished over the counter without a prescription pursuant to the Federal
15
     Food, Drug, and Cosmetic Act, 21 U.S.C. § 301 et seq., or regulations adopted
16
     under the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. § 301 et seq., if:
17
                       (A) The drug is sold in a blister pack of not more than
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     three grams (3 g) of ephedrine, pseudoephedrine, or phenylpropanolamine base,
19
     each blister containing not more than two (2) dosage units;
20
                       (B) If the use of a blister pack is technically
     unfeasible, the drug is packaged in a unit dose packet or pouch;
21
22
                       (C) The drug is an exempted product described in § 5-64-
23
     1103(b)(1), or the product contains ephedrine or pseudoephedrine in liquid,
     liquid capsule, or liquid gel capsule form described in § 5-64-1103(b)(2),
24
25
     and is sold in a package size of not more than three grams (3 g) of ephedrine
26
     or pseudoephedrine base; and
27
                       (D) The total quantity of the sale is not greater than
28
     three (3) packages or five grams (5 g) of ephedrine or nine grams (9 g) of
     pseudoephedrine, whichever is smaller.
29
30
           SECTION 4. Arkansas Code Title 5, Chapter 64, Subchapter 11 is
31
32
     repealed.
           5-64-1101. Possession - Penalty.
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34
           (a) It is unlawful for any person to possess more than five grams (5
     g) of ephedrine or nine grams (9 g) of pseudoephedrine or
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36
     phenylpropanolamine, or their salts, optical isomers, and salts of optical
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1 isomers, alone or in a mixture, except: 2 (1) Any pharmacist or other authorized person who sells or 3 furnishes ephedrine, pseudoephedrine, or phenylpropanolamine or their salts, 4 optical isomers, and salts of optical isomers, upon the prescription of a 5 physician, dentist, podiatrist, veterinarian, or other healthcare 6 professional with prescriptive authority, or as authorized pursuant to § 5-7 64-1103: 8 (2) A product exempted under § 5-64-1103(b)(1) and (2), without 9 a prescription, pursuant to the Federal Food, Drug, and Cosmetic Act, 21 10 U.S.C. § 301 et seq., or regulations adopted under the Federal Food, Drug, 11 and Cosmetic Act, 21 U.S.C. § 301 et seq., if the person possesses a sales and use tax permit issued by the Department of Finance and Administration; 12 13 (3) Any physician, dentist, podiatrist, veterinarian, or other 14 healthcare professional with prescriptive authority who administers or 15 furnishes ephedrine, pseudoephedrine, or phenylpropanolamine or their salts, 16 optical isomers, and salts of optical isomers to his or her patient; or 17 (4)(A) Any manufacturer, wholesaler, or distributor licensed by 18 the Arkansas State Board of Pharmacy that meets one (1) of the requirements 19 in subdivision (a)(4)(B) of this section and sells, transfers, or otherwise 20 furnishes ephedrine, pseudoephedrine, or phenylpropanolamine or their salts, 21 optical isomers, and salts of optical isomers to: 22 (i) A licensed pharmacy, physician, dentist, 23 podiatrist, veterinarian, or other healthcare professional with prescriptive 24 authority; or 25 (ii) Any person who possesses a sales and use tax 26 permit issued by the department. (B)(i) The manufacturer, wholesaler, or distributor shall 27 28 hold or store the substance in a facility that meets the packaging requirements of  $\S$  5-64-1005(4)( $\Lambda$ )-(C). 29 30 (ii) The manufacturer, wholesaler, or distributor shall sell, transfer, or otherwise furnish only to a healthcare professional 31 32 identified in subdivisions (a)(1) and (3) of this section. 33 (b) Possession of more than five grams (5 g) of ephedrine or more than 34 nine grams (9 g) of pseudoephedrine or phenylpropanolamine, or their salts, optical isomers, and salts of optical isomers constitutes prima facie 35 36 evidence of the intent to manufacture methamphetamine or another controlled

