

LCB File No. R097-07

**PROPOSED REGULATION OF THE
STATE BOARD OF PHARMACY**

EXPLANATION – Matter in *italics* is new; matter in brackets **[H]** is material to be omitted.

CHANGES TO FINGERPRINTING REQUIREMENT FOR WHOLESALERS

Section 1. NAC 639.593 shall be amended as follows:

1. Each applicant for a license to engage in the wholesale distribution of prescription drugs must submit an application to the Board. The application must be made on a form furnished by the Board. The application must include:

(a) The name, business address and telephone number of the applicant and the address of the facility, if different from the address of the applicant;

(b) All trade or business names used by the applicant;

(c) The address, telephone number and name of the person who manages the facility;

(d) The type of ownership or operation of the facility;

(e) Except as otherwise provided in subsection 7:

(1) A complete set of fingerprints from each person required to submit fingerprints pursuant to NRS 639.500; and

(2) Written permission from each person who submitted fingerprints authorizing the Board to forward his fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report; and

(f) If the applicant is a:

(1) Natural person, the name of the person.

(2) Partnership, the name of the partnership and the name of each partner.

(3) Corporation, the name and title of each officer and director of the corporation, the corporate name and the state of incorporation, and the name of the parent company, if any.

(4) Sole proprietorship, the name of the sole proprietor and the name of the business entity.

2. If a wholesaler distributes prescription drugs from more than one facility, the wholesaler must obtain a license for each facility.

3. The Board will not consider the sale or distribution of a prescription drug to be a wholesale transaction if the sale, distribution or other transaction involving the prescription drug is a sale, distribution or other transaction in which:

(a) A wholesaler licensed by the Board or the relevant authority of another state sells, distributes or otherwise provides a prescription drug to a wholesaler or pharmacy licensed by the Board;

(b) Both the transferring wholesaler and the transferee are wholly owned by a common owner; and

(c) The common owner is a publicly traded corporation.

For the purposes of this subsection, a wholesaler whose transaction does not comply with the provisions of paragraphs (a), (b) and (c) may apply to the Board to consider the transaction of the wholesaler not to be a wholesale transaction if the wholesaler provides proof that is satisfactory to the Board that the proposed transaction will not endanger the public and is not proposed for the purpose of evading the provisions of this chapter and chapter 639 of NRS. The Board will consider such a transaction to be a wholesale transaction until the Board approves the application of the wholesaler.

4. An applicant shall submit to the Board any change in the information required by this section within 30 days after the change occurs.

5. A license issued by the Board is not transferable.

6. Except as otherwise provided in subsection 7, each wholesaler applying for renewal of a license to engage in the wholesale distribution of prescription drugs must submit:

(a) A complete set of fingerprints from each person required to submit fingerprints pursuant to NRS 639.500; and

(b) Written permission from each person who submitted fingerprints authorizing the Board to forward his fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report.

7. A wholesaler whose securities are publicly traded and regulated by the Securities Exchange Act of 1934, as amended, 15 U.S.C. §§ 78a et seq., or that is owned by a corporation whose securities are publicly traded and regulated by the Act is not required to

submit fingerprints or written permission pursuant to NRS 639.500, unless the Board otherwise requires.

8. All fingerprints required by this section, NRS 639.500, or NRS 639.505 shall be submitted only in an electronic form in such manner and format as can be readily processed by the Board's staff, the Nevada Department of Public Safety, and the Federal Bureau of Investigation.