Report on the

Board of Pharmacy

Hoover, Alabama

Department of Examiners of Public Accounts

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June 20, 2018

Representative Howard Sanderford
Chairman, Sunset Committee
Alabama State House
Montgomery, AL 36130

Dear Representative Sanderford,

This report was prepared to provide information for use by the Sunset Committee in conducting its review and evaluation of the operations of the Alabama Board of Pharmacy in accordance with the ***Code of Alabama 1975***, Section 41-20-9.

The report contains unaudited information obtained from the management, staff, and records of the Alabama Board of Pharmacy, in addition to information obtained from other sources.

Please contact me if you have any questions concerning this report.

Sincerely,

Rachel Laurie Riddle
Chief Examiner

Examiner
Bilikisu A. Alabi, CPA

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PROFILE

Purpose/Authority

The Alabama Board of Pharmacy was established in 1887 to regulate the practice of pharmacy in the State. The Board regulates and licenses practitioners of pharmacy and enforces pharmaceutical laws in Alabama. The Board also registers distributors, manufacturers and wholesalers of drugs. The Board sets the standards for recognition of schools and colleges of pharmacy. The Board operates under the authority of the ***Code of Alabama 1975***, Sections 34-23-1 through 34-23-162 (Practice of Pharmacy Act), Sections 20-2-1 through 20-2-140 (Uniform Controlled Substances Act) and Sections 34-38-1 through 34-38-8 (Impaired Professionals Committee).

The following legislation was passed since the last sunset review of this agency:

Act No. 410, Acts of Alabama 2016 – Sponsored by Senator William M. Beasley added Section 34-23-92.1 to the ***Code of Alabama 1975***, relating to the powers and duties of the Alabama State Board of Pharmacy; to clarify rulemaking authority of the Alabama State Board of Pharmacy regarding state and federal anti-trust laws and to establish that anti-competitive rules which prioritize patient safety and wellness are permissible. The Act is included in the codification in the appendix of this report.

Act No. 47, Acts of Alabama 2017 – Sponsored by Representative Howard Sanderford continued the existence and functioning of the Board of Pharmacy. The Act is included in the codification in the appendix of this report.

Act No. 422, Acts of Alabama 2017 – Sponsored by Representative Elaine Beech amended the ***Code of Alabama 1975***,Sections 20-2-90, 20-2-190, 34-23-1, 34-23-3, 34-23-9, 34-23-30, 34-23-32, 34-23-32.1, 34-23-33, 34-23-70, 34-23-92, 34-23-131, 34-23-159, and 34-23-160, to rename board drug inspectors as drug investigators; to clarify the status of a pharmacist as a health care provider; to list the qualifications a laboratory must satisfy for the board to use its product analysis data; to increase the maximum fee for certain new pharmacy permit, permit renewal, and permit transfer applications; to specify fee ranges the board may charge for certain out-of-state pharmacy permit and permit renewal applications; to increase the frequency of registration for certain drug supply chain entities from biennially to annually; to require packagers, third party logistic providers, private label distributors, and other pharmacy businesses identified in the drug supply chain to register annually; to increase the fee range for a permit due to transfer of ownership; to prohibit any entity identified within a drug supply chain from shipping a legend drug or device into the state without a valid permit and to provide a civil penalty for each violation; to require each holder of a permit to ship a legend drug or device into the state, upon request of the board, to provide a list of all trading partners; to authorize the board to discipline any pharmacist who obtains registration from the board by fraudulent means; to provide further for the initial and renewal registration and continuing education requirements of pharmacy technicians; and to add Section 34-23-32.2 to the ***Code of Alabama 1975***, to authorize the board to permit any manufacturer, manufacturer affiliate, bottler, packager, repackager, third party logistic

provider, wholesale drug distributor, private label distributor, or pharmacy business identified in the supply chain of any drugs, legend drugs, medicines, chemicals, or poisons for medicinal purposes and to clarify adherence to requirements established by the FDA Guidelines in the Drug Quality and Security Act. The Act is included in the codification in the appendix of this report.

Act No. 107, Acts of Alabama 2018 – Sponsored by Senator William M. Beasley amends Sections 34-23-1 and 34-23-32, as last amended by Act No. 422, Acts of Alabama 2017, relating to the Alabama State Board of Pharmacy; to require outsourcing facilities to annually register with the board by application for a permit.

Act No. 146, Acts of Alabama 2018 – Sponsored by Senators Gerald O. Dial, Jim McClendon, William M. Beasley, Greg J. Reed, and J.T. "Jabo" Waggoner amends sections 20-2-211, 20-2-212, 20-2-2014 and 20-2-215 of the Prescription Drug Monitoring Program to revise definitions; and to create a review committee that may approve the release or publication of de-identified aggregate statewide and regional health information for statistical, research, or educational purposes.

Act No.457, Acts of Alabama 2018 – Sponsored by Representative Elaine Beech amends sections of the Code relating to auditing procedures for pharmacy records limit, recoupment for certain errors by a pharmacy; and specifies that the procedures would not apply to the Alabama Medicaid Agency.

Characteristics	
Members and Selection	Five Three members appointed by the governor: • One who is practicing pharmacy, pharmacy administration, or both, in a hospital - appointed from a list of three nominees submitted by the Alabama Society of Health System Pharmacists, or its successor organization. • One who is practicing in an independent pharmacy – appointed from a list of three nominees submitted by the independent pharmacist members of the Alabama Pharmacy Association, or its successor organization. • One who is practicing in a chain pharmacy – appointed from a list of three nominees submitted by the Alabama Pharmacy Association, or its successor organization. • Two members elected at large by all Alabama registered pharmacists, without restriction as to place of practice - Ballot contains 2 nominees submitted by the nominating committee of the Board of Trustees of the Alabama Pharmacy Association, or its successor organization. ***Code of Alabama 1975***, Section 34-23-90(a)(b)(c)

Term	Five year staggered terms No member may serve two full consecutive terms. ***Code of Alabama 1975***, Section 34-23-90(b)(e)
Qualifications	• Resident of Alabama. • Licensed pharmacist who has been licensed in Alabama for a minimum of five years. • Actively engaged in the practice of pharmacy or pharmacy administration, or both. ***Code of Alabama 1975***, Section 34-23-90(a)
Racial Representation	No statutory requirement No black members
Geographical Representation	No statutory requirement
Consumer Representation	No statutory requirement
Other Representation	The nominating organizations and the appointing authorities shall select those persons whose appointments ensure that the membership of the board is inclusive and reflects the racial, gender, geographic, urban/rural, and economic diversity of this state. ***Code of Alabama 1975***, Section 34-23-90(h)
Compensation	$600 per day while engaged in the performance of the duties of the Board plus per diem and reimbursement for travel expenses as allowed for state employees. ***Code of Alabama 1975***, Section 34-23-91
Operations	
Administrator	Susan P. Alverson, D.P.A., R.Ph., Executive Secretary. Annual salary: $175,000.00 Appointed by the Board. ***Code of Alabama 1975***, Section 34-23-90(f)
Location	111 Village St Hoover, AL 35242 Business Hours: Monday-Friday: 8 am – 4 pm

Examinations

Candidates for licensure are required to successfully complete the North American Pharmacist Licensure Examination (NAPLEX), and the Multi-state Pharmacy Jurisprudence Exam (MPJE). The National Association of Boards of Pharmacy (NABP) writes and grades the examinations. Computerized exams are administered daily at Pearson Vue testing centers in Birmingham, Decatur, Dothan and Montgomery.

The NAPLEX measures a candidate's knowledge of the practice of pharmacy and assesses a candidate's competence to practice as a pharmacist.

NAPLEX Results

	FY 2014	FY 2015	FY 2016	FY 2017
Candidates	246	245	272	315
Pass	231	227	198	265
Fail	15	18	74	50
Pass Rate	93.90%	92.65%	72.79%	84.13%

The Multi-state Pharmacy Jurisprudence Exam (MPJE) combines federal and state specific questions pertaining to pharmacy laws.

MPJE Results

	FY 2014	FY 2015	FY 2016	FY 2017
Candidates	545	952	583	608
Pass	541	942	559	588
Fail	31	57	78	117
Pass Rate	94.58%	94.29%	87.76%	83.40%

Pass/fail rates for candidates of Alabama Schools of Pharmacy are included in the appendix of the report.

Code of Alabama 1975, Section 34-23-51
Source: Board Staff

Licensees

As of February 6, 2018

License	Type
Pharmacy Technician	10,870
Pharmacy - Institutional Hospital	141
Manufacturer	221
Pharmacy Services	21
Wholesaler Oxygen	42
Wholesale Distributor	432
Manufacturer-Distribution Only	20
Wholesaler Reverse Distributor	11

	<table><tr><td>Private Label Distributor</td><td>24</td></tr><tr><td>Retail Medical Oxygen Suppliers</td><td>256</td></tr><tr><td>Pharmacy - Pharmacy Chain</td><td>691</td></tr><tr><td>Pharmacist License</td><td>9,210</td></tr><tr><td>Precursor</td><td>69</td></tr><tr><td>Third Party Logistics</td><td>142</td></tr><tr><td>Private Label Distributor-Virtual</td><td>191</td></tr><tr><td>Pharmacy Application - Non-Resident Pharmacies</td><td>568</td></tr><tr><td>Wholesaler Virtual</td><td>12</td></tr><tr><td>Pharmacy - Pharmacy Community</td><td>783</td></tr><tr><td>Intern/Extern License</td><td>1,364</td></tr><tr><td>Manufacturer Oxygen</td><td>65</td></tr><tr><td>Manufacturer Virtual</td><td>7</td></tr><tr><td>Repackager</td><td>41</td></tr><tr><td>Total</td><td>25,181</td></tr></table> ***Source:*** Board Staff
Licensee Demographics	Data not collected by agency.
Reciprocity	The Board may issue a license without examination to an applicant who furnishes satisfactory proof that he or she has: • Been licensed to practice pharmacy by examination in another state that under like conditions grants reciprocal licensure without examination to pharmacists duly licensed by examination in this state, • That he or she is a person of good moral character and temperate habits, and • Provided that the requirements in the State from which the applicant is reciprocating were no less than the requirements of the National Association of Boards of Pharmacy. • Each applicant for licensure by reciprocity shall be personally interviewed by two or more members of the Board before being granted a license, and • The applicant shall pass a written examination on the laws governing the practice of pharmacy in this state. Requests for licensure by reciprocity are considered on an individual basis. ***Code of Alabama 1975***, Section 34-23-51

Renewals	• Pharmacy or entity where pharmacy services are performed, pharmacist, and pharmacist assistant licenses expire December 31 of even numbered years. ***Code of Alabama 1975***, Section 34-23-30(a); Section 34-23-50(a); and Section 34-23-52(a) • Manufacturer, bottler, packager, repackager, third party logistic provider, wholesale drug distributor, private label distributor, or pharmacy business identified in the supply chain expire December 31 annually. ***Code of Alabama 1975***, Section 34-23-32(a)(d) • Pharmacy technician licenses expire on December 31 of odd numbered years. ***Code of Alabama 1975***, Section 34-23-131(c) Online Renewals: Pharmacy Technician 2017 CY – 100% Pharmacists 2016 CY – 100% ***Source:*** Board Staff
Continuing Education	Pharmacists - Fifteen hours of continuing education per calendar year, of which three hours shall be live presentation. Pharmacy technicians - Three hours of continuing education annually, of which one hour shall be live presentation. ***Code of Alabama 1975***, Sections 34-23-52(b), 34-23-131(d).
Employees	Nineteen regular full time, non-merit employees One part time/hourly employee
Immigration	E-Verify – Fully compliant SAVE – Fully compliant
Legal Counsel	James S. Ward, Ward & Wilson, LLC, private contract, serves as the Board's attorney. Vance L. Alexander, PC, private contract, serves as the Board's hearing officer.
Subpoena Power	Yes, both persons and records ***Code of Alabama 1975***, Section 34-23-92(8)

Internet Presence	www.albop.com Some of the links are: Home — Announcements — FAQS Board & Staff — Reciprocity — Contact us Board Meetings — Newsletters Compliance Tips — Patient Safety Statutes and Rules — BOP Wellness Program Policy Statements — Continuing Education Hearings — Forms, Apps, & Publications Quick Links — Prescription Drug Monitoring Program
Attended Board Member Training	Attended training in 2014: Two former Board members Former Contract accountant Executive Secretary
Financial	
Source of Funds	Licensing fees, fines, penalties, interest
State Treasury	No, the Board operates from the following bank accounts: • **Servis1st Bank** – Operating Account used to collect revenues and pay operating expenses of the Board. Year-end balances remain in the account. • **Servis1st Bank** – Credit Card Account used to collect fees from online license renewal activities. Year-end balances remain in the account. • **Troy Bank & Trust** – Safe Deposit used to reserve funds not needed for current operations. • **BB&T Bank** - Forfeiture Account used to account for funds seized in connection with the Board's drug enforcement activities under the Uniform Controlled Substances Act. The funds are restricted for payment of expenses incurred in carrying out drug enforcement activities. ***Code of Alabama 1975***, Section 34-23-91
Required Distributions	None
Unused Funds	Retains unexpended funds.

SIGNIFICANT ISSUES

Significant Issue 2018-01 - Act No. 422, Acts of Alabama 2017 amended the Board's statutes to create new licenses and permits to comply with the Drug Safety Compliance and Security Act. The Act added the following licenses, permits and requirements:

(1) Out of State Pharmacy, Private Label Distributors, Third Party Logistics Provider, and Pharmacy Businesses identified in the supply chain.
(2) Set a fee range for the Out of State Pharmacy permits.
(3) Changed the renewal period from biennially to annually and increased the fee range for manufacturers, bottlers, packagers, repackagers, third party logistic providers, wholesale drug distributors, private label distributors, and pharmacy businesses identified in the supply chain.
(4) Increased the minimum and maximum amounts for the Pharmacy transfer of ownership fee.

As of May 2018, the Board had not adopted the necessary administrative rules to implement the new licenses and permits created by Act No 422. The Board has not adopted an administrative rule to set the fees to charge out of state pharmacies. Currently, the Board is charging out of state pharmacies the same fees as in-state pharmacies which is less than the minimum allowed by law.

Board's Response to first charge: The Board wrote the necessary administrative rules to implement the new licenses and permits when it wrote the proposed statues. It is true that the Board did not submit these rules this past fall for manufacturers, bottlers, packagers, repackagers, third party logistic providers, wholesale drug distributors, private label distributors and out-of-state pharmacies. The legislation, though passed in 2017 and contained in Act 422, was not codified until the next legislative session. That meant that the changes would not appear in the expected place in the Alabama Code 34-23-32 at the time renewal started. Virtually all of our businesses in these categories are out-of-state and licensing/renewal is submitted by contract licensing firms. We receive an overwhelming number of calls and emails challenging every part of the licensing system. If the new statutes did not show in Alabama Code, we would have been overrun by questions and disagreements. To minimize that problem, we decided to wait until the new statutes appeared online in their usual place in the Code. Plus, we changed to renewing these businesses annually. That meant that for this past year the businesses would be paying an additional $500 each.

The Board approved the new fees at this past meeting and new rules are presently in the legislative system awaiting public comment. A copy of new fee schedule is attached to this document.

Board's Response to second charge: This is also true and it is true for the same reason mentioned in the response to the first charge: we did not want to put into practice something which could not be seen in Code.

STATUS OF PRIOR FINDINGS/SIGNIFICANT ISSUES

All prior findings/significant issues have been resolved, except for the following:

Significant Issue 2016-05 - Contracts for accounting services, services of a former Board member, court reporting services, legislative consultation services, inspector/investigator training, etc. are missing documentation of compliance with Alabama law as follows:

1. The Board could not provide documentation that the contracts were awarded based on either a Request for Proposal (RFP), competitive bidding or a 'Sole Source' determination.
2. Disclosure statements were not provided.
3. One contract had no expiration date.
4. Documentation of the vendor's compliance with the Alabama Immigration Act (E-Verify enrollment) was not provided for any of the contracts.
5. One contract was signed 176 days after the effective date of the contract

Among other requirements, state agencies contracting of professional services are required to comply with the following:

1. ***Code of Alabama 1975***, Section 41-16-72 (3) requires competitive solicitation for procurement of professional services. Section 41-16-75 requires determination of sole source provider.