1 substance in violation of this subchapter unless the person qualifies for an 2 exemption listed in subsection (a) of this section. 3 (c) Any person who violates a provision of this section is guilty of a 4 Class D felony. 5 6 5-64-1102. Possession with intent to manufacture - Unlawful 7 distribution. 8 (a)(1) It is unlawful for a person to possess ephedrine, 9 pseudoephedrine, or phenylpropanolamine, or their salts, optical isomers, or 10 salts of optical isomers with intent to manufacture methamphetamine. 11 (2) Any person who violates a provision of subdivision (a)(1) of this section is guilty of a Class D felony. 12 13 (b)(1) It is unlawful for a person to sell, transfer, distribute, or 14 dispense any product containing ephedrine, pseudoephedrine, or phenylpropanolamine, or their salts, isomers, or salts of isomers if the 15 16 person: 17 (A) Knows that the purchaser will use the product as a 18 precursor to manufacture methamphetamine or another controlled substance; or 19 (B) Sells, transfers, distributes, or dispenses the 20 product with reckless disregard as to how the product will be used. (2) Any person who violates a provision of subdivision (b)(1) of 21 22 this section is guilty of a Class D felony. 23 5-64-1103. Sales limits. 24 25 (a) It is unlawful for any person, other than a person or entity 26 described in § 5-64-1101(a)(3) and (4), to knowingly dispense, sell, 27 transfer, or otherwise furnish in a single transaction a product containing 28 ephedrine, pseudoephedrine, or phenylpropanolamine except in a licensed pharmacy by a licensed pharmacist or a registered pharmacy technician. 29 30 (b) Unless the product has been rescheduled pursuant to § 5-64-212(c), this section does not apply to a retail distributor sale for personal use of 31 32 a product: 33 (1) That the Department of Health, in collaboration with the 34 Arkansas State Board of Pharmacy, upon application of a manufacturer, exempts by rule from this section because the product has been formulated in such a 35 36 way as to effectively prevent the conversion of the active ingredient into

1 methamphetamine or its salts or precursors; or 2 (2) Containing ephedrine or pseudoephedrine in liquid, liquid 3 capsule, or liquid gel capsule form if the drug is dispensed, sold, 4 transferred, or otherwise furnished in a single transaction limited to no 5 more than three (3) packages, with any single package containing not more 6 than ninety-six (96) liquid capsules or liquid gel capsules or not more than 7 three grams (3 g) of ephedrine or pseudoephedrine base. 8 (c) [Repealed.] 9 (d) Unless pursuant to a valid prescription, it is unlawful for a 10 licensed pharmacist or a registered pharmacy technician to knowingly 11 dispense, sell, transfer, or otherwise furnish in a single transaction: 12 (1) More than three (3) packages of one (1) or more products 13 that contain ephedrine, pseudoephedrine, or phenylpropanolamine, or their 14 salts, isomers, or salts of isomers; 15 (2) Any single package of any product that contains ephedrine, 16 pseudoephedrine, or phenylpropanolamine, that contains more than ninety-six 17 (96) pills, tablets, gelcaps, capsules, or other individual units or more than three grams (3 g) of ephedrine, pseudoephedrine, or phenylpropanolamine, 18 19 or their salts, isomers, or salts of isomers, or a combination of any of 20 these substances, whichever is smaller; 21 (3) Any product containing ephedrine, pseudoephedrine, or 22 phenylpropanolamine, unless: (A) The product is sold in a package size of not more than 23 24 three grams (3 g) of ephedrine, pseudoephedrine, or phenylpropanolamine base and is packaged in a blister pack, each blister containing not more than two 25 26 (2) dosage units; (B) When the use of a blister pack is technically 27 28 infeasible, that is packaged in a unit dose packet or pouch; or (C) In the case of a liquid, the drug is sold in a package 29 30 size of not more than three grams (3 g) of ephedrine, pseudoephedrine, or phenylpropanolamine base; or 31 32 (4)(A) Any product containing ephedrine, pseudoephedrine, or 33 phenylpropanolamine to any person under eighteen (18) years of age, unless 34 the person is purchasing an exempt product under subdivision (b)(1) or (2) of 35 this section. 36 (B) The person making the sale shall require proof of age

1 from the purchaser, unless from the purchaser's outward appearance the person 2 would reasonably presume the purchaser to be twenty-five (25) years of age or older. 3 4 (e)(1)(A) A person who violates subsections (a) or (d) of this section 5 for a first or second offense upon conviction is guilty of a Class A 6 misdemeanor and also may be subject to a civil fine not to exceed five 7 thousand dollars (\$5,000). 8 (B) A person who violates subsections (a) or (d) of this 9 section for a third offense upon conviction is guilty of a Class D felony and 10 also may be subject to a civil fine not to exceed five thousand dollars 11 (\$5,000). (C) A person who violates subsections (a) or (d) of this 12 section for a fourth or subsequent offense upon conviction is guilty of a 13 14 Class C felony and also may be subject to a civil fine not to exceed ten 15 thousand dollars (\$10,000). 16 (2) A plea of guilty or nolo contendere to or a finding of guilt under a penal law of the United States or another state that is equivalent to 17 18 subsections (a) or (d) of this section is considered a previous offense for 19 purposes of this subsection. 20 (3)(A) The prosecuting attorney may waive any civil penalty under this section if a person establishes that he or she acted in good faith 21 22 to prevent a violation of this section, and the violation occurred despite 23 the exercise of due diligence. 24 (B) In making this determination, the prosecuting attorney 25 may consider evidence that an employer trained employees how to sell, 26 transfer, or otherwise furnish substances specified in this subchapter in 27 accordance with applicable laws. 28 (f)(1)(A) It is unlawful for any person, other than a person or entity described in § 5-64-1101(a), to knowingly purchase, acquire, or otherwise 29 30 receive in a single transaction: 31 (i) More than three (3) packages of one (1) or more 32 products that the person knows to contain ephedrine, pseudoephedrine, or 33 phenylpropanolamine, or their salts, isomers, or salts of isomers; or 34 (ii) Any single package of any product that the person knows to contain ephedrine, pseudoephedrine, or phenylpropanolamine, 35 that contains more than ninety-six (96) pills, tablets, gelcaps, capsules, or 36

