

SENATE BILL 97

By Norris

AN ACT to amend Tennessee Code Annotated, Title 53, Chapter 11, Part 3; Title 63, Chapter 10, Part 2 and Title 63, Chapter 10, Part 3, relative to pharmacy.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 53-11-302, is amended by deleting subsections (a) and (b) and substituting instead the following:

(a) Every person who manufactures, distributes, dispenses, or is a third-party logistics provider for any controlled substance pursuant to § 53-11-301 within this state or who proposes to engage in the manufacture, distribution, dispensing, warehousing, or providing logistics services for any controlled substance within this state, shall annually obtain a registration issued by the board of pharmacy and the appropriate occupational or professional licensing board governing persons who may legally dispense controlled substances in accordance with the licensing board's rules.

(b) Persons registered by the board of pharmacy and the appropriate occupational or professional licensing board governing persons who may legally dispense controlled substances under this part, part 4 of this chapter, and title 39, chapter 17, part 4, to manufacture, distribute, dispense, warehouse, or provide logistics services for controlled substances may possess, manufacture, warehouse, distribute, or dispense those substances to the extent authorized by their registration and in conformity with this section.

SECTION 2. Tennessee Code Annotated, Section 53-11-304(a), is amended by deleting the language:

(a) A registration under § 53-11-302 to manufacture, distribute or dispense a controlled substance may be suspended or revoked by the board of pharmacy and the appropriate occupational or professional licensing board governing persons who may legally dispense controlled substances upon a finding that the registrant has:

and substituting instead the following:

(a) A registration under § 53-11-302 to manufacture, warehouse, distribute, dispense, or provide logistics services for a controlled substance may be suspended or revoked by the board of pharmacy and the appropriate occupational or professional licensing board governing persons who may legally dispense controlled substances upon a finding that the registrant has:

SECTION 3. Tennessee Code Annotated, Section 63-10-204, is amended by deleting subdivisions (15) and (45) and substituting instead the following:

(15) "Distribute" or "distribution" means the sale, purchase, trade, delivery, handling, storage, or receipt of a product; provided, that "distribute" or "distribution" does not include dispensing or administering a product pursuant to a prescription or medical order;

(45) "Wholesaler" or "wholesale distributor" means a person engaged in the wholesale distribution of drugs or devices; provided, that "wholesaler" or "wholesale distributor" does not include licensed third-party logistics providers.

SECTION 4. Tennessee Code Annotated, Section 63-10-204, is further amended by inserting the following language as new, appropriately designated subdivisions:

( ) "Distributor" means a person engaged in the distribution of drugs or devices; provided, that "distributor" does not include licensed wholesale distributors or licensed third-party logistics providers;

( ) "Third-party logistics provider" means a person that provides or coordinates warehousing or other logistics services of a drug or device on behalf of a manufacturer, wholesale distributor, or dispenser of the drug or device, but does not take ownership of

the drug or device, nor has responsibility to direct the sale or disposition of the drug or device;

( ) “Wholesale distribution” means the distribution of a drug or device to persons other than the patient or consumer, or the receipt of a drug or device by persons other than the patient or consumer; provided, that “wholesale distribution” does not include the distribution or receipt of products, transactions, or services that are exempted from this definition by rule;

SECTION 5. Tennessee Code Annotated, Section 63-10-306, is amended by deleting subsection (f) and substituting instead the following:

(f) The board has the authority to license and register pharmacists, pharmacies, wholesalers, distributors, pharmacy technicians, manufacturers, third-party logistics providers, and such other persons as the board may be required to license under federal or state law upon requirements established by the board’s rules. This subsection (f) shall not be construed to include manufacturers’ representatives, unless otherwise required by federal or state law.

SECTION 6. This act shall take effect upon becoming a law, the public welfare requiring it.