

April 8, 2021

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1032

In lieu of the amendments printed on pages 1263 through 1266 of the Senate Journal, Engrossed House Bill No. 1032 is amended as follows:

Page 1, line 1, replace "19" with "26.1"

Page 1, line 2, after the semicolon insert "to amend and reenact section 43-15.3-12 of the North Dakota Century Code, relating to wholesale drug license fees; to provide a continuing appropriation;"

Page 1, replace lines 4 and 5 with:

**"SECTION 1.** A new chapter to title 26.1 of the North Dakota Century Code is created and enacted as follows:"

Page 1, line 12, after "5." insert """Drug manufacturer" means the entity that holds the national drug code for a drug which is engaged in the production, preparation, propagation, compounding, conversion, or processing of the drug or which is engaged in the packaging, repackaging, labeling, relabeling, or distribution of the drug. The term does not include a wholesale drug distributor or retail pharmacy licensed in this state.

6."

Page 1, line 14, replace "6." with "7."

Page 1, line 16, after "agency" insert "other than the department of human services or state department of health"

Page 1, remove line 18

Page 1, line 19, after "a" insert "drug"

Page 2, remove line 1

Page 2, line 2, replace "11." with "10."

Page 2, line 3, after "19-03.6-01" insert ". The term does not include the department of human services or state department of health"

Page 2, remove lines 4 through 8

Page 2, line 9, replace "13." with "11."

Page 2, line 9, remove "means a:"

Page 2, remove lines 10 through 18

Page 2, line 19, replace "restricted to use by a practitioner" with "has the same meaning as under section 43-15-01"

Page 2, line 20, replace "14." with "12."

Page 2, line 22, replace "pharmaceutical" with "drug"

Page 2, line 23, replace "15." with "13."

Page 2, line 24, replace "16." with "14."

Page 2, line 27, replace "17." with "15."

Page 2, line 27, after "the" insert "drug"

Page 2, line 28, replace "wholesale drug distributors" with "wholesalers"

Page 3, remove lines 3 and 4

Page 3, line 6, replace "board" with "commissioner"

Page 3, line 8, replace "United States food and drug administration-approved" with "prescription"

Page 3, line 9, after "that" insert "drug"

Page 3, line 14, replace "board" with "commissioner"

Page 3, line 21, after "the" insert "previous"

Page 3, line 23, after the first "the" insert "drug"

Page 3, line 25, after "the" insert "drug"

Page 3, line 27, after "A" insert "concise"

Page 3, line 31, replace "board" with "commissioner"

Page 4, line 1, after the first "the" insert "drug"

Page 4, line 1, after the second "the" insert "drug"

Page 4, line 4, replace "board" with "commissioner"

Page 4, line 4, after the second "the" insert "drug"

Page 4, line 7, after "a" insert "concise"

Page 4, remove lines 14 through 16

Page 4, line 19, replace "board" with "commissioner"

Page 5, line 3, after the underscored comma insert "the identity of a drug manufacturer."

Page 5, remove lines 6 through 10

Page 5, line 12, remove "a."

Page 5, line 13, replace "board" with "commissioner"

Page 5, line 15, replace "(1)" with "a."

Page 5, line 16, replace "(2)" with "b."

Page 5, line 18, replace "(3)" with "c."

Page 5, line 20, replace "(4)" with "d."

Page 5, line 22, replace "(5)" with "e."

Page 5, line 24, replace "(6)" with "f."

Page 5, remove lines 25 through 30

Page 6, remove lines 4 through 31

Page 7, remove lines 1 through 31

Page 8, remove lines 1 through 7

Page 8, line 9, remove "the board reports to"

Page 8, line 10, after the first "commissioner" insert "receives"

Page 8, line 13, replace "thirty" with "sixty"

Page 8, line 13, replace "from the board" with "under this chapter"

Page 8, line 14, after the underscored period insert "The information the commissioner publishes may not disclose or tend to disclose trade secret, proprietary, commercial, financial, or confidential information of any pharmacy, pharmacy benefits manager, drug wholesaler, or hospital."

Page 8, line 16, remove "board and the"

Page 8, line 17, replace "commissioner" with "board"

Page 8, line 17, replace "board" with "commissioner"

Page 8, line 19, replace "board" with "commissioner"

Page 8, line 20, replace the first "board" with "commissioner"

Page 8, line 20, after "44-04-17.1" insert "; however, as provided under section 44-04-18.4 any portion of a report which discloses trade secret, proprietary, commercial, or financial information is confidential if it is of a privileged nature and has not been previously publicly disclosed"

Page 8, after line 20, insert:

**"Drug pricing fund - Transfer - Continuing appropriation.**

There is created in the state treasury the drug pricing fund, which consists of any money deposited in the fund by the board and any interest earned on moneys in the fund. The board may deposit up to six hundred dollars of every wholesaler license fee and every virtual wholesaler license fee collected by the board under section 43-15.3-12 to the drug pricing fund. All moneys in the fund, not otherwise appropriated, are appropriated to the insurance department to implement this chapter."

Page 8, line 22, replace "care plan" with "insurer"

Page 8, line 22, remove "hospital, pharmacy, wholesale drug distributor."

Page 8, line 23, remove "pharmacy services administrative organization."

Page 8, line 25, after the underscored period insert "The attorney general may waive or reduce a fine under this section upon a finding of good cause, such as excusable neglect or other extenuating circumstances."

Page 8, after line 26, insert:

**"SECTION 2. AMENDMENT.** Section 43-15.3-12 of the North Dakota Century Code is amended and reenacted as follows:

**43-15.3-12. Fees.**

The board shall charge and collect the following fees under this chapter:

Chain drug warehouse	\$200
Chain pharmacy warehouse	\$200
Durable medical equipment distributor, medical gas distributor, or both	\$200
Durable medical equipment retailer, medical gas retailer and distributor, or both	\$300
Hospital offsite warehouse	\$200
Jobber or broker	<del>\$400</del> <u>Not to exceed \$1,000</u>
Manufacturer	<del>\$400</del> <u>Not to exceed \$1,000</u>
Medical gas retailer, durable medical equipment retailer, or both	\$200
Medical gas durable medical equipment distributor and retailer	\$300
Outsourcing facility	\$200
Own label distributor	<del>\$400</del> <u>Not to exceed \$1,000</u>
Pharmacy distributor	\$200
Private label distributor	<del>\$400</del> <u>Not to exceed \$1,000</u>
Repackager	<del>\$400</del> <u>Not to exceed \$1,000</u>
Reverse distributor	\$200
Third-party logistic provider	<del>\$400</del> <u>Not to exceed \$1,000</u>
Veterinary-only distributor	\$200
Virtual manufacturer	\$400
Virtual wholesaler or distributor	<del>\$400</del> <u>Not to exceed \$1,000</u>
Wholesaler or distributor	<del>\$400</del> <u>Not to exceed \$1,000"</u>

Renumber accordingly