

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON COMMERCE AND LABOR**

**Eighty-Second Session
April 28, 2023**

The Committee on Commerce and Labor was called to order by Chair Elaine Marzola at 1:33 p.m. on Friday, April 28, 2023, in Room 4100 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. Copies of the minutes, including the Agenda [[Exhibit A](#)], the Attendance Roster [[Exhibit B](#)], and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/App/NELIS/REL/82nd2023.

COMMITTEE MEMBERS PRESENT:

Assemblywoman Elaine Marzola, Chair
Assemblywoman Sandra Jauregui, Vice Chair
Assemblyman Max Carter
Assemblywoman Bea Duran
Assemblywoman Melissa Hardy
Assemblywoman Heidi Kasama
Assemblywoman Daniele Monroe-Moreno
Assemblyman P.K. O'Neill
Assemblywoman Selena Torres
Assemblyman Steve Yeager
Assemblyman Toby Yurek

COMMITTEE MEMBERS ABSENT:

Assemblywoman Shea Backus (excused)

GUEST LEGISLATORS PRESENT:

Senator Julie Pazina, Senate District No. 12
Senator Jeff Stone, Senate District No. 20

STAFF MEMBERS PRESENT:

Marjorie Paslov-Thomas, Committee Policy Analyst
Joe Steigmeyer, Committee Counsel
Cyndi Latour, Committee Manager
Spencer Wines, Committee Secretary
Garret Kingen, Committee Assistant

Minutes ID: 1006



OTHERS PRESENT:

Jamie S. Cogburn, President, Nevada Justice Association
Chris Ferrari, representing Association of Health Information Outsourcing Services;
and Ciox Health
Jesse Wadhams, representing Nevada Hospital Association
Sarah Watkins, Interim Executive Director, Nevada State Medical Association
Krystal Riccio, Associate Professor of Pharmacy Practice, College of Pharmacy,
Roseman University of Health Sciences, Las Vegas, Nevada
Michael Hillerby, representing State Board of Pharmacy
Will Adler, representing Stericycle
Elizabeth MacMenamin, Vice President of Government Affairs, Retail Association of
Nevada

Chair Marzola:

[Roll was called and protocol was reviewed.] We will hear two bills, Senate Bill 183 (1st Reprint) and Senate Bill 283 (1st Reprint). I will take those out of order. I will now open the hearing on Senate Bill 283 (1st Reprint) which revises certain provisions relating to health care records. Senator Pazina, you may begin when you are ready.

**Senate Bill 283 (1st Reprint): Revises certain provisions relating to health care records.
(BDR 54-555)**

Senator Julie Pazina, Senate District No. 12:

We are here presenting Senate Bill 283 (1st Reprint). This bill serves to modernize statutes for customers who need their medical records for any reason, including an injury case or for workers' compensation. Currently, written and electronic records cost 60 cents per page, except in cases of workers' compensation where the cost is 30 cents per page. This cost can really add up for those patients who already have astronomical medical bills.

In 2023, we know that most hospitals and doctor's offices have moved from providing written records to electronic records for their patients. This is simply a case of modernization with the times, and this bill seeks to reflect this modernization by reducing the cost per page only for those records that are being sent electronically to the requester.

We are still working with stakeholders on amendments to address some of the concerns and will provide those amendments to both the committee manager and to the Chair as one document rather than five or six separate documents once they are ready, which is why the delay because we wanted to provide only one document. We thank you so much for your consideration, and I am going to pass it along to my copresenter, Jamie Cogburn, who will walk you through the bill.

Jamie S. Cogburn, President, Nevada Justice Association:

This bill really does modernize. Right now, if you were to request medical records, they would cost 60 cents per page. If medical records are kept electronically and you request your

medical records for the treatment you receive at a hospital, then you will receive those records electronically, but you will just be charged a onetime flat fee, not a per page.

Originally, when this law went into effect, if we had paper records, somebody would go pull a file, they would stand next to a copy machine, copy the records, and move forward. As we move into the electronic age, this makes more sense for everybody. You have to remember that these patients have gone to these facilities and have already paid for the medical treatment. Their insurance has paid for the medical treatment and all they are asking for is their records. They are able to designate if somebody else wants to get them, whether that is an attorney, a guardian, or whether that is somebody who has the power of attorney. We believe charging a simple, flat fee is the Nevada way and, with that, we will open up to any questions.

Chair Marzola:

Thank you for your presentation. Committee members, any questions?

Assemblywoman Kasama:

Is the intent of this bill that it will still allow paper delivery and/or electronic? Have you considered a different cost for either of those? Obviously, the paper does cost more than the electronic. I think most people are going to electronic in all industries, I certainly understand that. I would just like to clarify that.