41-16-72 (3) Professional services of architects, landscape architects, engineers, land surveyors, geoscience, and other similar professionals shall be procured in accordance with competitive, qualification-based selection policies and procedures. Selection shall be based on factors to be developed by the procuring state entity which may include, among others, the following:

a. Specialized expertise, capabilities, and technical competence, as demonstrated by the proposed approach and methodology to meet project requirements.

b. Resources available to perform the work, including any specialized services within the specified time limits for the project.

c. Record of past performance, quality of work, ability to meet schedules, cost control, and contract administration.

d. Availability to and familiarity with the project locale.

e. Proposed project management techniques.

f. Ability and proven history in handling special project contracts. Notice of need for professional services shall be widely disseminated to the professional community in a

full and open manner. Procuring state entities shall evaluate such professionals that respond to the notice of need based on such state entity's qualification-based selection process criteria. Any such procuring state entity shall then make a good faith effort to negotiate a contract for professional services from the selected professional after first discussing and refining the scope of services for the project with such professional. Where the Alabama Building Commission has set a fee schedule for the professional services sought, fees shall not exceed the schedule without approval of the Director of the Alabama Building Commission and the Governor.

Code of Alabama 1975, Section 41-16-20(a) states "all contracts of whatever nature for labor, services, work, or for the purchase or lease of materials, equipment, supplies, or other personal property, involving fifteen thousand dollars ($15,000) or more, made by or on behalf of any state department, board, bureau, commission, committee, institution, corporation, authority, or office shall, except as otherwise provided in this article, be let by free and open competitive bidding, on sealed bids, to the lowest

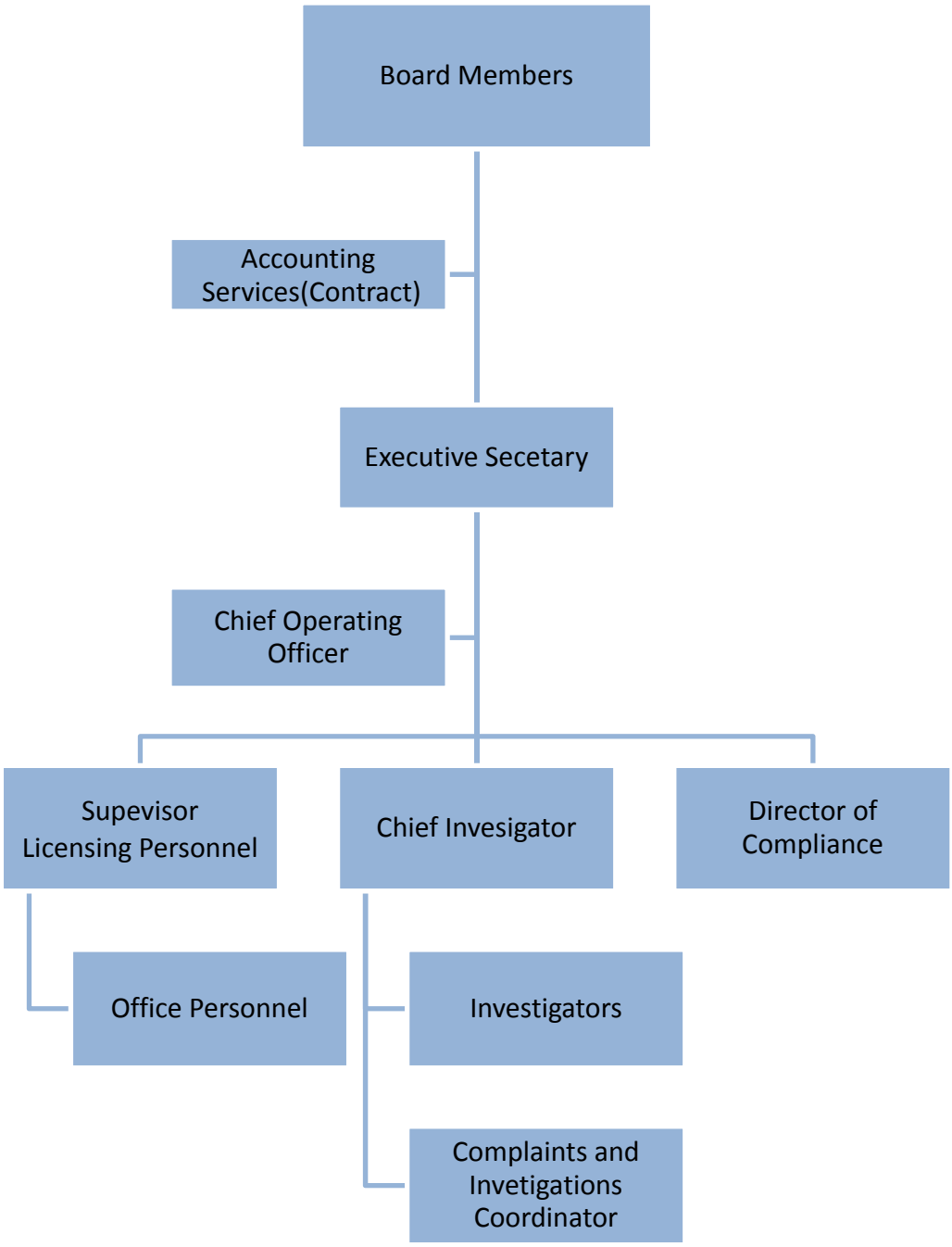
2. ***Code of Alabama 1975***, Section 41-16-82 requires all persons who, for the purpose of direct financial gain, submit a proposal, bid, contract, or grant proposal to the State of Alabama, to include a disclosure statement developed by the Attorney General and approved by the Legislative Council.

3. ***Code of Alabama 1975***, Section 41-16-27(e)(1) states, "Contracts for the purchase of personal property or contractual services other than personal services shall be let by competitive bid for periods ***not greater than five years***…"

4. ***Code of Alabama 1975***, Section 31-13-25 (b) requires any business entity or employer to provide proof that it is to the state, political subdivision thereof, or state-funded entity that the business entity or employer is enrolled and is participating in the E-Verify program before receiving any contract, grant, or incentive from the state.

Current Status 2018 – Ten contracts executed since the last Sunset Review were missing disclosure statements, bid proposals, and documentation of the vendor's compliance with the Alabama Immigration Act (E-Verify enrollment).

ORGANIZATION



PERSONNEL

Schedule of Employees By Classification/Sex/Race						
	#	**W/M**	**B/F**	**W/F**	**Salary or Salary Range**	**Vehicle Assigned**
Class Title						
Executive Secretary	1			1	$ 175,000.00	Yes
Executive/Legal Assistant	1			1	$ 50,440.00	No
Director of Compliance	1			1	$ 141, 852.80	Yes
Chief Investigator	1	1			$ 111,000.00	Yes
Investigator	9	9			$ 61,800.00 - $ 121,918.00	All have a vehicle
Complaint and Investigation Coordinator (PT)	1			1	$ 27.04/hour	No
IT and Tech Manager	1	1			$ 62,025.57	No
Licensing Supervisor	1			1	$ 72,450.00	No
Licensing Manager	3		1	2	$ 40,000.00 - $ 64,918.00	(1) Yes
Receptionist	1			1	$ 33,990.00	No
Total	**20**	**11**	**1**	**8**		

W/M=white male, B/F=black female, W/F=white female

Legal Counsel

James S. Ward, Ward & Ward & Cooper, LLC, private attorney, serves as general counsel and represents the Board in litigation. Ward & Cooper, LLC is compensated at the rate of $150.00 per hour not to exceed $400,000.00 over the contract period which runs from October 1, 2016 through September 30, 2018.

Vance L. Alexander, PC, private attorney, serves as the Board's Hearing Officer. Mr. Alexander is compensated at a rate of $125.00 per hour not to exceed $140,000.00 for the contract period which runs from October 1, 2016 through September 30, 2018.

PERFORMANCE CHARACTERISTICS

Number of Licensees per Employee - 1,260

Number of Persons per Licensee in Alabama and Surrounding States

	Population (Estimate)*	# of Pharmacists	Persons per Pharmacist	# of Technicians	Persons Per Technician
Alabama	**4,878,747**	**10,574**	**461**	**10,870**	**449**
Florida	20,984,400	46,503	451	42,348	496
Georgia	10,429,379	17,361	601	21,210	492
Mississippi	2,984,100	5,921	504	6,158	485
Tennessee	6,715,984	12,220	550	19,946	337
*__Source__: U.S. Census, July 2017 Population Estimates					

	Population (Estimate)*	# of Facilities	Persons per Facility	Total # of Licensees	Persons Per Licensee
Alabama	**4,878,747**	**3,737**	**1,306**	**25,181**	**194**
Florida	20,984,400	11,171	1,878	100,022	210
Georgia	10,429,379	5,946	1,754	44,517	234
Mississippi	2,984,100	4,423	675	16,502	181
Tennessee	6,715,984	3,110	2,159	35,276	190
*__Source__: U.S. Census, July 2017 Population Estimates					

	# of Pharmacists	# of Technicians	# of Technicians Per Pharmacist
Alabama	**10,574**	**10,870**	**1.03**
Florida	46,503	42,348	.91
Georgia	17,361	21,210	1.22
Mississippi	5,921	6,158	1.04
Tennessee	12,220	19,946	1.63

Operating Disbursements per Licensee (FY 2017) - $133.47

Fines/Penalties as a % of Operating Receipts (FY 2017) - 14.70%

Board of Pharmacy Wellness Program

The ***Code of Alabama, 1975*** Section 34-38-2 makes it the duty and obligation of the State Board of Pharmacy to promote the early identification, intervention, treatment and rehabilitation of individuals within their respective jurisdiction, licensed to practice in the State of Alabama, who may be impaired by reason of illness, inebriation, excessive use of drugs, narcotics, controlled substances, alcohol,

chemicals or other dependent forming substances, or as a result of any physical or mental condition rendering such person unable to meet the standards of his or her profession."

The mission of the program is to promote the early identification, intervention, rehabilitation, monitoring and successful re-entry of recovering pharmacists, interns, and pharmacy technicians into the profession. BOPWELLNESS will also provide ongoing education regarding issues of recovery.

The Board of Pharmacy Wellness Program encourages voluntary reporting, assists in evaluation and treatment referrals and, with cooperation on the part of the affected individual, supports re-entry to the profession.

Through the Pharmacy Wellness Program Director, the Board monitors the pharmacist upon successful completion of treatment with the goal of re-entry to the profession through ongoing support and monitoring for up to five years.

Notification of Board decisions to Amend Administrative Rules

The Board complied with notification procedures prescribed in the Administrative Procedure Act, which includes publication of proposed rules in the Administrative Monthly, and public hearings on proposed rules. Licensees are not individually notified.

Licensees are also informed of rule changes, either through the quarterly newsletter published by the Board or by postings on their web page at www.albop.com. Licensees are not individually notified of proposed changes.

Inspections

State Drug Inspectors are assigned to areas of the State and set their own itineraries. The activities of the State Drug Inspectors are monitored by the Chief Drug Inspector's Assistant who coordinates and logs all inspections and investigations. The goal of the Chief Drug Inspector is to have all licensed facilities inspected once every two years by a State Drug Inspector.

Each State Drug Inspector has the authority to inspect the medicines and drugs or drug products or domestic remedies which are manufactured, packaged, packed, made, sold, offered for sale, exposed for sale or kept for sale in Alabama, and for this purpose has the right to enter and inspect during business hours any pharmacy or any other place in Alabama where medicines or drugs or drug products or proprietary medicines are manufactured, packaged, packed, made, sold, offered for sale or kept for sale, whether or not licensed by the State Board of Pharmacy.

Each State Drug Inspector is subject to the same restrictions as other officers of the law in regard to search and seizure. The State Drug Inspector must report to the Board all violations of the laws relating to pharmacy and the rules and regulations of the Board. As directed by the Board, it is the duty of the State Drug Inspector to issue citations for violations of such laws, rules or regulations or institute criminal proceedings against persons for such violations.

When authorized by the Board and where there are specific complaints, the State Drug Inspector has the right to inspect all records, shipping tickets or any other document pertaining to the transfer of drugs or drug preparations, from or to hospitals, pharmacists, wholesale establishments and manufacturers, or any other place or establishment where said preparations of drugs are kept or stored. The State Drug Inspector has the authority to inspect all prescription files, prescription record books, poison registers, exempt narcotic registers and any other records pertaining to the filling and filing of prescriptions.

It is the duty of the State Drug Inspectors to take possession of all revoked and/or suspended licenses and permits when such licenses and permits are not surrendered voluntarily to the Board by the person or pharmacist whose license or permit has been revoked or suspended. State Drug Inspectors are not authorized or required to inspect the offices of doctors of medicine who have qualified with the State Board of Medical Examiners.

Schedule of Inspections
FY 2016 through FY 2018

	Number of Inspections	**Compliant**	**Non-Compliant**	**Not in Business**	**Referred to Board**	**Open[1]**
2016	1,315	1,230	19	11	2	53
2017	1,315	1,254	18	5	5	33
2018*	393	377	1	3	3	9

*As of March 11, 2018

[1]Includes "follow ups" When an inspector is waiting on an issue to be corrected. The inspector allows the facility a certain period of time to correct the issue, then the inspector will submit either a "Closed-Compliant or Closed-Non Compliant status.

Source: Board Staff

Inspection results are classified as either compliant or non-compliant. Non-compliant businesses have 15 days after notice to submit to the Board the steps taken to remedy the non-compliance or a proposal for eliminating the discrepancy. Failure to submit the report results in a complaint being brought by the Board for possible disciplinary action.

COMPLAINT HANDLING

Initial Contact/Documentation	Consumer complaints may be submitted by mail, email, fax or online at the board's website. A written formal complaint is required. Non-consumer complaints may originate from onsite observation by a board drug investigator, notification from law enforcement, insurance companies, loss prevention personnel, or other pharmacists. The Complainant is notified in writing of the receipt of the complaint.

Anonymous Complaints Accepted	Anonymous complaints are not usually accepted. However, if an anonymous complaint appears to jeopardize the protection of the public health, safety, and/or welfare of the people of Alabama, the complaint will be investigated.
Investigative Process and Probable Cause Determination	The board's State Drug Investigators investigate complaints to determine if there is a violation of law. If there is no firm determination of a violation, the investigator's report is turned over to a Case Review Committee. The Case Review Committee is comprised of the Chief Drug Investigator, the Director of Compliance, and one Drug Investigator selected on a rotating basis. If there is a violation of law, the investigator's report is turned over to the Board's attorney for review and further determination. Board members are not involved in the investigation of a complaint. Probable cause is determined initially by the investigator assigned to the case and the Chief Drug Investigator. The Board attorney prepares the Statement of Charges.
Resolution without formal Hearing	Negotiated settlements are utilized.
Notification of Resolution to the Complainant	Complainants are notified of the resolution by mail.

Source: Board staff.

Schedule of Complaint Resolution FY 2016 through FY 2018				
FY Year/Number Received	Year/Number Resolved			
	FY 2016	**FY 2017**	**FY 2018**	**Pending**
2016 / 172	67	70	23	12
2017 / 156		63	31	62
2018 / 60 (1)			9	51
(1) As of February 8, 2018				
Source: Board Staff				

Average Time to Resolve Complaints - 136 days

Disposition of Revolved Complaints

Number of Complaints	Resolution
47	No Violation
36	Permanent Surrender of License
38	Letter of Concern/Warning Letter
26	Corrective Action
26	Revoked
18	Consent Order
17	Case Dismissed/No Action by Board
11	Probation
9	Lack of Evidence/No Conclusive Evidence
7	Board Assessed Fine
7	Referred to Another Agency
6	Cease and Desist Letter
5	Deferred
4	Suspension
2	Letter of Education
2	Cleared/Withdrawn
1	Administrative Hold
1	Permit Granted

REGULATION IN CONJUNCTION WITH OTHER ENTITIES

There are no other agencies licensing persons who perform work regulated by this agency.

However, the law does not prevent those licensed as physicians, dentists, registered nurses, or other licensed practitioner of the healing arts from personally compounding, dispensing, administering, or supplying to his or her patient drugs and medicines for their use.

Some oxygen retailers also have a license with the Home Medical Equipment Licensing Board if they supply to individuals in their homes.

