



ARIZONA STATE SENATE
Fifty-Sixth Legislature, Second Regular Session

FACT SHEET FOR S.B. 1447

fentanyl; manufacturing drugs; machines

Purpose

Establishes reporting requirements for the sale and transfer of pill tableting machines and encapsulating machines (machines).

Background

It is unlawful for any person to make, distribute or possess any punch, die, plate, stone or other thing designed to print, imprint or reproduce the trademark, trade name or other identifying mark, imprint or device relating to the authorized identification of any controlled substance, prescription-only drug or over-the-counter drug or any likeness of any of the foregoing on any drug or container to intentionally: 1) counterfeit a controlled substance, prescription-only drug or over-the-counter drug; or 2) duplicate substantially the physical appearance, form, package or label of a controlled substance, prescription-only drug or over-the-counter drug. A violation of this prohibition is a class 1 misdemeanor ([A.R.S. § 13-3459](#)).

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

Provisions

1. Requires a manufacturer, wholesaler, retailer or other person who sells, transfer, furnishes, purchases, receives or resells any regulated pill tableting machine or encapsulating machine and its part to submit a report to DPS of all transactions and purchases.
2. Requires DPS to provide a common reporting form that contains at least the following information:
 - a) the manufacturer's name and address and the model, serial number and origin of the machines;
 - b) the name and address of the machine seller;
 - c) the shipping carrier information, including tracking information, names and addresses of the sender and receiver for each piece associated with the machine;
 - d) the number of pieces shipped and the manifested description of each item whether shipped together or separate; and
 - e) the date of purchase, sale price and method of payment, including the full name of the payee.
3. Requires an entity that is required to submit a report of sale or transfer of a machine to submit a report of the transaction to DPS not less than ten days before delivery of the machine.

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4. Requires an entity required to submit a report of purchase or receivership to submit the report of the transaction to DPS not less than three business days after payment, in part or in full, for the machine or any part of the machine.
5. Requires an entity required to submit a report to include any known or intended subsequent transfers after completion of the sale or purchase of the machine.
6. Requires any entity that sells, transfers or otherwise furnishes any machine to any person or entity in Arizona in a suspicious transaction to report it to DPS.
7. Makes it unlawful for a person to knowingly do any of the following:
 - a) fail to submit a required report;
 - b) furnish false information or omit any material information in any required report or record;
 - c) cause another person to furnish false information or to omit any material information in any required report or record;
 - d) participate in any wholesale or retail transaction or series of transactions that are structured by a person with the intent to avoid the filing by any party to the transaction of any required report.
8. Exempts, from established machine reporting requirements, a pharmacist licensed in Arizona, or an employee acting on behalf of a pharmacist licensed in Arizona, who is registered and licensed with the Drug Enforcement Administration to dispense scheduled substances and that purchases a machine.
9. Specifies that this exemption does not apply if the pharmacist resells, transfers or provides the machine to a nonlicensed entity.
10. Classifies a violation of requirements related to machines as a class 1 misdemeanor, except that a subsequent violation is a class 6 felony.
11. Increases, from a class 1 misdemeanor to a class 5 felony, the penalty for unlawful manufacture of certain substances and drugs.
12. Adds various chemical substances, including benzylfentanyl and norfentanyl, to the definition of *precursor chemical II*.
13. Defines *pill tableting machine*.
14. Defines encapsulating machine.
15. Makes technical and conforming changes.
16. Becomes effective on the general effective date.

Prepared by Senate Research

February 12, 2024

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