Senator Pazina:

Yes, we have considered that. We know that a lot of smaller offices as well are not able to offer that electronically, and those can still be offered from a paper standpoint. Of course, patients are welcome to request paper copies. It is up to them whether they want it from a paper or electronic method of transmission. We have had numerous discussions in regard to the cost associated behind both of those methods. That is why we are still waiting on some outstanding amendments.

Assemblywoman Kasama:

As of right now, it would still be 60 cents a page for paper, and then \$15 per electronic. Is that correct?

Senator Pazina:

It is up to \$15, because if it was just two pages sent electronically, we certainly would not want anyone to have a \$15 charge, so we said "up to."

Assemblywoman Kasama:

The only concern I have when we start putting exact numbers in statute is, because no matter which way it is delivered, there is still some cost of labor. I have the same issue in the real estate industry. We have homeowners' association documents. We are spending \$300 to \$400 for an electronic delivery, and you are talking about \$15. I think less is probably better because it is pulling the files and doing it, but it still takes somebody to do it. Have you considered with your base pricing, so to speak, any consumer price index adjustment or

a range? I do not know if there is a big difference between 2 pages electronically or 60 pages electronically. I think it is the file, but there is still some labor involved with somebody doing it. I did not know if you thought about how to adjust that without having to come back to the Legislature every time there is an adjustment needed.

Senator Pazina:

Yes, all those discussions have been happening with the electronic providers—the companies that work with those doctors' offices and with the medical transmission. Because those conversations are ongoing, we were not ready to provide an amendment today with exact figures because, again, we really just want to provide one amendment. We have also been speaking with the Nevada Medical Association as well. Yes, we have been having those conversations, and that will be remedied when the final amendment hits the Chair, Committee manager, and your group.

Jamie Cogburn:

I want to make one clarification. If the records are stored in a paper format, it is still 60 cents per page. They do not have to scan them in. It is only if they are stored electronically, would they have to be delivered electronically, and it would be a flat fee.

Chair Marzola:

How did you come up with the \$15 figure?

Jamie Cogburn:

Initially, the \$15 was actually amended. Originally, the records were to be provided for free, because you have already paid for the medical services and your insurance has already paid for the medical services. After discussions with the stakeholders, we amended it to \$15, and those conversations are continuing.

Assemblywoman Duran:

Is this just for copies? When you initially go to the doctor and you want a printout of what happened, do you get that free, or do you have to pay for that as well?

Jamie Cogburn:

This is only after the fact. You went to the doctor, say six months ago, and you say, I need a copy of my medical records to provide to another doctor or to someone else, and you request them at that time.

Assemblywoman Duran:

We heard another bill for the Family and Medical Leave Act to get records, and we passed a fee with \$10. Would you consider being at continuity throughout the state for files for medical records?

Jamie Cogburn:

We are open to all kinds of things, and I think ultimately there will be an amendment that will satisfy everybody and make everybody happy, hopefully.

Assemblywoman Kasama:

This might come with the change of the amendment, but section 1, line 6 says "must electronically transmit." You said they could still do paper copies. I was just wondering how you would address that language there.

Jamie Cogburn:

If they keep them in electronic format and you requested an electronic format, they must transmit them in electronic format. If you want them printed, even if they are kept in electronic format, and you tell them you do not want an email or a portal or some other type of secure method and you want them printed out, then the charge would be 60 cents per page.

Chair Marzola:

Committee members, any additional questions? We will move to testimony in support of Senate Bill 283 (1st Reprint). [There was none]. We will move to testimony in opposition to Senate Bill 283 (1st Reprint). [There was none.] [[Exhibit C](#) was submitted but not discussed and will become part of the record]. We will move to neutral testimony on Senate Bill 283 (1st Reprint).

Chris Ferrari, representing Association of Health Information Outsourcing Services; and Ciox Health:

We have been working with proponents and Senator Pazina to try to address some of the issues that many of you raised during the question period. I did submit one item for the Committee's reference, and it is the 45-point record acquisition process that it goes through [[Exhibit D](#)]. Oftentimes, it will be said, "all you have to do is print, save these things, and ship them over." As all of you know, with different federal regulations including Health Insurance Portability and Accountability Act and others, it is difficult to put these records together, it is costly, and there is human time involved. The proponents and the sponsor have been fantastic to work with, and we will continue to do so.