FINANCIAL INFORMATION

Source of funds

The Board's operations are funded from fees generated from its licensing, regulatory and administrative functions.

Accounts

The Board is authorized by the ***Code of Alabama 1975***, Section 34-23-91, to operate from bank accounts rather than from the State Treasury and maintains the following bank accounts:

Operating Account, Servis First Bank – used to receive revenues and pay operating expenses of the Board. Year-end balances remain in the account.

Safe Deposit, **Troy Bank & Trust** – used to reserve funds not needed for current operations.

Credit Card Account, **Servis1st Bank** – used to collect payments from online license renewals. Collections are transferred to the operating account as needed.

Forfeiture Account, **BB&T Bank** – used to account for funds seized in connection with the Board's drug enforcement activities under the Uniform Controlled Substances Act. The funds are restricted for payment of expenses incurred in carrying out drug enforcement activities.

Schedule of Fees

Fee Type/Purpose	Statutory Authority	Amount Authorized	Administrative Rule	Amount Collected
Facilities				
Initial Pharmacy Permit	34-32-30(a)	$100 - $200	680-X-2-.35(1)	$200
Pharmacy Permit Renewal[1]	34-32-30(a)	$50 - $150	680-X-2-.35(2)	$100
Pharmacy Transfer of Ownership	34-32-30(a)	$150 - $400	680-X-2-.35(3)	$50
Initial Out of State Pharmacy Permit	34-32-30(a)	$750 - $2000	No rule has been adopted	$200
Out of State Pharmacy Permit Renewal[1]	34-32-30(a)	$400 - $750	No rule has been adopted	$100
Out of State Pharmacy Transfer of Ownership	34-32-30(a)	$150 - $400	No rule has been adopted	$50
Initial Pharmacy Services Permit	34-32-30(a)	$100 - $200	Fee not set in rules	$200
Pharmacy Services Permit Renewal[1]	34-32-30(a)	$100 - $200	Fee not set in rules	$100
Pharmacy Late Penalty – Per Month	34-32-30(a)	$25	Set in Law	$25
Medical Oxygen Retailers (New, Change in Location, Name or Ownership)	Final Settlement Approval Order, Civil Action No. CV-97-416-GR			$400
Medical Oxygen Retailers Renewal[1]	Final Settlement Approval Order, Civil Action No. CV-97-416-GR			$200

Fee Type/Purpose	Statutory Authority	Amount Authorized	Administrative Rule	Amount Collected
Initial Manufacturer, Bottler, Packager, Repackager, Wholesale Drug Distributor Permit	32-23-32(a)(1)	$500 - $2,000	680-X-2-.25(1)[2]	$500
Manufacturer, Bottler, Packager, Repackager, Wholesale Drug Distributor Permit Renewal[1]	32-23-32(a)(2) Annually	$250 - $1,000	680-X-2-.25(1)[2]	$500
Initial Third Party Logistic Provider Permit	32-23-32(a)(1)	$500 - $2,000	Rule has not been updated	$500
Third Party Logistic Provider Renewal[1]	32-23-32(a)(2) Annually	$250 - $1,000	Rule has not been updated	$500
Initial Private Label Distributor Permit	32-23-32(a)(1)	$500 - $2,000	Rule has not been updated	$500
Private Label Distributor Permit Renewal[1]	32-23-32(a)(2) Annually	$250 - $1,000	Rule has not been updated	$500
Initial Pharmacy Business Identified in the Supply Chain	32-23-32(a)(1)	$500 - $2,000	Rule has not been updated	$500
Pharmacy Business Identified in the Supply Chain Renewal[1]	32-23-32(a)(2) Annually	$250 - $1,000	Rule has not been updated	$500
Transfer of Ownership[3]	32-23-32(a)(3)	$500 - $2,000	680-X-2-.25(1)[2]	$250
Late Penalty - Per Month	32-23-32(d)	$100.00	680-X-2-.25(1)(c)	$25
Civil Penalty – Per Violation	32-23-32(f)	$4,000	Set in Law	$4,000
Pharmacist License				
Initial Pharmacist	34-23-51	Set by Board	680-X-2-.34	$100
Pharmacist Renewal[1]	34-23-52(a)	$25 - $150	680-X-2-.34	$100
Pharmacist Late Penalty (up to five years)	34-23-52(a)	$10 per month	680-X-2-.34	$10 per month
Technician Registration				
Initial Technician	34-23-131(c)	Set by Board	680-X-2-.14	$60
Technician Renewal[3]	34-23-131(c)	≥ $20.00	680-X-2-.14	$60
Technician Reinstatement Penalty – Per Year	34-23-131(c)	$10 - $20	680-X-2-.14	$10

Fee Type/Purpose	Statutory Authority	Amount Authorized	Administrative Rule	Amount Collected
Controlled Substance				
Pharmacy Permit and Renewal	20-2-50	Set by Board	680-X-3-.02	$300
Pharmacist Permit and Renewal	20-2-50	Set by Board	680-X-3-.02	$300
Manufacturer, Wholesaler, Distributor, Permit and Renewal	20-2-50	Set by Board	680-X-3-.02	$600
Precursor Entity Permit to Possess	20-2-182	Set by Board	630-X-2-.24	$25
Other Fees				
Duplicate License, Permit, Registration	Cost Recovery			$10
Non-Disciplinary Admin. Penalty – Facilities and Pharmacists (Jan. 1-31)	34-23-33(b)	Set by Board	680-X-2-.40	$1,000
Non-Disciplinary Admin. Penalty – Technician (Jan. 1-31)	34-23-33(b)	Set by Board	680-X-2-.40(c)	$250
Non-Disciplinary Admin. Penalty – Pharmacy and Pharmacist Controlled Substance (Jan. 1-31)	34-23-33(b)	Set by Board	680-X-2-.40(d)(e)	$500
Reciprocal Fees (License Transfer)	34-23-51	Set by Board	68.-X-2-.17	$300
Examination Fee	34-23-51	Set by Board	680-X-2-.29	$300
Law Books	Cost Recovery			$10

[1] Biennially even numbered years

[2] Rule has not been updated to include Third Party Logistic Providers, Private Label Distributor, and Pharmacy Business identified in the Supply Chain.

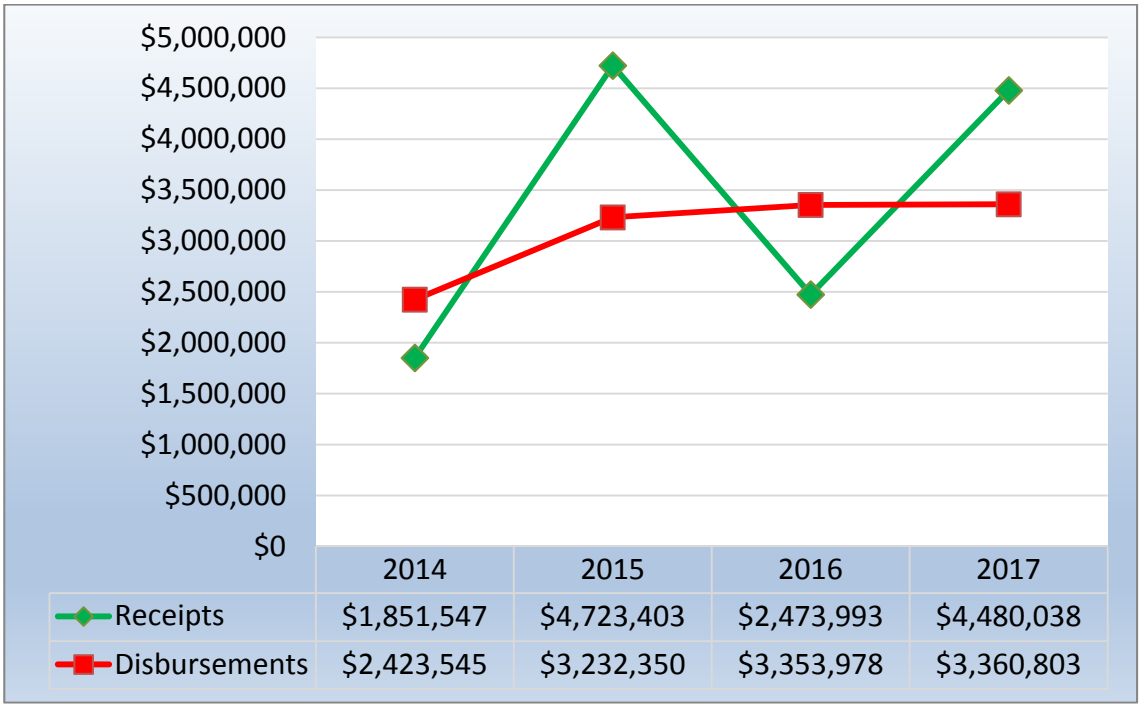
[3] Biennially odd numbered years

Schedule of Receipts, Disbursements and Balances

October 1, 2013 through September 30, 2017

	2016-2017	2015-2016	2014-2015	2013-2014
Receipts				
License and Permit Fees	$ 3,512,439.23	$ 1,815,616.00	$ 3,952,688.50	$ 1,276,378.00
Reciprocal/Exam Fees	192,600.00	187,500.00	264,600.00	240,000.00
Sale of Labels, Printouts, etc.	100.00	100.00	280.00	264.00
Late Fees	70,785.00	45,725.00	87,580.00	45,645.00
Penalties	658,668.80	403,880.27	390,071.42	245,104.57
Interest Income	12,132.19	9,347.60	11,810.32	12,895.99
Rental Income	1,500.00	6,750.00	-	-
Surplus Property	27,969.43	-	-	-
Miscellaneous Fees	3,843.00	5,074.00	16,373.00	31,259.63
Total	4,480,037.65	2,473,992.87	4,723,403.24	1,851,547.19
Disbursements				
Personnel Costs	1,839,345.20	1,687,193.30	1,509,336.68	1,244,337.24
Employee Benefits	493,682.74	440,365.85	371,609.02	313,075.35
Travel In-State	50,585.34	73,618.98	55,200.51	55,165.07
Travel Out-of-State	81,654.21	86,227.63	88,013.51	56,354.88
Repairs and Maintenance	18,938.39	29,150.33	22,347.82	31,248.77
Rentals and Leases	16,851.73	17,565.20	17,831.75	484.12
Utilities and Communications	73,443.78	64,129.25	51,473.48	52,835.55
Professional Services	541,825.92	635,849.09	868,743.12	551,962.86
Supplies, Materials, and Operating Expenses	83,428.29	83,838.60	169,684.72	80,605.42
Transportation Equipment Operations	40,282.26	24,872.63	35,838.02	37,475.76
Transportation Equipment Purchases	94,288.92	148,439.58	26,584.99	-
Other Equipment Purchases	26,476.17	62,727.19	15,686.73	-
	3,360,802.95	3,353,977.63	3,232,350.35	2,423,545.02
Excess (Deficiency) of Receipts over Disbursements	1,119,234.70	(879,984.76)	1,491,052.89	(571,997.83)
Cash Balances at Beginning of Year	3,189,687.55	4,069,672.31	2,578,619.42	3,150,617.25
Unobligated Cash Balances at Year End	$ 4,308,922.25	$ 3,189,687.55	$ 4,069,672.31	$ 2,578,619.42

Operating Receipts vs. Operating Disbursements (Chart)

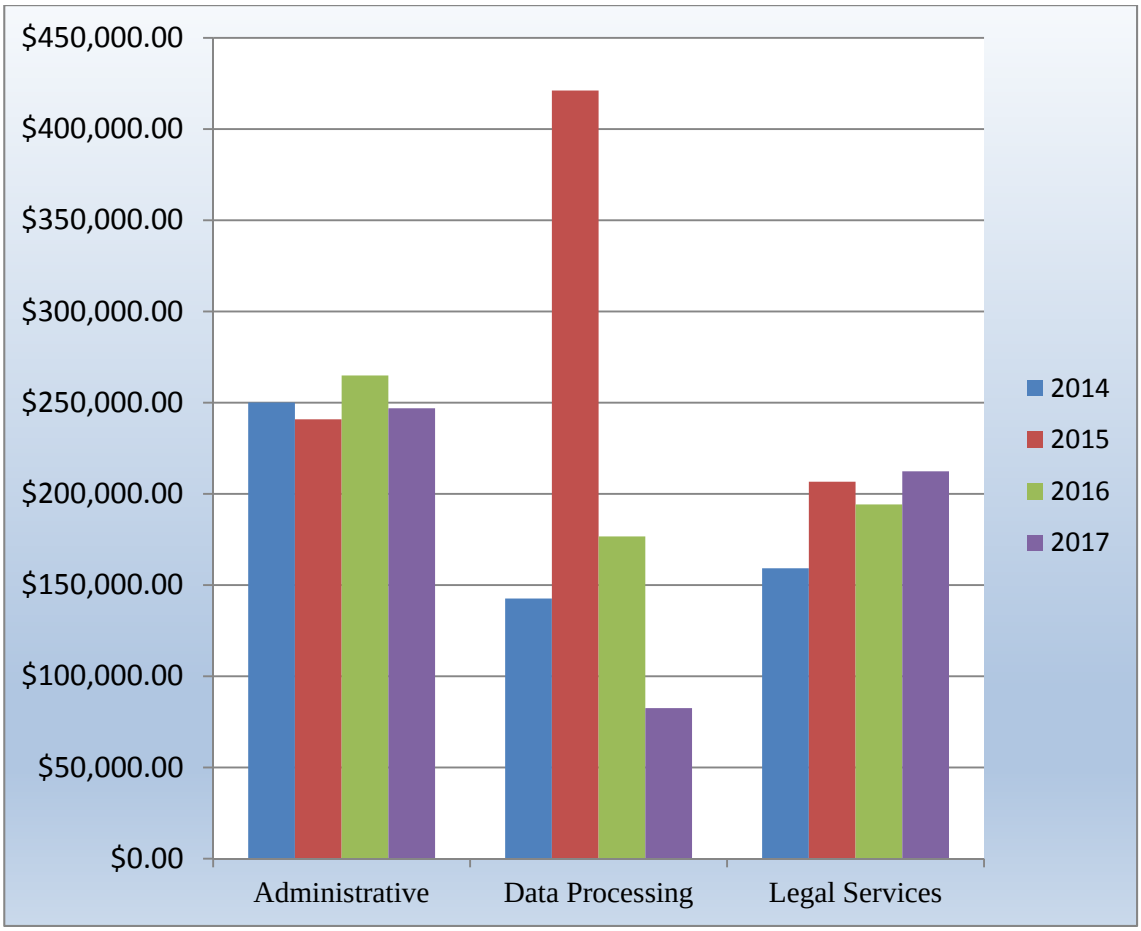


	2014	2015	2016	2017
Receipts	$1,851,547	$4,723,403	$2,473,993	$4,480,038
Disbursements	$2,423,545	$3,232,350	$3,353,978	$3,360,803

SUMMARY SCHEDULE OF PROFESSIONAL SERVICE DISBURSEMENTS* As of September 30th				
Type Service	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Administrative	$250,119.78	$240,878.45	$264,963.39	$246,942.30
Data Processing	142,670.48	421,180.21	176,666.00	82,500.00
Legal	159,172.60	206,684.46	194,219.70	212,383.62
Total	**$551,962.86**	**$868,743.12**	**$635,849.09**	**$541,825.92**

*Detailed information presented in the appendix

Professional Service Disbursement Chart



APPENDICES

Applicable Statutes

PHARMACISTS AND PHARMACIES

Section 34-23-1 Definitions.
For the purpose of this chapter, the following words and phrases shall have the following meanings:
(1) ASSOCIATION. The Alabama Pharmacy Association.
(2) BOARD or STATE BOARD. The Alabama State Board of Pharmacy.
(3) CHEMICAL. Any substance of a medicinal nature, whether simple or compound, obtained through the process of the science and art of chemistry, whether of organic or inorganic origin.
(4) DISPENSE. To sell, distribute, administer, leave with, give away, dispose of, deliver, or supply a drug or medicine to the ultimate user or his or her agent.
(5) DRUGS. All medicinal substances, preparations, and devices recognized by the United States Pharmacopoeia and National Formulary, or any revision thereof, and all substances and preparations intended for external and internal use in the cure, diagnosis, mitigation, treatment, or prevention of disease in man or animal and all substances and preparations other than food intended to affect the structure or any function of the body of man or animal.
(6) EXTERN. A candidate for licensure as a pharmacist during the time prior to graduation from an accredited college of pharmacy.
(7) HOSPITAL. An institution for the care and treatment of the sick and injured, licensed by the Alabama State Board of Health and authorized to be entrusted with the custody of drugs and medicines, the professional use of drugs and medicines being under the direct supervision of a medical practitioner or pharmacist.
(8) INTERN. An individual who is currently licensed by this state to engage in the practice of pharmacy while under the personal supervision of a pharmacist and is satisfactorily progressing toward meeting the requirements for licensure as a pharmacist; or a graduate of an approved college of pharmacy who is currently licensed by the board for the purpose of obtaining practical experience as a requirement for licensure as a pharmacist; or a qualified applicant awaiting examination for licensure.
(9) LEGEND DRUG. Any drug, medicine, chemical, or poison bearing on the label the words, "caution, federal law prohibits dispensing without prescription," or similar wording indicating that such drug, medicine, chemical, or poison may be sold or dispensed only upon the prescription of a licensed medical practitioner.
(10) LICENSE. The grant of authority by the board to a person authorizing him or her to engage in the practice of pharmacy in this state.
(11) MANUFACTURER. A person or entity, except a pharmacy, who prepares, derives, produces, researches, tests, labels, or packages any drug, medicine, chemical, or poison.