1 other individual units or more than three grams (3 g) of ephedrine, 2 pseudoephedrine, or phenylpropanolamine, or their salts, isomers, or salts of isomers, or a combination of any of these substances, whichever is smaller. 3 4 (B) It is unlawful for any person, other than a person or entity described in § 5-64-1101(a), to knowingly purchase, acquire, or 5 6 otherwise receive more than five grams (5 g) of ephedrine or nine grams (9 g) of pseudoephedrine or phenylpropanolamine within any thirty-day period. 7 (2)(A) A person who violates subdivisions (f)(1)(A) or (B) of 8 9 this section for a first or second offense upon conviction is guilty of a 10 Class A misdemeanor. 11 (B) A person who violates subdivisions (f)(1)(A) or (B) of 12 this section for a third offense upon conviction is guilty of a Class D 13 felony. 14 (C) A person who violates subdivisions (f)(1)(A) or (B) of 15 this section for a fourth or subsequent offense upon conviction is guilty of 16 a Class C felony. 17 (3) A plea of guilty or nolo contendere to or a finding of guilt 18 under a penal law of the United States or another state that is equivalent to 19 subdivisions (f)(1)(A) or (B) of this section is considered a previous 20 offense for the purposes of this subsection. 21 (g) [Repealed.] 22 (h) Nothing in this section prohibits a person under eighteen (18) years of age from possessing and selling a product described in subsections 23 (a) and (b) of this section as an agent of the minor's employer acting within 24 25 the scope of the minor's employment. 26 27 5-64-1104. Sales records - Entering transactions into real-time 28 electronic logbook - Purchaser's proof of identity. (a) A pharmacy shall: 29 30 (1) Maintain a written or electronic log or receipts of transactions involving the sale of ephedrine, pseudoephedrine, or 31 32 phenylpropanolamine; and 33 (2) Enter any transaction required to be maintained by this 34 section into the real-time electronic logbook maintained by the Arkansas 35 Crime Information Center under § 5-64-1106. 36 (b) A person purchasing, receiving, or otherwise acquiring ephedrine,

1	pseudoephedrine, or phenylpropanolamine shall:
2	(1) Produce current and valid proof of identity; and
3	(2) Sign a written log or an electronic log or a receipt that
4	documents the date of the transaction, the name of the person, and the
5	quantity of ephedrine, pseudoephedrine, or phenylypropanolamine purchased,
6	received, or otherwise acquired.
7	(c) The requirements of subsection (a) of this section and
8	subdivision (b)(2) of this section are satisfied by entering the information
9	required to be produced into the real-time electronic logbook maintained by
10	the Arkansas Crime Information Center under § 5-64-1106.
11	
12	5-64-1105. Definitions.
13	As used in this subchapter:
14	(1) "Ephedrine", "pseudoephedrine", and "phenylpropanolamine"
15	means any product containing ephedrine, pseudoephedrine, or
16	phenylpropanolamine or any of their salts, isomers, or salts of isomers,
17	alone or in a mixture;
18	(2)(A) "Proof of age" and "proof of identity" means any document
19	issued by a governmental agency that contains a description of the person or
20	a photograph of the person, or both, and gives the person's date of birth.
21	(B) "Proof of age" and "proof of identity" includes
22	without limitation, a passport, military identification card, or driver's
23	<del>license;</del>
24	(3)(A) "Retail distributor" means a grocery store, general
25	merchandise store, drugstore, convenience store, or other related entity, the
26	activities of which, as a distributor of ephedrine, pseudoephedrine, or
27	phenylpropanolamine products, are limited exclusively to the sale for
28	personal use of ephedrine, pseudoephedrine, or phenylpropanolamine products,
29	both in number of sales and volume of sales, either directly to walk-in
30	customers or in face-to-face transactions by direct sales.
31	(B) "Retail distributor" includes any person or entity
32	that makes a direct sale or has knowledge of the direct sale.
33	(C) "Retail distributor" does not include:
34	(i) Any manager, supervisor, or owner not present
35	and not otherwise aware of the direct sale; or
36	(ii) The parent company of a grocery store, general