Jesse Wadhams, representing Nevada Hospital Association:

Mr. Ferrari covered it. The Nevada Justice Association and Senator Pazina have been great to work with. These records do not come without costs even when they are delivered electronically; things like authorizations that we have all signed when we go to the doctor's office to release information. Those all have to be checked to make sure that information can be released. I learned that, in behavioral health settings, there is an even different authorization that has to be confirmed and released. Again, we are working very diligently to get to a decent compromise and appreciate all the efforts of the proponents.

Sarah Watkins, Interim Executive Director, Nevada State Medical Association:

The Nevada State Medical Association is here in neutral today as well. We have expressed any concerns that we have with Senator Pazina, and we appreciate the open conversation she is letting us have—specifically to how this might affect small business physicians and their ability to recoup costs if something like this were to move forward. We are working with her and appreciate the open dialogue.

Chair Marzola:

Is there anyone else wishing to testify in the neutral position on Senate Bill 283 (1st Reprint)? [There was no one.] Senator, would you like to give any closing remarks? [She did not.] I will now close the hearing on Senate Bill 283 (1st Reprint). I will now open the hearing on Senate Bill 183 (1st Reprint) which establishes provisions relating to the collection and destruction of unused drugs. Welcome, Senator Stone. You may begin when you are ready.

Senate Bill 183 (1st Reprint): Establishes provisions relating to the collection and destruction of unused drugs. (BDR 54-576)

Senator Jeff Stone, Senate District No. 20:

I am honored to be before you, the hardworking Assembly Committee on Commerce and Labor. My first presentation before an Assembly committee here in Nevada. I am honored to be here today with you. I am proud to present Senate Bill 183 (1st Reprint). The appropriate and the legal disposal of expired or unused prescription drugs is important to prevent drug diversion, protect our landfills, and safeguard our finite water supplies.

It will help with diversion. Many citizens often store their unused or expired pharmaceuticals in their medicine cabinets, in their bathrooms, or in their cupboards. This leaves their drugs vulnerable for children, grandchildren, or even strangers visiting them to take them, ingest them, or if a controlled substance, even sell them on the streets. For example, real estate agents often have open houses. Many of them instruct the owners of the properties to remove all their prescription drugs that are in their homes to prevent them from being stolen by a would-be interested party looking at their home.

In a rapidly aging population, which I am now a member of, there is a higher propensity of being prescribed a controlled substance for pain control, not limited to but including: hydrocodone or Vicodin, oxycodone or OxyContin, hydromorphone or Dilaudid, just plain morphine, a controlled anti-anxiety agent like Xanax, or sedative hypnotics such as Halcion or triazolam.

These drugs can be potentially sold on the streets for a lot of money. Data from federal law enforcement agencies has shown that OxyContin tablets on the illicit market can sell for between \$50 and \$80 per tablet. The generic oxycodone \$12 to \$40 a tablet, hydrocodone or Vicodin between \$5 to \$20 a tablet or alprazolam better known as Xanax as much as \$20 a tablet.

Because of the inconvenience of finding a drug disposal box nearby, many people just throw their pills in the rubbish, polluting our landfills, or often flush their pharmaceuticals down the toilet, forever tainting our water supplies. These drugs are water soluble—many of them cannot be filtered out by water treatment plants—hence these drugs tend to accumulate in our water supplies over time. In southern Nevada where I am from, there is a robust toilet to tap program that is so essential in confronting our drought and our dangerously low levels of

Lake Mead. We also see an increasing trace drug presence in Lake Mead, which may present health problems in the future.

As an example, studies have shown trace drugs that are excreted by the body or those that are improperly disposed of have found their way successfully to Lake Mead, a major source of drinking water in southern Nevada. Some of these drugs that are found in our water supplies have been implicated in potentially causing cancer.

The solution would be to install more drug disposal bins in retail pharmacies throughout Nevada. The Drug Enforcement Administration (DEA) has promulgated the *Code of Federal Regulations*, Title 21, that allows for the installation of drug disposal bins, and through this regulation, ensures that bins are placed in a pharmacy where they can be observed while the pharmacy is open and closed off and locked shut when the pharmacy is closed. This allows for reverse distributors, licensed by the DEA, to pick up the discarded pharmaceuticals and destroy them—usually by incineration—in accordance with Title 21 which is fully traceable and accountable.

We actually have a new company that is investing millions of dollars here in northern Nevada and Storey County called Stericycle, that is going to be a new place for these pharmaceuticals to be destroyed. I look forward to them coming online here in the state of Nevada. When talking to Stericycle, I found out they have a presence throughout the United States, and last year alone, over one billion pounds of pharmaceuticals were successfully collected and incinerated.