(12) MEDICAL PRACTITIONER. Any physician, dentist, or veterinarian, or any other person authorized by law to treat, use, or prescribe medicine and drugs for sick and injured human beings or animals in this state.
(13) MEDICINE. Any drug or combination of drugs that has the property of curing, diagnosing, preventing, treating, or mitigating diseases or that which may be used for those purposes.
(14) PATENT OR PROPRIETARY MEDICINES. Completely compounded nonprescription packaged drugs, medicines, and nonbulk chemicals which are sold, offered, promoted, or advertised by the manufacturer or primary distributor under a trademark, trade name, or other trade symbol, and the labeling of which conforms to the requirements of the Federal Food, Drug, and Cosmetic Act; provided, that this definition shall not include:
a. Drugs which are only advertised and promoted professionally to licensed physicians, dentists, or veterinarians by manufacturers or primary distributors.
b. A narcotic or drug containing a narcotic.
c. A drug the label of which bears substantially either the statements "caution--federal law prohibits dispensing without prescription" or "warning--may be habit-forming".
d. A drug intended for injection.
(15) PERMIT. The grant of authority by the board to any person, firm, or corporation authorizing the operation of a pharmacy, wholesale drug distributor, repackager, bottler, manufacturer, or packer of drugs, medicines, chemicals, or poisons for medicinal purposes. Nonresident wholesale drug distributors registered with the appropriate agency, in the state in which they are domiciled, and operating in compliance with Prescription Drug Marketing Act standards, shall be allowed to do business in this state. No permit shall be required of any physician licensed to practice medicine for any act or conduct related to or connected with his or her professional practice.
(16) PERSON. Any individual, partnership, corporation, association, trust, or other entity.
(17) PHARMACIST. Any person licensed by the board to practice the profession of pharmacy as a health care provider in the State of Alabama and whose license is in good standing.
(18) PHARMACY. A place licensed by the board in which prescriptions, drugs, medicines, medical devices, chemicals, and poisons are sold, offered for sale, compounded, or dispensed, and shall include all places whose title may imply the sale, offering for sale, compounding, or dispensing of prescriptions, drugs, medicines, chemicals, or poisons.
(19) PHARMACY SERVICES PERMIT. Certain services performed by a pharmacy, as defined by board rule, and specifically excluding, the receipt or inventory of drugs, medicines, chemicals, poisons, or medical devices.
a. This subdivision, and any rule promulgated by the board pursuant to this subdivision, may not be interpreted to expand the practice of pharmacy as the practice of pharmacy and permits are limited by this section and Sections 34-23-11 and 34-23-70, or to restrict the practice of medicine as defined in Section 34-24-50.

b. This subdivision, and any rule promulgated by the board pursuant to this subdivision, is subject to the restrictions contained in subsection (b) of Section 34-23-30.
c. This subdivision shall not be interpreted to allow the board to promulgate any rule that would authorize a pharmacist to sell, offer for sale, or dispense any prescription drug except pursuant to the terms of a valid prescription issued by a licensed practitioner authorized to prescribe such drug.
(20) POISON. Any substance other than agricultural products and pesticides which when applied to, introduced into, or developed within the body in relatively small quantities by its inherent chemical action uniformly produces serious bodily injury, disease, or death.
(21) PRECEPTOR. A person who is duly licensed to practice pharmacy in the state and meets the requirements as established by the board.
(22) PRESCRIPTION. Any order for drug or medical supplies, written or signed or transmitted by word of mouth, telephone, telegraph, closed circuit television, or other means of communication by a legally competent practitioner, licensed by law to prescribe and administer such drugs and medical supplies intended to be filled, compounded, or dispensed by a pharmacist.
(23) PRIVATE LABEL DISTRIBUTOR. A firm that does not participate in the manufacture or processing of a drug but instead markets and distributes under its own trade name, and labels a drug product made by someone else. A private label distributor is responsible for the products it introduces into interstate commerce and for compliance with federal Food, Drug, and Cosmetic Act requirements and Current Good Manufacturing Practices regulations.
(24) PROFESSIONAL DEGREE. A degree in pharmacy requiring a minimum of five academic years.
(25) REPACKAGER. A person who purchases or acquires from a manufacturer or distributor, a drug, medicine, chemical, or poison for the purpose of bottling, labeling, or otherwise repackaging for sale or distribution. This definition shall not apply to a physician licensed to practice medicine who as a part of his or her professional practice dispenses, administers, sells, or otherwise distributes any drug to a patient.
(26) SALE. Barter, exchange, or gift, or offer of barter, exchange, or gift, and shall include each transaction made by any person, whether a principal, proprietor, agent, servant, or employee.
(27) THIRD-PARTY LOGISTICS PROVIDER. An entity that provides or coordinates warehousing or other logistics services of a product in interstate commerce on behalf of a manufacturer, wholesale distributor, or dispenser of a product, that does not take ownership of the product, nor have responsibility to direct the sale or disposition of the product.
(28) WHOLESALE DRUG DISTRIBUTORS. A person, other than a manufacturer, the colicensed partner of a manufacturer, a third-party logistics provider, or repackager, engaged in the business of distributing drugs and medicines for resale to pharmacies, hospitals, practitioners, government agencies, or other lawful outlets permitted to sell drugs or medicines. The sale, purchase, or trade of a drug by a retail pharmacy to

another retail pharmacy or practitioner, for relief of temporary shortages, is exempt from this definition. Also exempt from this definition shall be all of the following:
a. Intracompany sales.
b. Manufacturer and distributor sales representatives who distribute drug samples.
c. Charitable organizations distributing to nonprofit affiliates of that organization.
d. Certain purchases by hospitals or other health care entities that are members of a group purchasing organization.
e. The distributors of blood and blood components.
(Acts 1966, Ex. Sess., No. 205, p. 231, §2; Acts 1991, No. 91-475, p. 860, §1; Act 98-643, p. 1414, §1; Act 2012-213, p. 381, §1; Act 2017-422, §1.)

Section 34-23-2 Objects and purposes of chapter.
The practice of pharmacy and the management and operation of pharmacies are hereby declared to affect the public health, safety, and welfare of the people of Alabama, and thereby subject to regulation and control in the public interest. It is further declared to be a matter of public interest and concern that only qualified persons compound or dispense prescription drugs and medicines, and that pharmacies be managed in such a manner as to protect the public, and all provisions of this chapter shall be liberally construed to carry out these objects and purposes.
(Acts 1966, Ex. Sess., No. 205, p. 231, §1.)

Section 34-23-3 State drug investigators.
Each state drug investigator employed by the board following the passage of this chapter must furnish satisfactory proof to the board that he or she is a person of good moral character and that in the judgment of the members of the board he or she has sufficient knowledge of the laws pertaining to the practice of pharmacy and law enforcement to enable him or her to carry out his or her duties as an investigator consistent with this chapter. Each state drug investigator employed by the board shall serve an apprenticeship of a minimum of six months working with and under the supervision of the Chief Drug Investigator or other investigator designated by the board. Each such investigator, before entering upon his or her duties, shall post with the board a bond in the amount of two thousand dollars ($2,000) conditioned upon the faithful performance of his or her duties. Each state drug investigator shall have the power to inspect the medicines and drugs or drug products or domestic remedies which are manufactured, packaged, packed, made, sold, offered for sale, exposed for sale, or kept for sale in this state, and for this purpose shall have the right to enter and inspect during business hours any pharmacy or any other place in this state where medicines or drugs or drug products or proprietary medicines are manufactured, packaged, packed, made, sold, offered for sale, or kept for sale, whether or not licensed by the board. Each state drug investigator shall be subject to the same restrictions as other officers of the law in regard to search and seizure. They shall report to the board all violations of the laws relating to pharmacy and all rules and regulations of the board. As directed by the board, it shall be the duty of the state drug investigators to issue citations for violations of such laws, rules, or regulations or institute criminal proceedings against persons for

such violations. When authorized by the board and where there are specific complaints, the state drug investigator shall have the right to inspect all records, shipping tickets, or any other document pertaining to the transfer of drugs or drug preparations, from or to hospitals, pharmacists, wholesale establishments and manufacturers, or any other place or establishment where the preparations of drugs are kept or stored. They shall have the authority to inspect all prescription files, prescription record books, poison registers, exempt narcotic registers, and any other records pertaining to the filling and filing of prescriptions. It shall be the duty of the state drug investigator to take possession of all revoked licenses and permits or suspended licenses and permits, or both, when such licenses and permits are not surrendered voluntarily to the board by the person or pharmacist whose license or permit has been revoked or suspended. Nothing in this chapter shall authorize or require the state drug investigator or state drug investigators to inspect the offices of doctors of medicine who have duly qualified with the State Board of Medical Examiners.
(Acts 1966, Ex. Sess., No. 205, p. 231, §7; Act 2017-422, §1.)

Section 34-23-4 Licensure limited to graduates from approved schools and colleges.
The Board of Pharmacy shall consider for licensure graduates from only those schools and colleges of pharmacy which are approved by the board.
(Acts 1966, Ex. Sess., No. 205, p. 231, §8; Act 2006-296, p. 607, §1.)

Section 34-23-6 Bankruptcy sales, auction sales, etc., of drugs and medicines.
In the event of any sale in bankruptcy, at public auction or any other sale except in the normal course of business, the seller shall give written notice of such sale to the board at least one week prior to the day of sale, and a complete and accurate report must be made in writing to the board by the proposed seller within 10 days after such sale showing the names and addresses of the parties to whom any narcotics, exempt narcotics, or dangerous drugs have been sold together with an itemized inventory thereof. This section shall not apply to the bona fide sale of a pharmacy as a business when the board has been notified of such proposed sale.
(Acts 1966, Ex. Sess., No. 205, p. 231, §30.)

Section 34-23-7 Illegal possession of prescription drugs.
Any person found in possession of a drug or medicine limited by law to dispensation by a prescription, unless such drug or medicine was lawfully dispensed, shall be guilty of a misdemeanor and, upon conviction, shall be fined not more than $1,000 and, in addition thereto, may be imprisoned in the county jail for hard labor for not more than one year. This section shall not apply to a licensed pharmacy, licensed pharmacist, wholesaler, manufacturer, or his or her representative acting within the line and scope of his or her employment, physician, veterinarian, dentist, or nurse acting under the direction of a physician, nor to a common carrier or messenger when transporting such drug or medicine in the same unbroken package in which the drug or medicine was delivered to him or her for transportation.
(Acts 1966, Ex. Sess., No. 205, p. 231, §31.)

Section 34-23-8 Substitution of drugs or brands of drugs.

No person shall dispense or cause to be dispensed a different drug or brand of drug in lieu of that ordered or prescribed without the express permission in each case of the person ordering or prescribing such drug, except as provided below:

(1) A licensed pharmacist in this state shall be permitted to select for the brand name drug product prescribed by a licensed physician or other practitioner who is located in this state and authorized by law to write prescriptions, hereinafter referred to as "practitioner," a less expensive pharmaceutically and therapeutically equivalent drug product containing the same active ingredient or ingredients, and of the same dosage form strength, in all cases where the practitioner expressly authorizes such selection in accordance with subdivision (4) of this section.

(2) A licensed pharmacist located in this state shall be permitted to select for the brand name drug product prescribed by a practitioner who is located in another state or licensing jurisdiction and who is authorized by the laws of that state or jurisdiction to write prescriptions, a less expensive pharmaceutically and therapeutically equivalent drug product containing the same active ingredient or ingredients, and of the same dosage form strength, in all cases where the out-of-state licensed physician or other practitioner does not expressly prohibit a substitution.

(3) A pharmacist shall record on the prescription form the name and manufacturer or distributor of any drug product dispensed as herein authorized.

(4) Every written prescription issued in this state by a licensed practitioner shall contain two signature lines. Under one signature line shall be printed clearly the words "dispense as written." Under the other signature line shall be printed clearly the words "product selection permitted." The practitioner shall communicate instructions to the pharmacist by signing on the appropriate line. The State Board of Pharmacy shall not promulgate any rule or regulation affecting the subject matter of this subdivision.

An oral prescription from the practitioner shall instruct the pharmacist whether or not a less expensive pharmaceutically and therapeutically equivalent drug product may be dispensed. The pharmacist shall note instructions on the file copy of the prescription and retain the prescription form for the period specified by law.

(5) Unless otherwise indicated by the practitioner, the prescription label on the dispensing container shall indicate the actual drug product dispensed, either the brand name, or if none, the generic name, and the name of the manufacturer or a reasonable abbreviation of the name of the manufacturer.

(6) This shall not be interpreted to exclude the use of a formulary or drug list as adopted and approved by a medical staff in a licensed hospital with drugs provided thereunder by procedures established for use within that licensed hospital.

(7) Any person who violates the provisions of this section shall be punished by a fine of up to $1,000.

(Acts 1966, Ex. Sess., No. 205, p. 231, §18, Acts 1979, No. 79-429, p. 676, §1; Act 2002-58, p. 144, §1.)

Section 34-23-9 Purity of drugs dispensed.
No person shall compound or sell or offer for sale or cause to be compounded, sold, or offered for sale any medicine, drug, poison, chemical, or pharmaceutical preparation that is adulterated. Any one of the above-named substances shall be deemed to be adulterated if it is sold by a name recognized in the United States Pharmacopoeia or National Formulary and it differs from the standard of strength, quality, or purity as determined by the test laid down therein. A product may be of a lesser strength only if the product is clearly labeled with the actual strength. The board may use product analysis data from any laboratory that satisfies all of the following qualifications:
(1) Is registered by the Food and Drug Administration.
(2) If the product is a legend controlled drug, is licensed by the Bureau of Narcotics and Dangerous Drugs.
(3) Is ISO 17025 certified.
(Acts 1966, Ex. Sess., No. 205, p. 231, §17; Act 2017-422, §1.)

Section 34-23-10 Notification by pharmacists of change of employment.
Each pharmacist licensed by the board shall notify the board in writing within 10 days on change of employment. The notice shall contain his or her name, license number, the name of the pharmacy where formerly employed and the name of the pharmacy where currently employed.
(Acts 1966, Ex. Sess., No. 205, p. 231, §12.)

Section 34-23-11 Physicians, dentists, registered nurses, etc., exempt from chapter.
(a) Nothing contained in this chapter shall prevent any licensed practitioner of the healing arts from personally compounding, dispensing, administering, or supplying to his or her patient drugs and medicines for their use. This chapter shall not apply to the manufacture or sale at wholesale or retail of patent or proprietary medicines as purchased from a manufacturer or wholesaler, or to the manufacture or sale at wholesale or retail of packaged, bottled, or nonbulk chemicals, medicines, medical and dental supplies, cosmetics, and dietary foods when identified by and sold under a trademark, trade name, or other trade symbol, privately owned or registered in the United States Patent Office, sold or offered to be sold to the general public, if the article meets the requirements of the Federal Food, Drug, and Cosmetic Act other than prescription legend drugs.
(b) A registered nurse in the employment of the State Health Department or a county health department may, in the provision of health care services, dispense legend drugs as provided in this section under the standing orders or direct supervision of a physician licensed to practice medicine in this state and pursuant to procedures established by the Board of Pharmacy and implemented by a pharmacist licensed to practice pharmacy in this state. The nurse may dispense the legend drugs for the treatment of tuberculosis, sexually transmitted diseases, family planning, hypertension, and other programs if approved by the State Board of Pharmacy. The dispensing of the drugs shall meet all labeling, packaging, recordkeeping, and counseling requirements of a prescription. The Board of Pharmacy shall have the responsibility to inspect the site where the dispensing

occurs. The authority granted to a registered nurse pursuant to this subsection shall not apply to controlled substances as defined in Chapter 2 of Title 20.
(Acts 1966, Ex. Sess., No. 205, p. 231, §32; Acts 1997, No. 97-643, p. 1176, §1.)