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1 merchandise store, drugstore, convenience store, or other related entity if 2 the parent company is not involved in direct sales regulated by this 3 subchapter; and 4 (4) "Sale for personal use" means the sale in a single 5 transaction to an individual customer for a legitimate medical use of a 6 product containing ephedrine, pseudoephedrine, or phenylpropanolamine in a 7 quantity at or below that specified in § 5-64-1103, and includes the sale of 8 those products to an employer to be dispensed to employees from a first-aid 9 kit or medicine chest. 10 11 5-64-1106. Real-time electronic logbook. 12 (a)(1) Subject to available funding, on or before May 15, 2008, the 13 Arkansas Crime Information Center shall provide pharmacies in this state 14 access to a real-time electronic logbook for the purpose of entering into the 15 real-time electronic logbook any transaction required to be reported by § 5-16 64-1104. 17 (2) The real-time electronic logbook shall have the capability 18 to calculate both state and federal ephedrine, pseudoephedrine, or 19 phenylpropanolamine purchase limitations. 20 (b) The center may contract with a private vendor to implement this 21 section. 22 (c) The center shall not charge a pharmacy any fee: 23 (1) To support the establishment or maintenance of the real-time electronic logbook; or 24 25 (2) For any computer software required to be installed as part 26 of the real-time electronic logbook 27 28 5-64-1107. Confidentiality of information. (a) Information entered into the real-time electronic logbook is 29 30 confidential and is not subject to the Freedom of Information Act of 1967, § 25-19-101 et seg. 31 32 (b) Except as authorized under § 5-64-1108 or otherwise by law, the 33 Arkansas Crime Information Center shall not disclose any information entered, 34 collected, recorded, transmitted, or maintained in the real-time electronic 35 logbook.

36

1	5-64-1108. Authorized access to the real-time electronic logbook.
2	The Arkansas Crime Information Center shall provide access to the real-
3	time electronic logbook to the following:
4	(1) Any person authorized to prescribe or dispense products
5	containing ephedrine, pseudoephedrine, or phenylpropanolamine for the purpose
6	of providing medical care or pharmaceutical care;
7	(2) A local, state, or federal law enforcement official or a
8	local, state, or federal prosecutor;
9	(3) A local, state, or federal official who requests access for
10	the purpose of facilitating a product recall necessary for the protection of
11	the public health and safety; and
12	(4) The Arkansas State Board of Pharmacy for the purpose of
13	investigating a suspicious transaction, as allowed under § 5-64-1006.
14	
15	5-64-1109. Promulgation of rules.
16	The Arkansas Crime Information Center, after consulting with the
17	Arkansas State Board of Pharmacy, shall promulgate rules necessary to:
18	(1) Implement the provisions of §§ 5-64-1104(a)(2) and 5-64-1106
19	<del>- 5-64-1112;</del>
20	(2) Ensure that the real-time electronic logbook enables a
21	pharmacy to monitor the sales of ephedrine, pseudoephedrine, or
22	phenylpropanolamine occurring at that pharmacy;
23	(3) Allow a pharmacy to determine whether it will access
24	information concerning sales of ephedrine, pseudoephedrine, or
25	phenylpropanolamine made at other pharmacies in this state; and
26	(4) Ensure that the real-time electronic logbook does not allow
27	access to a competitor's pricing information for ephedrine, pseudoephedrine,
28	and phenylpropanalomine.
29	
30	5-64-1110. Destruction of records.
31	The Arkansas Crime Information Center shall destroy any transaction
32	record maintained in the real-time electronic logbook within two (2) years
33	from the date of its entry unless the transaction record is being used in an
34	ongoing criminal investigation or criminal proceeding.
35	

5-64-1111. Liability of pharmacy.

1	A pharmacy in this state is not liable civilly for a sale of ephedrine,
2	pseudoephedrine, or phenylpropanolamine that occurs at another pharmacy in
3	this state.
4	
5	5-64-1112. Penalty for unauthorized disclosure and unauthorized
6	access.
7	(a) A person commits an offense if he or she knowingly:
8	(1) Releases or discloses to any unauthorized person any
9	confidential information collected and maintained under § 5-64-1107 or § 5-
10	<del>64-1108; or</del>
11	(2) Obtains confidential information for a purpose not
12	authorized by § 5-64-1107 or § 5-64-1108.
13	(b) A violation of subsection (a) of this section is a Class A
14	misdemeanor.
15	
16	SECTION 5. DO NOT CODIFY. Within thirty (30) days after the effective
17	date of this act, records created under § 5-64-1101 et seq., including all
18	data included in a real-time electronic logbook, shall be destroyed unless
19	the records or data are being used in an ongoing criminal investigation or an
20	ongoing criminal proceeding. Records or data being used in an ongoing
21	criminal investigation or an ongoing criminal proceeding shall be destroyed
22	at the conclusion of the criminal investigation or the criminal proceeding.
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24	<u>/s/Wright</u>
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