Again, there are not enough of these drug disposal bins in Nevada to appropriately discard these pharmaceuticals. Nevada's State Board of Pharmacy has identified the number of existing drug disposal bins in pharmacies in Nevada and shares that data base with the DEA. What we found was, in Elko, there are 3 pharmacy locations where you can appropriately dispose of these pharmaceuticals, in Reno/Sparks there are 11 pharmacy locations, and in Las Vegas and Henderson there are 28 locations. That is a total of 42 pharmacies for 3.2 million people or one bin for every 76,000 people. There are also some drug disposal bins at certain police and sheriffs' departments throughout the state, and they are not counted in the statistics.

For comparison, if you look at Sacramento, California, which has a population of 520,000 within a 20-mile radius, they have 96 pharmacy locations. That is one for every 5,426 people. What will this bill do? This bill will encourage pharmacies—let me emphasize, not mandate—especially chain stores within their market share, to consider adding more drug disposal bins statewide, making the service better advertised and available and expand to more locations for patrons to utilize them. You may ask, Why would a pharmacy consider placing one of these bins in their pharmacies throughout Nevada? Of course, providing this eco-friendly and public safety service can be advertised as a wonderful community partner, and one could also predict that these bins would increase traffic of people to their stores to buy more pharmaceuticals and sundries as they come in to discard their drugs.

Let me add for the record, there has been some discussion about the oversight of these bins in pharmacies. It is as simple as, when the pharmacy opens, they just look at the bin to make sure it has not been tampered with, and at the end of the day they look at the bin again to make sure it has not been tampered with and just make a notation. That is all that is expected of them. Obviously, if somebody comes into the pharmacy with a crowbar, they are going to call 911 and have somebody appropriately apprehended. Pharmacies that install these bins cannot, by this legislation, charge a fee for the patron. It is a free service for the customers to come in and dispose of their pharmaceuticals.

Pharmacies participating need to get regulatory approval from the U.S. Drug Enforcement Administration. The DEA remains a lead regulatory agency overseeing this program. Nevada's State Board of Pharmacy does not require, mandate, or desire to mandate permission via an application for a permit for the same. In some states such as California, they do, which adds costs for participating pharmacies. There are also no legal requirements for participating pharmacies to notify local law enforcement agencies in the municipality where the bins are located. Law enforcement knows the DEA is the chief law enforcement agency for the program unless there is an issue of somebody tampering with the bins.

In examining the bill more specifically, if you look at section 1, subsection 1 [*Nevada Revised Statutes* Chapter 639], it is amended to add a new section:

A collector that maintains a secure drug take-back bin for the collection and destruction of home-generated pharmaceutical waste shall:

- a) Comply with all applicable state and federal laws and regulations relating to the collection of home-generated pharmaceutical waste for destruction in secure drug take-back bins;
- b) Ensure that the secure drug take-back bin is placed in a location that is regularly monitored by employees of the collector;
- c) Ensure that conspicuous signage is posted on the secure drug take-back bin that clearly notifies customers as to the substances that are and are not acceptable for deposit into the bin;
- d) Ensure that public access to the secure drug take-back bin is limited to hours during which employees of the collector are present and able to monitor the operations of the secure drug take-back bin.

I do not know how you keep somebody from putting a schedule I drug in the bin because we are not monitoring what people are putting into those disposable bins.

Again, we are not asking the pharmacies to hire somebody specifically just to sit there and look at the bin all day. It will be right where all the traffic is happening, and they are going to be looking at the bin and looking at customers all day long. It is not meant to be a horrific, onerous policy for pharmacies; it is just going to be there where they can see it. The pharmacists, pharmacy staff, and cashiers can regularly inspect the bin and surrounding areas

for potential tampering or diversion that can happen in the morning and the evening when they close up. They must maintain records of a twice daily inspection of these bins.

They are obviously required to notify law enforcement if they suspect or if they know of tampering, theft, or a significant loss of controlled substances or any other pharmaceuticals, no later than one business day after the date on which the tampering, theft, or significant loss is discovered. A collector cannot receive compensation from a customer of the collector to maintain the bin. Any collector that maintains a secure drug take-back bin is not subject to any civil or criminal liabilities or disciplinary action by the professional licensing board for injury or harm resulting from the collector maintaining the bin on its premises unless the injury or harm results from the gross negligence or willful misconduct of the collector.