Section 34-23-12 Injunctions against violations of chapter.
When it shall appear to the board that any person who is not licensed under the provisions of this chapter is violating any of the provisions of this chapter, the board may in its own name bring an action in the circuit court for an injunction, and the court of this state may enjoin any person from violating the provisions of this chapter regardless of whether proceedings have been or may be instituted before the board or whether criminal proceedings have been or may be instituted.
(Acts 1966, Ex. Sess., No. 205, p. 231, §23.)

Section 34-23-13 Penalty for practicing pharmacy without a license; compounding or dispensing prescriptions by unauthorized persons; violations of chapter or rules and regulations of board.
Any person who shall practice pharmacy in this state without having first obtained from the board a license, or who permits prescriptions to be compounded and/or dispensed by unauthorized persons; or who violates any of the provisions of this chapter; or who willfully violates any published rule or regulation of the board; or who does any act described in this chapter as unlawful, the penalty for which is not herein specifically provided, shall be guilty of a misdemeanor and, upon conviction, shall be punished by fine of not more than $1,000 for each offense, to be fixed by the court trying the case, and in addition thereto may be, in the discretion of the court trying the case, sentenced to hard labor for the county for a period not to exceed 12 months.
(Acts 1966, Ex. Sess., No. 205, p. 231, §10.)

Section 34-23-30 Pharmacy permits generally.
(a) Every pharmacy, hospital pharmacy, drugstore, pharmacy department, prescription department, prescription laboratory, dispensary, apothecary, or any other establishment with a title implying the sale, offering for sale, compounding, or dispensing of drugs in this state, or any person performing pharmacy services in this state, shall register biennially and receive a permit from the board. Any person desiring to open, operate, maintain, or establish a pharmacy or perform pharmacy services in this state shall apply to the board for a permit at least 30 days prior to the opening of the business. No pharmacy or entity performing pharmacy services shall open for the transaction of business until it has been registered, inspected, and a permit issued by the board. The application for a permit shall be made on a form prescribed and furnished by the board which when properly executed shall indicate the ownership desiring such permit and the names and license numbers of all licensed pharmacists employed as well as the location of the pharmacy or entity where pharmacy services are performed and other information as the board may require. If more than one pharmacy or entity where pharmacy services are performed is operated by the same owner, a separate application for registration shall be made and a separate permit issued for each such establishment. All permits issued under this section shall become due on October 31 and shall become null and

void on December 31 of even-numbered years. Every application for a permit for a new pharmacy or entity where pharmacy services are performed shall be accompanied by a fee to be determined by the board, but the fee shall not be less than one hundred dollars ($100) nor more than two hundred dollars ($200). Every application for a renewal permit shall be accompanied by a fee to be determined by the board, but the fee shall not be less than fifty dollars ($50) nor more than one hundred fifty dollars ($150). Every application for a permit due to transfer of ownership shall be accompanied by a fee to be determined by the board, but the fee shall not be less than one hundred fifty dollars ($150) nor more than four hundred dollars ($400). Every application for a permit for an out-of-state pharmacy or entity where pharmacy services are performed shall be accompanied by a fee to be determined by the board, but the fee shall not be less than seven hundred fifty dollars ($750) nor more than two thousand dollars ($2,000). Every application for a renewal permit for an out-of-state pharmacy or entity where pharmacy services are performed shall be accompanied by a fee to be determined by the board, but the fee shall not be less than four hundred dollars ($400) nor more than seven hundred fifty dollars ($750). Each application for the renewal of a permit shall be made on or before October 31 of each even-numbered year, at which time the previous permit shall become null and void on December 31 of even-numbered years. A penalty of twenty-five dollars ($25) for each overdue month shall be assessed in addition to the permit fee for renewal of delinquent permits. The secretary of the board shall issue a permit for each pharmacy or entity where pharmacy services are performed whose application is found to be satisfactory by the board. Permits issued under this section shall not be transferable. Any change in the control of ownership or licensed pharmacists shall be reported to the board in writing within 10 days of such occurrence. If the pharmacy or entity where pharmacy services are performed is owned by a corporation, the permit shall be issued in the name of the corporation. It shall be the duty of the owners of pharmacies or the owners of entities where pharmacy services are performed who are not licensed pharmacists to immediately notify the board upon the termination of employment of licensed pharmacists and to cause the surrender of permits as indicated. The further operation of the pharmacy or entity where pharmacy services are performed in the absence of licensed pharmacists is forbidden; provided, that the nonregistered owner shall have a period of 30 days within which to comply with this subsection. The next of kin of any deceased licensed pharmacist owner shall have a period of 30 days within which to comply with this chapter, during which time no prescriptions shall be filled unless a licensed pharmacist is on duty. No mail order pharmacy shall transact business in this state without a permit from the board.

(b) Requirements for the grant of authority by the board to any person who offers or performs pharmacy services shall be by board rule.

(c) Nothing contained in this section related to pharmacy services permits shall be interpreted to delegate to the board the authority to promulgate rules governing pharmacy benefit managers.

(d) Any person who violates this section shall be guilty of a misdemeanor.

(Acts 1966, Ex. Sess., No. 205, p. 231, §14; Acts 1985, No. 85-702, p. 1151, §1; Act 2004-450, p. 801, §1; Act 2012-213, p. 381, §1; Act 2017-422, §1.)

Section 34-23-31 Permits for mail-order houses.
Every mail-order house which dispenses drugs or medicines through the United States mail or otherwise from any point in the State of Alabama to any point outside of the State of Alabama, and every such business which dispenses drugs or medicines through the United States mail or otherwise from any point outside of the State of Alabama to any point within the State of Alabama shall obtain a permit from the State Board of Pharmacy as a condition precedent to being qualified and authorized to transact such business in the State of Alabama.
(Acts 1966, Ex. Sess., No. 205, p. 231, §29.)

Section 34-23-32 Manufacturer, bottler, packager, repackager, etc., drugs.
(a) Commencing on August 1, 2017, every manufacturer, bottler, packager, repackager, third party logistic provider, wholesale drug distributor, private label distributor, or pharmacy business identified in the supply chain of drugs, medicines, chemicals, or poisons for medicinal purposes shall register annually with the board by application for a permit on a form furnished by the board and accompanied by a fee to be determined by the board as follows:
(1) The fee shall not be less than five hundred dollars ($500) nor more than two thousand dollars ($2,000) for a new establishment.
(2) The fee shall not be less than two hundred fifty dollars ($250) nor more than one thousand dollars ($1,000) for a renewal permit.
(3) The fee shall not be less than five hundred dollars ($500) nor more than two thousand dollars ($2,000) for a permit due to transfer of ownership.
(b) A holder of a permit shall employ a full-time licensed pharmacist whose principal duty shall be confined to on-premise pharmaceutical operations. Wholesale drug distributors, who strictly limit their operation to distribution of drugs, medicines, chemicals, or poisons for medicinal purposes are exempt from the requirement to employ a full-time licensed pharmacist.
(c) The professional practice of any physician licensed to practice medicine is exempt from the requirements of this section.
(d) All permits issued under this section shall become due on October 31 and shall become null and void if not paid by December 31. Each application for the renewal of the permit shall be made on or before December 31. A penalty of one hundred dollars ($100) for each overdue month shall be assessed in addition to the permit fee for renewal of delinquent permits. For each application for a permit made and found to be satisfactory by the board, the secretary of the board shall issue to the applicant a permit for such manufacturing or wholesale establishment, which permit shall be displayed in a conspicuous place.
(e) All holders of a permit shall, before shipping any drug bearing the legend, "caution, federal law prohibits dispensing without prescription" or similar wording causing these drugs to be known as legend drugs to new customers, assure themselves that the recipient is either a duly licensed doctor of medicine, dentistry, or veterinary medicine or holds a registered pharmacy permit from the board by contacting the office of the board.
(f) No manufacturer, manufacturer affiliate, bottler, packager, repackager, third party logistic provider, wholesale drug distributor, private label distributor, or pharmacy business identified in the supply chain of any legend drug or device shall ship, or cause

to be shipped, into the state any legend drug or device without a valid permit issued by the board. The civil penalty for a violation of this subsection shall be four thousand dollars ($4,000) for each violation.
(g) The holder of a permit to ship any legend drug or device into the state shall provide to the board a list of all trading partners, upon request of the board.
(h) No holder of a permit shall ship any legend drug to any person or firm after receiving written notice from the board that the person or firm no longer holds a registered pharmacy permit. Any person violating this section shall be guilty of a misdemeanor.
(Acts 1966, Ex. Sess., No. 205, p. 231, §24; Acts 1985, No. 85-702, p. 1151, §1; Acts 1991, No. 91-475, p. 860, §1; Act 2004-450, p. 801, §1; Act 2017-422, §1.)

Section 34-23-32.1 Adherence to FDA requirements under Federal Prescription Drug Marketing Act of 1987.
Any requirements established by the FDA Guidelines, as required by the Federal Prescription Drug Marketing Act of 1987 (PDMA), as amended, specifically addressed in Sections 34-23-1 and 34-23-32, shall be adhered to by the affected parties.
(Acts 1991, No. 91-475, p. 860, §2; Act 2017-422, §1.)

Section 34-23-33 Revocation, suspension, etc., of license or certificate; non-disciplinary administrative penalty.
(a) The board may revoke, suspend, place on probation, or require remediation for any licensed pharmacist or a holder of a pharmacy intern or extern certificate for a specified time as determined by the board and take the same or similar action against the permit to operate any pharmacy in this state, whenever the board finds by a preponderance of the evidence, or pursuant to a consent decree, that the pharmacist has been guilty of any of the following acts or offenses:
(1) Obtaining a license, permit, or registration from the board by fraudulent means.
(2) Violation of the laws regulating the sale or dispensing of narcotics, exempt narcotics, or drugs bearing the label "caution, federal law prohibits dispensing without prescription," or similar wording which causes the drugs to be classified as prescription legend drugs.
(3) Conviction of a felony. A copy of the record of the conviction, certified by the clerk of the court entering the conviction, shall be conclusive evidence of the conviction.
(4) Conviction of any crime or offense that reflects the inability of the practitioner to practice pharmacy with due regard for the health and safety of the patients.
(5) Inability to practice pharmacy with reasonable skill and safety to patients by reason of illness, inebriation, misuse of drugs, narcotics, alcohol, chemicals, or any other substance, or as a result of any mental or physical condition.
When the issue is whether or not a pharmacist is physically or mentally capable of practicing pharmacy with reasonable skill and safety to patients, then, upon a showing of probable cause to the board that the pharmacist is not capable of practicing pharmacy with reasonable skill and safety to patients, the board may require the pharmacist in question to submit to a psychological examination by a psychologist to determine psychological status or a physical examination by a physician, or both, to determine physical condition. The psychologist or physician, or both, shall be designated by the board. The expense of the examination shall be borne by the board. Where the

pharmacist raises the issue of mental or physical competence or appeals a decision regarding his or her mental or physical competence, the pharmacist shall be permitted to obtain his or her own evaluation at the pharmacist's expense. If the objectivity or adequacy of the examination is suspect, the board may complete the examination by the designated practitioners at its own expense. When mental or physical capacity to practice is at issue, every pharmacist licensed to practice pharmacy in the state shall be deemed to have given consent to submit to a mental or physical examination or to any combination of the examinations and to waive all objections to the admissibility of the examination, or to previously adjudicated evidence of mental incompetence.
(6) Gross malpractice or repeated malpractice or gross negligence in the practice of pharmacy.
(7) Violation of any provisions contained in this chapter.
(8) Employing, assisting, or enabling in any manner any unlicensed person to practice pharmacy.
(9) The suspension, revocation, or probation by another state of a license to practice pharmacy. A certified copy of the record of suspension, revocation, or probation of the state making such a suspension, revocation, or probation shall be conclusive evidence of the suspension, revocation, or probation.
(10) Refusal to appear before the board after having been ordered to do so in writing by the executive officer or chair of the board.
(11) Making any fraudulent or untrue statement to the board.
(12) Violation of any rule or regulation of the board.
(13) Violation of the code of professional conduct adopted by the board in the rules and regulations of the board.
(b) The board shall have the authority to adopt rules imposing a non-disciplinary administrative penalty for designated violations of this chapter.
Acts 1966, Ex. Sess., No. 205, p. 231, §20; Acts 1989, No. 89-235, p. 303, §3; Acts 1990, No. 90-550, p. 856, §1; Acts 1995, No. 95-585, p. 1243, §1; Act 2009-576, p. 1688, §1; Act 2017-422, §1.)

Section 34-23-34 Revocation or suspension of licenses to practice pharmacy and pharmacy permits - Statement of charges and notice of hearing.
No action to revoke or suspend the license of any pharmacist or the permit to operate any pharmacy in this state shall be taken until the licensee or holder of such permit has been furnished a statement in writing of the charges against him or her together with a notice of the time and place of hearing. The statement of charges and notice shall be served upon such a person at least 30 days before the date fixed for the hearing, either personally or by registered or certified mail sent to his or her last known post-office address. The burden of proof shall be on the board.
(Acts 1966, Ex. Sess., No. 205, p. 231, §21.)

Section 34-23-50 Required.
(a) It shall be unlawful for any person, firm, or corporation to practice pharmacy in this state or to permit prescriptions to be compounded and/or dispensed by persons other than those duly licensed by the board to practice pharmacy in this state; provided, that any person who holds a professional degree in pharmacy from a school of pharmacy

recognized by the board who is serving his or her internship under the immediate direct supervision of a pharmacist on the premises registered by the board and any person who is enrolled in a school of pharmacy recognized by the board working under the immediate and direct supervision of a pharmacist on the premises registered by the board pursuing his or her education as a pharmacist shall be permitted to compound and/or dispense prescriptions. In order to be considered enrolled in a school of pharmacy and pursuing his or her education as a pharmacist, a person shall not be absent from the school of pharmacy for more than two consecutive semesters or three consecutive quarters, dependent upon the system in use in the school of pharmacy. Any bona fide resident of this state who shall furnish proof to the board in person by affidavits from two pharmacists licensed by the State Board of Pharmacy, neither of whom shall be related to the applicant by blood or marriage, within a period of 90 days subsequent to August 26, 1966, establishing the fact that he or she has filled prescriptions under the supervision of a licensed pharmacist over a period of at least 15 successive years next preceding the offer of such proof shall be issued an assistant's certificate which will authorize the person to practice pharmacy in this state; provided, that the person shall be under the supervision of a licensed pharmacist at all times, and such person shall be subject to all of the provisions of this chapter governing the practice of pharmacy in this state, including, but not limited to, the revocation or suspension of such certificate for violations of the provisions of this chapter; and provided further, that such person shall pay an original registration fee to be determined by the board, but the fee shall not be less than twenty-five dollars ($25) nor more than fifty dollars ($50) upon the issuance of such certificate. All certificates so issued shall expire on December 31 of even-numbered years. In order to continue to obtain a certificate as a pharmacist's assistant, a biennial renewal fee in an amount determined by the board shall be paid, but the fee shall not be less than twenty-five dollars ($25) nor more than one hundred fifty dollars ($150). This renewal fee shall be paid to the secretary of the board and shall be due on October 31 and delinquent after December 31 of even-numbered years. The payment of the renewal fee shall entitle the holder thereof to renewal of his or her certificate at the discretion of the board. If any pharmacist's assistant fails to pay a renewal fee on or before the due date, the holder of the certificate may be reinstated as a pharmacist's assistant only upon payment of a penalty of ten dollars ($10) for each lapsed month and all lapsed fees, provided the lapsed time of certification shall not exceed five years, in which case reinstatement may be had only upon satisfactory examination by the board. As used in this section, the term "supervision" shall be construed to mean that the supervising licensed pharmacist shall be either personally present or on call and available for consultation at all times, or a licensed pharmacist designated by the supervising licensed pharmacist shall be either personally present or on call and available for consultation at all times.