You will note, Madam Chair, that we had a friendly amendment proposed by Silver State Government Relations that we wanted to really spell out in the legislation [[Exhibit E](#)]. You will see that under section 1, subsection 3, we are adding language that "Any collector that maintains a secure drug take-back bin and complies with the provisions of subsections 1 and 2 is not subject to any civil or criminal liability related to the maintaining of a drug take-back bin unless injury or harm directly results from the gross neglect or willful misconduct of the collector"

Again, there is no mandate for any pharmacy to install and maintain such a bin. It is a completely voluntary program and the State Board of Pharmacy, at their discretion, may adopt regulations for take-back bins if they feel that it is prudent. Subsection 6, paragraph (a), subparagraph 1, defines the collector as being: "Authorized by and registered with the Drug Enforcement Administration to receive a controlled substance for the purposes of destruction;" and subparagraph 2 says, "In good standing with the Board."

Subsection 6(b) defines "home-generated pharmaceutical waste;" 6(c) defines "Local law enforcement agency;" 6(d) defines "Maintain;" 6(e) defines "Pharmaceutical," 6(f) defines secure drug take-back bin, and 6(g) defines "Solid waste management system."

Section 2, subsection 2 states that "Section 1 of this act becomes effective upon passage and approval for the purpose of adopting any regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and on October 1, 2023, for all other purposes."

Presenting with me today is Dr. Krystal Riccio who is an associate professor of pharmacy practice with the College of Pharmacy at the wonderful Roseman University of Health Sciences in Las Vegas, and she is on Zoom today.

Krystal Riccio, Associate Professor of Pharmacy Practice, College of Pharmacy, Roseman University of Health Sciences, Las Vegas, Nevada:

I appreciate being able to speak with you today regarding [S.B. 183 \(R1\)](#). I am speaking in support of it and talking about how this may impact my own patient population. I am also a collaborative practice pharmacist and I provide care at Behavioral Health Group here in

Las Vegas, Nevada. We are a comprehensive opioid and substance use disorder treatment center. I have over a decade of experience in primary care as well as previous experience in both retail and hospital pharmacy. As I mentioned, I currently practice within a recovery center.

A major common recurring theme of questions I get from patients and colleagues is, How do, or where do, I dispose of any unused medications? This is certainly concerning with our older adult population, as Senator Stone mentioned, who are commonly taking multiple medications, have frequent dosing changes, and frequent medication changes—especially when they are trying to save costs by using mail order, or they end up being Veterans Affairs patients, where they are receiving large quantities of these medications by mail and may not end up using the entire prescription as prescribed. In discontinuing or stopping medications we have no real way of disposing of these. When there are limited DEA drug take-back days as was already mentioned, they have accumulated pounds and pounds of these products and bring them back to those disposal locations.

The most accessible form of health care continues to be our pharmacies, and this is a perfect location for these patients who are already familiar with their local pharmacies and often live within a few miles of these pharmacies to be able to access proper disposal that is not only environmentally safe but also patient safe. As mentioned, a lot of our older patients do take multiple medications and as medications are discontinued and they stay in the home, that does run the risk of duplicate medications being accidentally ingested as well as being the number one source of diversion in our homes, being from friends and family, from medicine cabinets.

As the mother of four children, this is certainly concerning for me when we consider how our youth or young adults are able to access these medications and take them for sources of diversion. I am passionately involved in educating our community about the dangers of medication misuse as well as proper disposal. I have been engaged in Nevada with enhancing disposal options since 2009 and have been part of every DEA take-back that we have done twice a year for over a decade now.

This is definitely not the best route of disposal. I also dispense and distribute the drug disposal bags which can safely dispose of the medication to avoid misuse of those medications that are getting into the wrong hands. Unfortunately, that is not a very environmentally friendly option to continue. It certainly does create an access barrier for our rural and frontier communities. We know that Nevada is made up of a plethora of different community styles and a pharmacy is something that is available in every one of those locations. Unfortunately, the DEA take-back days, the precincts that have those disposal options, or the pharmacies that have very limited disposal options are not in all of those communities. Senate Bill 183 (R1), I believe, enforces and improves patient safety. It also helps patients to be able to access safe disposal wherever they live within the state and decrease the patient safety risks of medication duplications or diversion that we know is contributing to our opioid epidemic that we see today.

Senator Stone:

Nevada has a shortage of these drug disposal bins. This is a voluntary program; it is not a mandate. The service is free to any citizen to discard their pharmaceuticals responsibly and safely with strong concerns for the environment. This will reduce illicit drug diversion, and this will stop depositing these potentially toxic drugs into our landfills and our water supplies. Thank you, Madam Chair, and we would be happy to answer any questions you may have.

Chair Marzola:

We do have a couple of questions, and we will start with Assemblyman Yeager.