(b) Notwithstanding Section 20-2-51 or any other law to the contrary, each person licensed by the board to practice pharmacy may distribute or dispense controlled substances during the biennial period for which the person is licensed.

(Acts 1966, Ex. Sess., No. 205, p. 231, §9; Acts 1985, No. 85-702, p. 1151, §1; Act 2005-57, p. 84, §3; Act 2009-576, p. 1688, §1.)

Section 34-23-51 Application for license; qualifications of applicants; examination of applicants; license by reciprocity.

Every person who desires to practice pharmacy within this state shall file with the secretary of the board his or her written application for licensure upon forms furnished by the board not less than 10 days prior to his or her examination. The application shall be accompanied by an **examination and registration fee** for residents and nonresidents of this state, the fees to be set by the board. The application shall be accompanied by two recent photographs of the applicant, no larger than 2 1/2 x 3 1/4 inches and certified on the back of each photograph by a notary public. The applicant shall furnish satisfactory proof that he or she is at least 19 years of age, of good moral character, and that he or she holds a **professional degree** from a division, school, college, or a university department of pharmacy recognized by the State Board of Pharmacy. Each applicant shall also be a **citizen of the United States** or, if not a citizen of the United States, a person who is **legally present** in the United States with appropriate documentation from the federal government. The applicant shall have **completed an approved practical training program** under the supervision of a licensed pharmacist in a site recognized by the board as qualified for training pharmacy externs and interns, the training standards to be established by the board as long as the standards are not less than those set by the National Association of Boards of Pharmacy. The completion of the practical training requirements shall be attested by affidavit from the licensed pharmacist preceptor under whom the training is served. The applicant shall **pass an examination** administered by the board in subjects consistent with those required by the National Association of Boards of Pharmacy and in accordance with the rules and regulations of the board. In case of failure of a first examination, the applicant shall have within three years the privilege of a second and third examination. In case of failure in the third examination, the applicant shall be eligible for only one additional examination and this only after he or she has satisfactorily completed additional preparation as directed and approved by the board. An applicant may be admitted to the examination provided all of the foregoing requirements are met, and in addition, that affidavits attesting to the prescribed practical training program have been presented to the secretary prior to the examination. An application for examination by the board may be denied if the applicant is proven to have been involved in any violation of this chapter. An applicant who has been expelled from an examination for cribbing, cheating, or other dishonest conduct shall not be permitted to complete the examination applied for and shall not be permitted to file a new application for examination during the balance of the same calendar year or the calendar year next following the expulsion. The board may issue a license without examination to an applicant who furnishes satisfactory proof that he or she has been licensed to practice pharmacy by examination in another state that under like conditions grants reciprocal licensure without examination to pharmacists duly licensed by examination in this state, that he or she is a person of good moral character and temperate habits, and provided that the requirements in the state from which the applicant is reciprocating were no less than the requirements of the National Association of Boards of Pharmacy. The application shall

be accompanied by a fee set by the board. Each applicant for licensure by reciprocity shall be personally interviewed by two or more members of the board before being granted a license, and the applicant shall pass a written examination on the laws governing the practice of pharmacy in this state. The applicant shall be approved for reciprocity by the board prior to the time that he or she begins the duties of a licensed pharmacist in this state. No applicant shall be granted reciprocal licensure unless all evidence and supporting documents of licensure in the state from which the applicant is reciprocating are approved as meeting the requirements for reciprocity of the National Association of Boards of Pharmacy. The board shall set and collect a fee for submitting and certifying grades for reciprocity in other states.
(Acts 1966, Ex. Sess., No. 205, p. 231, §11; Acts 1975, 3rd Ex. Sess., No. 147, p. 393; Acts 1989, No. 89-235, p. 303, §3; Act 98-643, p. 1414, §1; Act 2009-36, p. 126, §3.)

Section 34-23-52 Expiration and renewal of certificate; continuing education.
(a) All certificates of licensure shall expire on December 31 of even-numbered years. Every licensed pharmacist in order to continue to be licensed shall pay a biennial renewal fee to be determined by the board, but the fee shall not be less than twenty-five dollars ($25) nor more than one hundred fifty dollars ($150) to the secretary of the board, the fee being **due on October 31 and delinquent after December 31** of even-numbered years except, that holders of life certificates to practice pharmacy previously issued shall not be required to pay a renewal fee. The payment of the renewal fee shall entitle the registrants to renewal of their certificates at the discretion of the board. If any pharmacist shall fail to pay a renewal fee on or before the due date, the holder of the certificate may be reinstated as a licensed pharmacist only upon payment of a penalty of ten dollars **($10) for each lapsed month** and all lapsed fees, provided the lapsed time of registration shall not exceed five years, in which case reinstatement may be had only upon satisfactory examination by the board.
(b) In addition to any fee requirements, each pharmacist is required to complete **15 hours of continuing education per calendar year**, of which three hours shall be live presentation.
(Acts 1966, Ex. Sess., No. 205, p. 231, §13; Acts 1985, No. 85-702, p. 1151, §1; Act 2004-450, p. 801, §1.)

Section 34-23-53 Training program for candidates for licensure.
Candidates for licensure as pharmacists shall complete a practical training program as prescribed by the board in keeping with standards established by the national accreditation agencies. The candidate shall apply to the board for proper reporting forms and shall ascertain that the preceptor under whom he or she proposes to take his or her practical training is a qualified preceptor. The candidate shall receive credit for experience gained only in an approved site under the supervision of an approved preceptor. The candidate must keep records as prescribed by the board of all professional experience gained, and upon request, must report to the board and furnish information relative to the practical experience gained. The board may accept internship

affidavits from other states, provided the internship requirements are no less than requirements of the National Association of Boards of Pharmacy.
(Acts 1966, Ex. Sess., No. 205, p. 231, §27; Acts 1975, 3rd Ex. Sess., No. 147, p. 393; Act 98-643, p. 1414, §1.)

Section 34-23-70 Management; display of permit and license; poisons; prescription requirements; violations.
(a) Every pharmacy when opened for business shall be under the personal supervision of a duly licensed pharmacist who shall have personal supervision of not more than one pharmacy at the same time. During temporary absences of the licensed pharmacist, not to exceed three hours daily or more than one and one-half hours at any one time, nor more than one week for temporary illness, the prescription department shall be closed, and no prescriptions are to be filled. During the temporary absence of a pharmacist, a sign shall be placed on the prescription counter in a prominent location easily seen by the public stating, "Prescription Department Closed, No Pharmacist on Duty."
(b) The permit issued to each pharmacist by the board and the licensure certificates issued to the licensed pharmacist employed by each pharmacy must be prominently and conspicuously displayed in the pharmacy. The name of the licensed pharmacist on duty must be conspicuously displayed in the prescription department in a place readily observable by the public.
(c)(1) No licensed pharmacist or pharmacy operating within this state shall accept for refund purposes or otherwise any unused portion of any dispensed prescription.
(2) The prohibition in subdivision (1) shall not apply to any unused or expired dispensed medication returned solely for the purpose of destruction in compliance with applicable law or rules of the board.
(d) The sale of poisons is restricted to the immediate supervision of a licensed pharmacist, and such poison shall not be displayed in a pharmacy in such a manner that a customer may obtain possession of such poisons when standing in an area allocated for customer use. No sale of a poison shall be made or delivered to any minor under 12 years of age or to any person known to be of unsound mind or under the influence of alcohol.
(e) No pharmacy shall authorize any person, firm, or business establishment to serve as a pick-up station or intermediary for the purpose of having prescriptions filled or delivered, whether for profit or gratuitously. Except with respect to controlled substances, the following federally qualified health care centers are expressly exempt from this subsection: Birmingham Health Care, Inc., Central Alabama Comprehensive Health, Inc., Health Services, Inc., Family Oriented Primary Health Care Clinic/Mobile County Health Department, Franklin Primary Health Center, Quality of Life Health Services, Inc., and Whatley Health Services, Inc. Each named federally qualified health center is authorized to fill certain prescriptions at one location and deliver medications to clinics for patient pick-up subject to the review of the board.
(f) No prescription blank supplied by a pharmacy or pharmacist to a practitioner shall bear the imprint thereon of the name or address of any pharmacy or bear the name or address of any person registered under this chapter.
(g)(1) No person shall fill or compound a prescription or drug order in an institution unless he or she is a duly licensed pharmacist or otherwise permitted to do so under this

chapter. The act of filling or compounding prescriptions or drug orders in an institution shall be as defined in the rules and regulations adopted by the board.
(2) However, such rules and regulations shall not apply to the reading, interpreting, and writing or verifying the writing of adequate directions as are necessary to assure patient's understanding of the prescriber's intentions by a duly qualified nurse practicing his or her profession in a licensed hospital or similar institution.
(h) Nothing in this chapter shall authorize the board to promulgate or to enforce any rule or regulation which governs, regulates, or restricts the professional practice of a physician licensed to practice medicine in this state. No provision of this chapter, or any rule promulgated under the authority of this chapter, shall be interpreted to amend, alter, or modify Section 34-23-11.
(i) Only a licensed pharmacist or registered intern may accept an oral prescription of any nature. Upon so accepting such oral prescription, it must immediately be reduced to writing, and only a licensed pharmacist or an intern supervised by a licensed pharmacist may prepare a copy of a prescription or read a prescription to any person for purposes of providing reference concerning treatment of the person or animal for whom the prescription was written; and, when the copy is given, a notation shall be made upon the prescription that a copy has been given, the date given, and to whom given.
(j) If a prescription is refilled, a record of the date upon which the prescription is refilled must appear on the prescription or in a permanent prescription record book. On prescriptions which may be refilled, written or oral authorization must be received before refilling unless the number of refills is indicated on the original prescription. Those prescriptions marked "refill prn" or equivalent designation shall be refilled only in quantities commensurate with the dosage scheduled.
(k) Each prescription must be written in a manner so that it can be compounded by any registered pharmacist. The coding of any prescription is in violation of this chapter. No prescription shall be written in any characters, figures, or ciphers, other than in the English or Latin language, generally in use among medical and pharmaceutical practitioners.
(l) A prescription file or files shall be kept by every pharmacy for a period of not less than two years in which the original of every prescription compounded or dispensed shall be filed in the order of compounding with number and date of dispensing placed on each prescription. Each pharmacy shall produce any prescription file whenever legally required to do so. Such prescription file shall at all times be open for inspection by the prescriber, the board, or its investigators.
(m) All drugs or drug preparations bearing upon the package the words, "caution, federal law prohibits dispensing without prescription" or words to the same effect, otherwise known as legend drugs, shall be stored within the confines of the prescription department or the prescription department storage room of each pharmacy. Such drugs shall be sold or dispensed only on the prescription of a licensed practitioner authorized to prescribe such drugs and shall not be sold or dispensed as a refilled prescription except upon the express authorization of the prescriber. This shall not be construed to prohibit return to authorized suppliers or sale or transfer to others licensed to possess legend drugs.
(n) Any person who violates this section shall be guilty of a misdemeanor.
(Acts 1966, Ex. Sess., No. 205, p. 231, §15; Acts 1989, No. 89-747, p. 1513, §1; Act 2009-772, p. 2385, §1; Act 2012-553, p. 1631, §1; Act 2013-198, p. 387, §1; Act 2017-422, §1.)

Section 34-23-71 Requirements for prescription rooms.
Any new pharmacy or any existing pharmacy which is to be remodeled or which is to be moved to a new location other than a hospital pharmacy must comply with the following requirements for the prescription room area: That portion or part of the entire licensed pharmacy which is to be occupied by the prescription compounding or dispensing department, including that portion or part thereof utilized for the sale of restricted drugs, shall be not less than 240 square feet. The surface of the prescription compounding counter shall be not less than 24 inches in width and not less than 16 square feet of unobstructed working space for one pharmacist and not less than 24 square feet of total working space where two or more pharmacists are to be on duty at any one time. The aisle space or floor area to be occupied by a dispensing pharmacist shall extend the full length of the prescription compounding counter, and it shall be clear and unobstructed for a minimum distance of 36 inches from the working side of the prescription compounding counter.
(Acts 1966, Ex. Sess., No. 205, p. 231, §16.)

Section 34-23-72 Internship training sites.
Every site approved by the State Board of Pharmacy for intern training shall be managed so that the intern is provided with ample opportunity to meet the training requirements established by the board. The site must have in its employ, or have an arrangement with, a pharmacist who is registered as a preceptor. A site which meets these qualifications may be approved for internship training by the board.
(Acts 1966, Ex. Sess., No. 205, p. 231, §25; Act 98-643, p. 1414, §1.)

Section 34-23-73 Preceptor qualifications.
Every pharmacist serving as a preceptor shall have expressed a willingness to serve as a preceptor. Pharmacist preceptors shall be approved by the board and shall be willing to cooperate with the board in developing the necessary training requirements and shall provide appropriate documentation to the board. Each preceptor shall certify as to the commencement and completion of the training period and may make recommendations to the board concerning the competency of his or her trainee. The preceptor shall report to the board from time to time as requested on the progress of any intern or extern under his or her supervision. It shall be his or her responsibility in a supervisory capacity to see that each intern or extern receives proper training under the objectives of the board for this practical training program.
(Acts 1966, Ex. Sess., No. 205, p. 231, §26; Act 98-643, p. 1414, §1.)

Section 34-23-74 Hospitals and related institutions; automated dispensing systems.
(a) Except as otherwise provided in subsection (b), every pharmacy located in a hospital, skilled nursing home, or other related institution in this state shall be under the supervision of a licensed pharmacist. In general hospitals, skilled nursing homes, and extended care facilities not operating a pharmacy, the drug or medicine room shall be under the direct supervision and direction of a consulting pharmacist or a member of the

medical staff who shall be a licensed practitioner of medicine. In nursing homes which are not classified by the State Board of Health as skilled nursing homes, maternity homes, homes for the aged, domiciliary institutions, and all related institutions except those operated by and in conjunction with a licensed hospital, medicines or drugs bearing the wording on the label "caution, federal law prohibits dispensing without prescription" or similar wording that causes the medicines or drugs to be known as prescription legend drugs shall be furnished by a licensed pharmacy on the prescription of a licensed practitioner of medicine for individual patients, and there shall be no prescription legend drugs on the premises of these institutions other than those so prescribed except an emergency kit as authorized by the State Board of Health. In hospitals and skilled nursing homes using vending machines or mechanical devices for the storage and dispensing of drugs, the machines or devices shall be stocked only under the supervision of a licensed pharmacist, and the drugs may be dispensed from the machine or device only by an individual acting in accordance with established institutional hospital pharmacy policy. The State Board of Pharmacy may at any time adopt such additional rules and regulations consistent with this chapter as may be deemed necessary after advising with the Alabama Society of Hospital Pharmacists in regard to the storage and handling of drugs and medicines and the disposition of unused portion of drugs and medicines in hospitals and other related institutions under this section.

(b) Notwithstanding the provisions of subsection (a), the use and operation of automated dispensing systems in skilled nursing facilities by a pharmacy holding a permit issued for that purpose is authorized pursuant to rules adopted by the board.

(Acts 1966, Ex. Sess., No. 205, p. 231, §28; Acts 1995, No. 95-398, p. 819, §1; Act 2013-106, p. 222, §1.)

Section 34-23-75 Emergency prescription refill.

In the event a pharmacist receives a request for a prescription refill and the pharmacist is unable to readily obtain refill authorization from the prescriber, the pharmacist may dispense a one-time emergency refill of up to a 72-hour supply of the prescribed medication, providing that:

(1) The prescription is not a medicinal agent listed in Schedule II appearing in Title 20, Chapter 2.

(2) The medication is essential to the maintenance of life or the continuation of therapy in a chronic condition. Only those drugs designated by a joint rule adopted by the Board of Pharmacy and Board of Medical Examiners shall be refilled, according to the procedure established in this section.

(3) The dispensing pharmacist creates a written order containing all of the prescription information required by this chapter and Title 20, Chapter 2.

(4) The dispensing pharmacist notifies the prescriber of the emergency dispensing within 72 hours after such dispensing.