Assemblyman Yeager:

Good to see you this afternoon. Congratulations on your first Assembly presentation. Hopefully, we will be seeing you very soon over in the Senate when we have our bills. In the definition of pharmaceutical, you touched on this a little bit, but it talks about schedule II through V but not schedule I. We have cannabis, which is a schedule I federal substance but no longer scheduled in the state. Would someone be able to dispose of cannabis in Nevada in one of these take-back bins or would they not be able to, given the gray area between federal and state law and cannabis?

Senator Stone:

I recognize the differences with marijuana being a schedule I. You can have peyote and other things that are schedule I. There is no camera, there is nobody watching what is going into these drug disposal bins. While we cannot advocate for the people to put something that is federally illegal into a legal storage bin here in Nevada, I can assure you people probably will and this is an appropriate place for them to go.

Let us say someone's kid gets into something that is a schedule I. The last thing they want to do is go to a local police department or sheriff's department and say I have this schedule I drug I want to give to you. Now, are they going to be interrogating them and ask, Where did you get it? This is a very innocent way to just come in and you open the bin up. It is like when you drop your mail in the mail slot, although it is much more protected, you open it up and you just put the contents in there, you close it, and you walk out. There is nobody interviewing you, there are no cameras on you, and then it is just safely incinerated. They are not going to be inventorying the product at the incineration plant at Stericycle or any other company that is used. They are just going to be weighing it. The people that are coming in will weigh this plastic bag that is in a container. They will weigh it, they will take it to the destruction site, making sure that the weight is still what was taken out of the pharmacy, and they will just put it through an incinerator without taking inventory other than the poundage—as I reported, over a billion pounds last year. Every year we hope to see that number go up, of course.

Assemblyman Yeager:

I do not know how many years ago it was, four or five years ago, and you may have seen this too, at Harry Reid International Airport. When you park and you walk across the walkway

there, you will see a big green bin as you walk into the airport that showed up when cannabis became legal in the state. Obviously, it is not legal once you pass through the Transportation Security Administration, and it is not legal to transport interstate yet. I do not know if that particular collection site would qualify, because I got the sense it was for more than just cannabis. There are some requirements here in the bill that if you are going to do this, you have to do it a certain way. I wanted to ask if we talked about pharmacies and that makes a lot of sense. Would it govern such a thing at the airport that they have already? I do not recall them having a sign up that says what you can collect or what you cannot collect. You might have gotten a phone-a-friend there. I am going to talk so long that I bought you a lifeline.

Michael Hillerby, representing State Board of Pharmacy:

There are also a set of DEA rules and much of what is in Senator Stone's bill on the requirements are in those DEA regulations. The places that are able to have these take-back boxes are drug manufacturers, drug distributors, wholesalers, pharmacies, hospitals that have an in-house pharmacy, certain long-term care facilities, and law enforcement locations. You could not have one of these in other locations under the DEA rules, they have to be there. As Senator Stone has already said, included in the bill it needs to be during operating hours, needs to be within line of sight of the pharmacy counter, and needs to be where there are staff at the law enforcement facility. You cannot have one of these even under well-meaning people in another place; there are limited locations you can do that because of the kind of drugs they are collecting.

You mentioned the drug boxes at McCarran [Harry Reid International Airport] that were set up to collect marijuana. I am sure you will be shocked to find that when people are leaving Las Vegas far more ends up in those boxes than just marijuana. That was something the State Board of Pharmacy has dealt with, along with Metropolitan Police [Las Vegas Metropolitan Police Department], and the DEA over the last couple of years—it was an astonishing variety of chemicals.

Senator Stone:

I think for those of us who travel from southern Nevada, when we are leaving McCarran—now Harry Reid International Airport—we have to walk along some drug-sniffing dogs. They are probably seeing a lot more than just cannabis in those containers.

Assemblyman Yeager:

I guess my follow-up is, it sounds like that particular collection site is not authorized under the DEA rules, but would this bill, if we were to enact it, make that site go away? That is county property, right? Before you get into the airport? I think it is a good thing to have that there at the airport because you would rather have someone put it there than go in the airport and throw it in the garbage can or flush it down the toilet. I wanted to get your take on whether they will have to get rid of that if we pass this bill.

Michael Hillerby:

I will get a more definitive answer for you. That was something that the State Board of Pharmacy, Metropolitan Police, and the DEA worked on together, because it is not advertised as a drug collection box for prescription drugs. I think it would certainly not be the Board's intent at all to dissuade the use of that. I think they have handled that again between those two law enforcement agencies and the Board. I will get a more definitive answer for you and follow up.