(Acts 1991, No. 91-554, p. 1023, §1.)

Section 34-23-76 Repackaging, relabeling, and storing of non-controlled legend drugs for certain residential care facility patients.
(a) The Board of Pharmacy may establish by rule protocols allowing a pharmacy in possession of a current retail pharmacy permit to repackage, relabel, and store any non-controlled legend drug for a patient residing in a residential care facility which does not have a pharmacy located on the premises.
(b) For purposes of this section, a residential care facility means any of the following:
(1) A convalescent home.
(2) A nursing home.
(3) An extended care facility.
(4) A mental health or psychiatric facility.
(5) A rehabilitation facility.
(6) A developmental disability center.
(7) An assisted living facility.
(8) A speciality care assisted living facility.
(Act 2011-520, p. 836, §1.)

Section 34-23-90 Authority; composition.
(a) The Alabama State Board of Pharmacy is vested with the authority to carry out the purposes of and enforce this chapter. The board shall consist of five members who are citizens of this state. The members of the board shall be licensed pharmacists who have been licensed in this state for a minimum of five years and who are actively engaged in the practice of pharmacy or pharmacy administration, or both.
(b) Three members shall be appointed by the Governor. Of the three appointed members, one member shall be engaged in the practice of pharmacy or pharmacy administration, or both, in a hospital, one in an independent pharmacy, and one in a chain pharmacy. On or before August 1, 1996, and each five years thereafter, or whenever a vacancy occurs in the designated position for hospital pharmacists, the Alabama Society of Health System Pharmacists, or its successor organization, shall submit a list of three nominees to the Governor. On or before August 1, 1994, and each five years thereafter, or whenever a vacancy occurs in the designated position for a chain pharmacist, the Alabama Pharmacy Association, or its successor organization, shall submit a list of three nominees to the Governor. On or before August 1, 1997, and each five years thereafter, or whenever a vacancy occurs in the designated position for the independent pharmacist, the independent pharmacist members of the Alabama Pharmacy Association, or its successor organization, shall submit a list of three nominees to the Governor. From the names submitted to the Governor, the Governor shall appoint a replacement on or before December 31 of the same year the nominations are received, for the member or members whose term or terms are expiring. Background information shall be provided for each nominee for an appointed position.
(c) On or before December 1, 1995, and each five years thereafter, and on or before December 1, 1998, and each five years thereafter, or whenever a vacancy occurs in a nondesignated position, the Board of Trustees of the Alabama Pharmacy Association, or

its successor organization, shall select a committee of five pharmacists who are members of the association to serve as a nominating committee. No one on the committee shall be a candidate. The committee shall receive names of pharmacists actively engaged in pharmacy practice or administration, or both, from companies and individuals, and shall narrow the list of nominees to two names to be placed on a ballot to be voted on by all Alabama pharmacists. The election procedure for a nondesignated slot shall be as follows: Each candidate shall provide a biographical sketch of not more than 150 words, which shall include his or her most recent practice experience. The board shall mail election ballots and a biographical sketch of the candidates to Alabama licensed pharmacists by September 1. Completed ballots returned to the board postmarked by October 1 shall be tabulated. A pharmacist receiving a majority of the ballots received shall be considered the winner. If a runoff election is necessary, the runoff ballots shall be mailed to licensed pharmacists by November 1 and returned postmarked by December 1. A canvassing committee consisting of a representative from the Alabama Pharmacy Association, or its successor organization, Alabama Society of Health System Pharmacists, or its successor organization, Auburn University School of Pharmacy, and Samford University School of Pharmacy shall tabulate the ballots.

(d) Any vacancies occurring on the board other than by expiration of term shall be filled by election or appointment only for the unexpired term and shall be filled by the same procedure that the replaced member was elected or appointed. Each member of the board shall serve a term of five years beginning on January 1 following appointment and terminating on December 31 of his or her fifth year as a member of the board.

(e) No pharmacist shall serve two full terms consecutively.

(f) The Governor, upon recommendation of the board, may remove a member of the board upon proven charges of inefficiency, incompetency, immorality, or professional misconduct. The replacement member shall be elected or appointed by the same procedure that the removed member was elected or appointed. Appointees to the board shall within 30 days after their appointment or election take an oath or make affirmation before a properly qualified officer that they will faithfully and impartially perform the duties of their office. This oath or affirmation shall be filed with the Secretary of State. At its last regular meeting in each calendar year, the board shall organize by electing for a term of one year, effective the following January 1, a president, a vice-president, and a treasurer who shall be members of the board. No member shall serve more than two years in the same office on the board during a five-year term. The board shall also elect a secretary who shall not serve as a member of the board and the board shall have the authority to fix the amount of the secretary's remuneration. If a board member is selected as secretary, the board member shall resign from the board and a replacement on the board shall be selected by the same procedure by which the resigned member was originally elected or appointed. The secretary shall not be employed during the service by any registrant of the board.

(g) For the purpose of this section, a chain pharmacy shall be defined as any retail pharmacy employing in Alabama a minimum of 40 full-time equivalent pharmacists. A

chain pharmacist is defined as a pharmacist employed on a full-time basis by a chain pharmacy for a minimum of three years.
(h) It is the intent of the Legislature that the composition of the board reflect the demographics of the pharmacy profession. For vacancies occurring after March 18, 2005, the nominating organizations and the appointing authorities shall select those persons whose appointments ensure that the membership of the board is inclusive and reflects the racial, gender, geographic, urban/rural, and economic diversity of this state.
(Acts 1966, Ex. Sess., No. 205, p. 231, §3; Acts 1981, No. 81-810, p. 1448, §1; Acts 1989, No. 89-235, p. 303, §3; Acts 1993, No. 93-671, p. 1209, §3; Act 2001-247, p. 293, §3; Act 2005-57, p. 84, §3; Act 2009-36, p. 126, §3.)

Section 34-23-91 Duties of officers; bonds of secretary and treasurer; compensation and expenses; meetings; quorum; funds and disbursements; books and records.
The president of the board shall preside at all of the board's meetings. The vice-president shall preside in the absence or inability of the president. The secretary of the board shall be the executive officer in charge of the board's office. The secretary shall make, keep, and be in charge of all records and record books required to be kept by the board, including a register containing all information which shall be required under this chapter. The secretary shall attend to the correspondence of the board and perform any other duties the board may require in keeping with the office of secretary. The secretary shall receive and record all fees collected under this chapter and, at regular intervals as ordered by the board, shall pay the fees to the treasurer of the board for its use. The secretary may have any forms printed and office supplies furnished as necessary to implement this chapter. The secretary and treasurer of the board shall each furnish bond in an amount to be fixed by the board and shall be conditioned upon the faithful performance and discharge of their respective official duties. The members of the board shall be paid the same per diem and travel allowance as is paid by law to state employees while engaged in the performance of the duties of the board, in addition to any daily compensation or allowance determined by the board. The board shall conduct meetings at least three times annually and more often when deemed necessary for the examination of applicants for licensure and for the transaction of business as may legally come before it. Public notice of all stated meetings shall be given at least 30 days in advance of the meetings. At all meetings of the board, a majority shall constitute a quorum. The members of the board shall determine the place of meetings of the board. The treasurer of the board shall have custody of all funds derived from the various provisions of this chapter. All disbursements shall be made by check as authorized by vouchers signed by the president and secretary of the board. The books and records of the board as made and kept by the secretary or under his or her supervision shall be prima facie evidence of the matter therein recorded in any court.
(Acts 1966, Ex. Sess., No. 205, p. 231, §4; Acts 1971, No. 1952, p. 3171, §1; Acts 1989, No. 89-235, p. 303, §3; Acts 1993, No. 93-671, p. 1209, §3.)

Section 34-23-92 Powers and duties generally.

The board shall exercise, subject to this chapter, the following powers and duties:

(1) To adopt rules concerning the records and reports to be kept and made by a pharmacy relating to the filling of prescriptions and the handling and preservation of drugs.

(2) To fix standards and requirements for licenses and permits except as otherwise specified in this chapter.

(3) To make rules and regulations regarding sanitation consistent with state health regulations.

(4) To employ such chemists, agents, clerical help, and attorneys necessary for the proper administration of the duties of the board.

(5) To employ a Chief Drug Investigator and such other drug investigators that it deems necessary to enforce this chapter which are under the supervision of the board.

(6) To adopt rules and regulations for the administration and enforcement of this chapter and not inconsistent herewith. Such rules and regulations shall be referenced to the section or sections of this chapter which set forth the legislative standard which it interprets or to which it applies. Every such rule and regulation shall be adopted in accordance with the Alabama Administrative Procedure Act. A copy of every rule and regulation containing a requirement of general application shall be electronically mailed to each registered pharmacist at least 10 days before the effective date thereof. A printed copy of such rules and regulations shall be mailed to any registered pharmacist upon written request to the board.

(7) To investigate violations of this chapter or any other law pertaining to the practice of pharmacy that may come to the knowledge of the board and institute or cause to be instituted before the board or in a proper court appropriate proceedings in connection therewith.

(8) To issue subpoenas and compel the attendance of witnesses and the production of all necessary papers, books and records, documentary evidence and materials, or other evidence in matters pending before the board relating to the revocation, suspension, or probation of any license. Those persons issued subpoenas and compelled to attend hearings or meetings in matters pending before the board shall be entitled to witness fees from board funds. Claims for witness fees shall be made on accepted State of Alabama voucher forms as appropriate. Travel and mileage expenses shall be reimbursed to witnesses in the amounts officially authorized to the board and its personnel at the time the service to the board is performed.

(9) To administer oaths in connection with the duties of the board.

(10) To make a written report annually of its receipts and disbursements to the Governor and to the State Pharmaceutical Association. Included in this report shall be the names of all registrants licensed to practice under this chapter and a record of all permits issued during the period covered by the report.

(11) To enforce the state barbiturate act, the state amphetamine act, the state narcotic law, and all other laws of the state which pertain to the practice of pharmacy, the examination of applicants, the licensing of pharmacists, the manufacture, packaging, repackaging, production, sale, or distribution of drugs, chemicals, and poisons, and all

laws pertaining to standards for their strength and purity. The board may work in conjunction with other law enforcement agencies to enforce any law pertaining to the practice of pharmacy. Nothing in this section shall be construed to deprive the State Board of Health of any powers or duties otherwise prescribed by law including the enforcement of the narcotic law.
(12) To investigate alleged violations of this chapter or any rule or regulation published by the board and conduct hearings to revoke, suspend, or probate any license or permit granted by the board under this chapter and to invoke penalties not to exceed the sum of one thousand dollars ($1,000) for each violation and to institute any legal proceedings necessary to effect compliance with this chapter; provided, that any person, firm, or corporation subjected to such penalty or legal proceedings may take an appeal in accordance with Section 34-23-94.
(13) On application of any person and payment of the cost therefor, the secretary of the board shall furnish, under its seal and signed by the secretary, a certified copy of the license or permit of the requestor, or a certified copy of a regulation or rule of the board. In any court or proceeding, such copy shall be prima facie evidence of the fact of the issuance of such permit or license and the adoption of such rule or regulation.
(14) To acquire by gift, grant, purchase, condemnation, or otherwise, and to convey or hold title to, real property, together with all rights incidental thereto.
(Acts 1966, Ex. Sess., No. 205, p. 231, §5; Acts 1989, No. 89-235, p. 303, §3; Act 2009-576, p. 1688, §1; Act 2017-422, §1.)

Section 34-23-92.1 Legislative findings; rulemaking authority; construction of section.
(a) The Legislature finds and declares all of the following:
(1) The power to make rules regulating the practice of pharmacy includes the power to prohibit unlicensed persons from practicing pharmacy and the power to regulate how licensed persons practice pharmacy.
(2) A primary goal of the provision of health care is to prioritize patient safety and wellness.
(3) The board is in the best position to determine the practice of pharmacy that prioritizes patient safety and wellness.
(4) It is the intent of the Legislature in enacting this section to immunize the Board of Pharmacy and its members from liability under state and federal anti-trust laws for the adoption of a rule that prioritizes patient safety and wellness but may be anti-competitive when the effect on public safety and wellness is clearly demonstrated and documented by the Board of Pharmacy.
(b) Subject to subsection (c), rules adopted by the board may define and regulate the practice of pharmacy in a way that prioritizes patient safety and wellness, even if the rule is anti-competitive when the effect on public safety and wellness is clearly demonstrated and documented by the Board of Pharmacy.
(c) A rule adopted by the board may supplement or clarify any statutory definition but may not conflict with any statute that defines the practice of pharmacy.
(d) Nothing in this section shall be construed to constrict or expand the current rights and privileges of any individual governed by the Board of Pharmacy beyond that which

existed prior to the ruling in the United States Supreme Court decision N.C. State Bd. of Dental Examiners v. FTC, 135 S. Ct. 1101(2015).
(e) Nothing in this section shall be construed to constrict or expand the current duties or responsibilities of the members of the Board of Pharmacy in any context outside of federal or state anti-trust immunity beyond that which existed prior to the ruling in the United States Supreme Court decision N.C. State Bd. of Dental Examiners v. FTC, 135 S. Ct. 1101(2015).
(Act 2016-410, §1-3.)

Section 34-23-93 Assisting prosecuting officers; legal counsel.
The board and its members and officers shall assist prosecuting officers in the enforcement of this chapter, and it shall be the duty of the board, its members and officers to furnish the proper prosecuting officers with such evidence as it or they may ascertain to assist them in the prosecution of any violation of this chapter, and the board is authorized for such purposes to make such reasonable expenditures from the funds of the board as it may deem necessary to ascertain and furnish such evidence. The Attorney General of the state shall be the attorney for the board, but the board may in its discretion employ other counsel. It shall be the duty of the district attorney of the judicial circuit wherein any offense is committed to prosecute violations of this chapter.
(Acts 1966, Ex. Sess., No. 205, p. 231, §6.)

Section 34-23-94 Judicial review of orders.
From any order of the board any party affected thereby may appeal such ruling to the circuit court of the county where the party aggrieved resides. The notice of appeal shall be filed within 30 days from the receipt of such order or ruling. Appeals shall be governed by the judicial review provisions of the Alabama Administrative Procedure Act.
(Acts 1966, Ex. Sess., No. 205, p. 231, §22; Acts 1985, 2nd Ex. Sess., No. 85-1002, p. 380, §1.)

Section 34-23-110 Short title.
This article shall be known and may be cited as the "Third Party Prescription Program Act."
(Acts 1981, No. 81-337, p. 477, §1.)

Section 34-23-111 "Third Party Prescription Program" defined.
As used in this article, the term "Third Party Prescription Program" shall mean any system of providing for the reimbursement of pharmaceutical services under a contractual arrangement or agreement between a provider of such services and another party who is not the consumer of those services. Such programs may include, but not be limited to, employee benefit plans whereby a consumer receives prescription drugs or other pharmaceutical services and those services are paid for by an agent of the employer or others.
(Acts 1981, No. 81-337, p. 477, §2.)

Section 34-23-112 Required contractual provisions.
Any agreement or contract entered into in this state between the program administrator of a third party program and a pharmacy shall include a statement of the method and amount of reimbursement to the pharmacy for services rendered to persons enrolled in the program, the frequency of payment by the program administrator to the pharmacy for such services rendered, and a method for the adjudication of complaints or the settlement of disputes between the parties.
(Acts 1981, No. 81-337, p. 477, §3.)

Section 34-23-113 Cancellation of program; use of identity card after cancellation.
(a) The administrator of a program shall notify all pharmacies enrolled in the program of any cancellation of coverage of benefits of any group enrolled in the program at least 30 days prior to the effective date of such cancellation.
(b) All persons enrolled in a program shall be notified of its cancellation, and the administrator of the program shall make every reasonable effort to gain possession of any plan identification cards such persons may have been issued pursuant to the provisions of the program.
(c) Any person who utilizes a program identification card to obtain services from a pharmacy after having received notice of the cancellation of his benefits shall be liable to the program administrator for all money paid by the program administrator for any services received pursuant to the illegal use of the identification card.
(Acts 1981, No. 81-337, p. 477, §4.)