Assemblywoman Jauregui:

I know you have mentioned in the bill that it was permissive. We currently have one of these for every 76,000 people. You mentioned California has one for every 5,000 people. Is this permissive in California? How were they able to get such a smaller number than ours? One for every 5,000 as opposed to one for every 76,000.

Senator Stone:

It is permissive in California. What makes it more attractive in California is they have a Department of Toxic Substances Control. The Department of Toxic Substances Control will go to each pharmacy and pick up the "contraband," if you will, at no charge to the pharmacy. Right now, under this existing bill there are some drug take-back bins in some pharmacies. The pharmacy owner or corporation pays for that destruction with the reverse distributor. I am hoping that in the next session—I know we have a lot of opiate settlement money—this might be a good source to contract with a company to allow for it to be picked up at no charge to the pharmacies. That way, more pharmacies will participate.

Assemblywoman Jauregui:

You are right. I think there has to be some sort of incentive program for businesses, especially if there will be a cost for them for the destruction of the material. I think this is a great idea; it is a great concept. I would love to see more of these boxes. How do we get to that 1 for every 5,000 like California? Maybe this is something we can talk about the next session.

Senator Stone:

Reducing cost and reducing bureaucratic procedures for pharmacies to have these bins—the last thing we want to do is create a bureaucratic blender for them. It is just simply looking at the bin in the morning, to make sure it is not tampered with, and making sure it is not tampered with at night. That protects the pharmacy; nobody is going to come in there quietly and be able to get contraband out of the disposal bins, reducing the costs and making it easier for them to comply. I think it is going to be essential in getting more pharmacies to participate in the future.

Chair Marzola:

Do you know what the cost is for the pharmacy?

Senator Stone:

It ranges by the pounds that they are collecting, but what I am hearing is about \$80 to \$120 per month.

Assemblywoman Kasama:

I certainly think this is a great bill. I think it is great to encourage the pharmacies. I was part of the rally—I do not know if any of you recall—in real estate. We had the rally bags that we gave out. I gave them to all my agents in my real estate office to give to homeowners when they are moving. We have certainly been trying to address this issue in our community; to have a safe disposal for the community members. I think it is great to work on this bill and to support further encouragement by our pharmacies and to have take-back bins there.

Assemblyman O'Neill:

I think most of my questions were actually asked and answered, but I just want to confirm. The program is voluntary. The pharmacy has to pay for the box. I was curious how much the box costs, if you have an idea?

Senator Stone:

I have heard, but I do not want to state for the record because I do not know exactly. You are probably looking at between \$600 and \$800 for a box. I would defer to the change that actually put them there, depending on who the manufacturer of the box was and what they charged. That would be solely at the expense of the pharmacy.

Assemblyman O'Neill:

You talked about the opioid money in the future. Currently, are there any grants now available to any of the pharmacies to incentivize them to do this where they can either have it all done free, including the monthly fees or at least reduce those fees?

Senator Stone:

I am not aware of any grant funds that are out there. The pharmacies that presently have these boxes are actually paying for the destruction of those drugs at their cost.

Chair Marzola:

Any additional questions? I do not see any. We will move to testimony in support of Senate Bill 183 (1st Reprint).

Will Adler, representing Stericycle:

Stericycle is one of the world's largest disposers of prescription drugs as medical waste disposal goes. We dispose of many different kinds of prescription drugs in many states and take this topic very seriously. The proper destruction of prescription drugs is a critical safety issue for Nevada residents and Nevada's environment. Stericycle would like to thank Senator Stone for the introduction of Senate Bill 183 (1st Reprint). Its intent to standardize and promote the prescription drugs take-backs that already go on in Nevada is well maintained and well informed. You are correct, it is one where there is no current funding today, but

I do believe some of the opioid dollars could be assessed at the county level to direct some of the county funds to pay for these if applied for. We do distribute those funds to counties, and they do have the ability to take in and utilize some of those funds as they see fit.

Stericycle would also like to say that they are investing \$100 million in their Nevada facility in Storey County because they feel the need to have a flagship that is capable of taking in these prescription drugs and as such, they are installing a vault of DEA specific quantities to make sure they can take in, maintain, and then dispose of these drugs properly. The proper disposal of these drugs would ultimately end the danger that they could pose to Nevadans and the environment around us because, ultimately, they maintain their potency until they are disposed of properly, and ultimately, that is incineration.

Stericycle did prepare an amendment to S.B. 183 (R1) to correct one of the errors made in the first amending of the bill [[Exhibit E](#)]. The intention is to allow these facilities to house a collection box without any additional liabilities to them, for holding them because they are of public use and for the public to dispose of their drugs properly. We appreciate your support going forward.

Chair Marzola:

Thank you for your testimony. Is there anyone else wishing to testify in support of Senate Bill 183 (1st Reprint). We will move to testimony in opposition to Senate Bill 183 (1st Reprint).

Elizabeth MacMenamin, Vice President of Government Affairs, Retail Association of Nevada:

I appreciate the opportunity to come forward. I hoped not to come in opposition, however, there are a few sticking points on the bill. I appreciate the opportunity to talk about this. The Retail Association of Nevada and myself specifically have been involved with the take-back program since 2009, like the good Dr. Riccio from Roseman. As a matter of fact, Reno was the first place to sponsor the first take-back program. We had to get special permission from the DEA because the DEA was not even doing it at the time. I just wanted to come to the table to talk about a few things.

Senator Stone talked about California doing this and the monies available for the pharmacies in California was from a fund created by the Pharmaceutical Research and Manufacturers of America. Pharmaceutical Research and Manufacturers of America created that fund and paid for these. In Nevada, our members are very good citizens and have come to the table before ever being required. Once the DEA passed their rules and said that we could do this, our members made the decision, looked at logistically what was the best place to put these—the largest traffic, the most prescriptions prescribed, and other information provided to them—to place these take-back programs within their pharmacies. It is quite expensive.

I know that some of them are emptied on a quite regular basis because they are in the high traffic pharmacies in southern Nevada, not necessarily in Elko—you probably do not have to

empty it as much in Elko. We believe in being good citizens, and we also hand out the bags upon request. There is any number of ways that we have been working at this.

We would like to see Stericycle and Senator Stone be able to get these rules and regulations into statute. But we have reached a sticking point, and that is the recordkeeping. We are not required by the DEA to do this, and Senator Stone would like for us to do it. While I think recordkeeping is great in some circumstances, there is no need for this as federal law does not require it, and I do not think the state of Nevada does.

With that, I will close my testimony and I will continue working with the sponsor on this bill to see if we can get past the sticking points that we have come to today.

[\[Exhibit F\]](#) was submitted but not discussed and will become part of the record.]

Chair Marzola:

We will move to testimony in neutral to Senate Bill 183 (1st Reprint). [There was none.] Senator, would you like to give any closing remarks?

Senator Stone:

First of all, thank you very much for hearing the bill and I appreciate Ms. MacMenamin's comments. Let me just state for the record that there are hundreds of these bins in California that the chain stores have put in and they have not found it to be an onerous responsibility to look at the bin in the morning to make sure it has not been tampered with and to look at it before they close the pharmacy to make sure it has not been tampered with.

I think it is a very minor request that they do that. Frankly, I think they should do it for their own protection because if there is a bin that has been messed with and contraband is missing, I think the first thing the DEA is going to say is, Well, did you take a look at your bins that you are supposed to be observing throughout the time that they are in your high traffic area in your pharmacy? I think a pharmacy would like to say yes, we did inspect this and obviously somebody gerrymandered it during the day when, unfortunately, we were not able to see them doing that. That is in there for their protection, but I am still happy to work with the opposition if this moves forward.

In summary, this is an appropriate way for people to dispose of their pharmaceuticals in Nevada and make sure that we protect our landfills and our water supplies. I hope to gain your support.

Chair Marzola:

Thank you, Senator, for being here today and for presenting your bill. I will now close the hearing on Senate Bill 183 (1st Reprint). I will now open for public comment. [There was none.] This concludes our meeting for today. Our next meeting will be Monday, May 1, at 1:30 p.m. This meeting is adjourned [at 2:23 p.m.].

RESPECTFULLY SUBMITTED:

Spencer Wines
Committee Secretary

APPROVED BY:

Assemblywoman Elaine Marzola, Chair

DATE: _____

EXHIBITS

[Exhibit A](#) is the Agenda.

[Exhibit B](#) is the Attendance Roster.

[Exhibit C](#) is a letter dated April 28, 2023, submitted by Patrick D. Kelly, President and Chief Executive Officer, Nevada Hospital Association, in opposition to Senate Bill 283 (1st Reprint).

[Exhibit D](#) is a document titled, "The Release of Information (ROI) Process," submitted by Chris Ferrari, representing Association of Health Information Outsourcing Services; and Ciox Health, in regard to Senate Bill 283 (1st Reprint).

[Exhibit E](#) is a proposed amendment to Senate Bill 183 (1st Reprint) submitted by Will Adler, representing Stericycle.

[Exhibit F](#) is a letter dated April 28, 2023, submitted by Khanh Pham, President, Nevada Pharmacy Association in opposition to Senate Bill 183 (1st Reprint).