Section 34-23-114 Denial of payment.
(a) No program administrator shall deny payment for services to any pharmacy which may have resulted from the fraudulent or illegal use of any identification card by any person unless the pharmacy has been notified that the card has been canceled or discontinued and that the program administrator has been unsuccessful in attempting to regain possession of the card.
(b) No program administrator shall withhold any payments to any pharmacy beyond the time period specified in the payment schedule provisions of the agreement, except that individual claims for payment may be returned to the pharmacy for reasons such as incomplete or illegible information and may then be resubmitted by the pharmacy to the program administrator after appropriate corrections have been made.
(Acts 1981, No. 81-337, p. 477, §5.)

Section 34-23-115 Reimbursement rates.
No agreement between a program administrator and a pharmacy shall establish reimbursement rates or procedures that result in reimbursement rates for services rendered to persons covered by the plan which are less than the usual and customary rates paid by consumers not covered by a third party plan for the same or similar services.
(Acts 1981, No. 81-337, p. 477, §6.)

Section 34-23-116 Article not applicable to certain services.
This article shall not apply to any services rendered pursuant to provisions of the Alabama Medicaid Program, to the Public Education Employees' Health Insurance Plan, or to any corporation organized under the provisions of Title 10, Chapter 4, Article 6, for establishment and operation of health care service plans.
(Acts 1981, No. 81-337, p. 477, §7; Acts 1983, No. 83-637, p. 986, §§1, 2; Act 2012-478, p. 1325, §1.)

Section 34-23-117 No programs to be instituted until notice given.
After June 27, 1981, no third party prescription programs shall be instituted in this state unless:
(1) The program administrator has given written notice of the provisions of the particular program to all pharmacies in this state as defined in Section 34-23-1.
(2) All pharmacies in this state as defined by Section 34-23-1 have had 30 days from the date of notice to enroll in that particular program.
(Acts 1981, No. 81-337, p. 477, §8.)

Section 34-23-118 Compliance with article required of all programs.
After June 27, 1981, no third party prescription program shall be instituted, nor shall existing agreement or contract be renewed unless they are in compliance with the provisions of this article.
(Acts 1981, No. 81-337, p. 477, §11.)

Section 34-23-130 Definitions.
As used in this article, the following terms shall have the following meanings:
(1) PHARMACY FUNCTIONS. Those functions performed in a pharmacy department which do not require the professional judgment of a licensed pharmacist.
(2) PHARMACY TECHNICIAN. An individual, other than an intern, extern, or an assistant pharmacist, who performs pharmacy functions under the direct supervision of a licensed pharmacist.
(3) SUPERVISION. The direct on-site overseeing of the performance of assigned or delegated duties or functions.
(Acts 1996, No. 96-496, p. 625, §1.)

Section 34-23-131 Registration and supervision; rules and regulations; continuing education.
(a) A pharmacy technician shall not perform pharmacy functions or be present in the prescription department of a pharmacy unless he or she is under the direct supervision of a licensed pharmacist. A pharmacy technician shall not perform pharmacy functions or be present in the prescription department of a pharmacy unless he or she is registered by the board.
(b) When supervision is required, a licensed pharmacist shall be jointly responsible and liable for the actions of a pharmacy technician.

(c) A pharmacy technician shall register and pay a fee as determined by the board before performing any pharmacy functions. The board shall develop rules and regulations relating to the registration of all pharmacy technicians. The registration of a pharmacy technician shall be renewable biennially in odd-numbered years upon payment of the required renewal fee. The registration of each pharmacy technician shall expire on December 31 of odd-numbered years. In order to continue to be licensed, each registered pharmacy technician shall pay a biennial renewal fee of not less than twenty dollars ($20), as determined by rule of the board, the fee being due on October 31 and delinquent after December 31 of odd-numbered years. The payment of the renewal fee shall entitle the pharmacy technician to renewal of his or her registration at the discretion of the board. If any pharmacy technician fails to pay the renewal fee as required by this subsection, he or she may be reinstated as a pharmacy technician only upon payment of a penalty of not less than ten dollars ($10) nor more than twenty dollars ($20), as determined by rule of the board, for each lapsed year and all lapsed fees for each lapsed year, provided the lapsed time of registration shall not exceed five years, in which case reinstatement may be had only upon satisfactory examination by the board.
(d) In addition to any other registration requirements, a pharmacy technician shall complete three hours of continuing education annually, or six hours biennially, of which one hour per year shall be live presentation. The board may grant an extension to a pharmacy technician who fails to complete the required continuing education hours in the allotted time. A pharmacy technician who fails to complete the annual continuing education requirements shall be subject to disciplinary action by the board.
(Acts 1996, No. 96-496, p. 625, §2; Act 2004-450, p. 801, §1; Act 2017-422, §1)

Section 34-23-132 Revocation or suspension of registration; probation.
The board shall revoke or suspend the registration of a pharmacy technician or place on probation a pharmacy technician for any of, but not limited to, the following reasons:
(1) Willful violation of any provision of this article or the Alabama Uniform Controlled Substances Act.
(2) Willful violation of any rule or regulation promulgated in accordance with this article or the Alabama Uniform Controlled Substances Act.
(3) Action which threatens the public health, safety, or welfare.
(4) Conviction of a felony or misdemeanor involving moral turpitude.
(5) Conviction of a felony or misdemeanor involving a drug related offense of a legend drug or controlled substance.
(6) Obtaining the pharmacy technician registration by fraudulent means.
(7) Violation of the laws regulating the sale or dispensing of narcotics, exempt narcotics, or drugs bearing the label "caution, federal law prohibits dispensing without prescription," or similar wording which causes the drugs to be classified as prescription legend drugs.
(Acts 1996, No. 96-496, p. 625, §3.)

Section 34-23-150 Definitions.
As used in this article, the following terms shall have the following meanings:
(1) BOARD. The Alabama State Board of Pharmacy.

(2) COMPONENT. Any ingredient used in the compounding of a drug product.
(3) COMPOUNDING. The preparation, mixing, assembling, packaging, and labeling of a drug or device as the result of a licensed practitioner's prescription drug order or initiative based on the practitioner/patient/pharmacist relationship in the course of professional practice.
a. Compounding may also be for the purpose of, or as incident to, research, teaching, or chemical analysis.
b. Compounding includes the preparation of drugs or devices in anticipation of prescription drug orders based on routine, regularly observed prescribing patterns.
c. Reconstitution of commercial products is not considered compounding for purposes of this article.
(4) COMPOUNDED OVER THE COUNTER (OTC) PRODUCTS. A medical product that is prepared, packaged, and labeled in a pharmacy that can be sold by the pharmacy without a prescription.
(5) MANUFACTURING. The production, preparation, propagation, conversion, or processing of a drug or device, either directly or indirectly, by extraction from substances of natural origin or independently by means of chemical or biological synthesis and includes any packaging or repackaging of the substance or substances or labeling or relabeling of its container, and the promotion and marketing of such drugs or devices. Manufacturing also includes any preparation of a drug or device that is given or sold for resale by a pharmacy, practitioner, or other person. The distribution of inordinate amounts of compounded products without a prescriber/patient/pharmacist relationship is considered manufacturing.
(6) PHARMACY TECHNICIAN. A person, registered with the board, who assists the pharmacist in the practice of compounding.
(7) REASONABLE AMOUNTS OF COMPOUNDED PRODUCTS IN INVENTORY. The amount that is required to meet historical dispensing needs.
(Act 2003-389, p. 1094, §1.)

Section 34-23-151 Continuing education; technician assistance; duties of pharmacist.
(a) Any pharmacist who engages in drug compounding shall be proficient in compounding and shall continually expand his or her compounding knowledge by participating in seminars or studying appropriate literature, or both.
(b) Pharmacy technicians may assist pharmacists in the preparation of compounds. When a written procedure for a compound is not on file at the pharmacy, a pharmacist must direct the preparation of the compound. At all times, a pharmacist shall verify the weight or volume of all active ingredients of a compound. While compounding, there shall be no more than three technicians per pharmacist.
(c) A pharmacist shall have responsibility to do all of the following:
(1) Verify all prescriptions.
(2) Approve or reject all components of the compounded product, drug product containers, closures, and labeling.
(3) Prepare and review all compounding records to assure that no errors have occurred in the compounding process.

(4) Assure the proper maintenance, cleanliness, and use of all equipment used in a prescription compounding practice.
(5) Assure that only personnel authorized by the supervising pharmacist shall be in the immediate vicinity of the drug compounding operation.
(Act 2003-389, p. 1094, §2.)

Section 34-23-152 Designation and maintenance of compounding area.
Any pharmacy engaged in compounding shall have a specifically designated and adequate area or space for the orderly compounding of prescriptions. The area used for the compounding of drugs shall be maintained in a good state of repair. The compounding area shall have cleanable surfaces to include walls, ceilings, and floors. Adequate lighting and ventilation shall be provided in all compounding areas. Potable water shall be supplied under continuous positive pressure in a plumbing system free of defects that could contribute contamination to any compounded drug product. Areas used for compounding shall be maintained in a clean and sanitary condition.
(Act 2003-389, p. 1094, §3; Act 2006-543, p. 1260, §1; Act 2006-573, p. 1506, §1.)

Section 34-23-153 Use, maintenance, and inspection of compounding equipment.
Equipment used in the compounding of drug products shall be of appropriate design and capacity, as well as suitably located to facilitate operations for its intended use, cleaning, and maintenance. Compounding equipment shall be of suitable composition so the surfaces that contact components shall not be reactive, additive, or absorptive so as to alter the purity of the product compounded. Equipment and utensils used for compounding shall be cleaned and sanitized prior to use to prevent contamination. Equipment and utensils shall be stored in a manner to protect from contamination. Automated, mechanical, electronic, limited commercial scale manufacturing, or testing equipment and other types of equipment may be used in the compounding of drug products. If such equipment is used, it shall be routinely inspected, calibrated, if necessary, or checked to ensure proper performance. Immediately prior to the initiation of compounding operations, the equipment and utensils shall be inspected by the pharmacist and determined to be suitable for use. When potent or hazardous drugs, such as antibiotics, cytotoxins, and steroid hormones, are involved, appropriate measures shall be utilized in order to prevent cross-contamination and proper disposal procedures shall be followed. Measures shall include either the dedication of equipment for such operations or the meticulous cleaning of equipment prior to its use for the preparation of other drugs.
(Act 2003-389, p. 1094, §4.)

Section 34-23-154 Drug components to meet certain requirements.
Pharmacists compounding prescriptions shall use their professional judgment in first receiving, storing, or using drug components that meet official compendia requirements or other high quality sources. Bulk drugs and other chemicals or materials used in the compounding of drugs shall be stored in adequately labeled containers in a clean, dry area or, if required, under proper refrigeration. *(Act 2003-389, p. 1094, §5.)*

Section 34-23-155 Drug product containers and closures.
Drug product containers and closures shall be handled and stored in a manner to prevent contamination and to permit inspection and cleaning of the work area. Containers and closures shall be of suitable material in order not to alter the compounded drug as to quality, strength, or purity.
(Act 2003-389, p. 1094, §6.)

Section 34-23-156 Compounding procedures.
The board shall establish written procedures for the compounding of drug products to assure that the finished products have the identity, strength, quality, and purity they purport to have or are represented to possess. The procedures shall include, but not be limited to, a listing of the components, their amounts in weight or volume, the lot number of the components, if available, the order of component mixing, a description of the compounding process, and a designated name for the finished product. The procedures shall be followed in the execution of the compounding procedure. Components shall be accurately weighed, measured, or subdivided, as appropriate. The operations shall be checked and rechecked by the compounding pharmacist at each stage of the process to ensure that each weight and measure is correct as stated in the written compounding procedures. Pharmacists shall determine that all finished products have an acceptable degree of weight variation among capsules, and shall assure a reasonable uniformity and integrity of all compounded products.
(Act 2003-389, p. 1094, §7.)

Section 34-23-157 Components transferred to nonoriginal container; advance product preparation; labeling.
(a) If a component is transferred from the original container to another container, including, but not limited to, a powder being taken from the original container and stored in another container, the new container shall be identified with the following information:
(1) Component name and supplier.
(2) Lot number and expiration date, if available.
(3) Strength and concentration.
(b) Products prepared in anticipation of a prescription prior to receiving a valid prescription shall be prepared in reasonable amounts. Products shall be labeled or documentation referenced with all of the following information:
(1) A complete list of ingredients or designated name of the preparation.
(2) Preparation date.
(3) Beyond use date.
(4) Storage under conditions dictated by composition and stability, including storage in a clean, dry place or in the refrigerator.
(5) Batch or lot number.
(c) Upon the completion of the drug preparation operation, the pharmacist shall examine the product for correct labeling. The prescription label shall contain all of the information required of other prescriptions.

(Act 2003-389, p. 1094, §8.)

Section 34-23-158 Retention of records.
Any procedures or other records required to comply with good compounding practices shall be retained for the same period of time as required for retention of prescription records. All records required to be retained under good compounding practices, or copies of such records, shall be readily available for authorized inspection. Computer information and the hard copy of the prescription shall indicate that the prescription is to be compounded. Adequate records are required to be kept of any controlled dangerous substances or scheduled drugs which are used in compounding.
(Act 2003-389, p. 1094, §9.)

Section 34-23-159 Preparation of compounded drug products for over the counter sale.
A pharmacy may prepare a compounded drug product to be sold over the counter without a prescription order. The product shall not contain an ingredient which exceeds recommended strengths and doses for over the counter drugs. The finished product shall not be one for which a prescription is required. It shall be properly labeled with the product's name, directions for use, list of active ingredients, and any necessary warnings. A compounded product shall be sold directly to the patient after professional interaction or consultation between the pharmacist and the patient. The product may be prepared in advance in reasonable amounts in anticipation of estimated needs. The product shall be stored within the prescription department. The product may not be sold in bulk to other pharmacies or vendors for resale.
(Act 2003-389, p. 1094, §10; Act 2017-422, §1)

Section 34-23-160 Preparation of compounded drug products for prescriber's office use; labeling.
(a) A pharmacy may prepare a compounded drug product for a prescriber's office use. An order by a prescriber indicating the formula and quantity ordered shall be filed in the pharmacy. The product shall be administered in the prescriber's office and shall not be dispensed to the patient. A record of the compounded drug product may be kept as a prescription record in the computer of the pharmacy. A label may be generated and a number assigned by the computer of the pharmacy for the compounded product. A record of the product's written procedure shall be on file in the pharmacy as provided in Section 34-23-158. A record of the product's sale to the prescriber shall remain on file at the pharmacy for not less than one year. The record shall contain the following information:
(1) The name and address of the prescriber.
(2) The date of sale.
(3) A description and amount of the product sold.
(b) The label on the compounded product shall include the following information:
(1) The designated name and the strength of the finished product.
(2) The quantity dispensed.
(3) The date on which the product was compounded.
(4) The beyond use date.
(5) A lot or batch number.

(6) Any other information the pharmacist deems necessary.
(7) The name and address of the pharmacy.
(c) The label shall include the phrase For Office Use.
(Act 2003-389, p. 1094, §11; Act 2017-422, §1.)

Section 34-23-161 Prescriptions for animals.
Drugs for animals may be compounded based upon an order or prescription. Prescriptions for animals shall be handled and filled in the same manner as are prescriptions for humans.
(Act 2003-389, p. 1094, §12.)

Section 34-23-162 Rules and regulations.
The board shall promulgate such rules and regulations as are necessary for the implementation, administration, and enforcement of this article.
(Act 2003-389, p. 1094, §13.)

Section 34-23-180 Short title.
This article shall be known and may be cited as "The Pharmacy Audit Integrity Act."
(Act 2012-306, p. 668, §1.)

Section 34-23-181 Definitions.
The following words shall have the following meanings as used in this article:
(1) HEALTH BENEFIT PLAN. Any individual or group plan, employee welfare benefit plan, policy, or contract for health care services issued, delivered, issued for delivery, or renewed in this state by a health care insurer, health maintenance organization, accident and sickness insurer, fraternal benefit society, nonprofit hospital service corporation, nonprofit medical service corporation, health care service plan, or any other person, firm, corporation, joint venture, or other similar business entity that pays for insureds or beneficiaries in this state. The term includes, but is not limited to, entities created pursuant to Article 6 of Chapter 4 of Title 10. A health benefit plan located or domiciled outside of the State of Alabama is deemed to be subject to this article if it receives, processes, adjudicates, pays, or denies claims for health care services submitted by or on behalf of patients, insureds, or beneficiaries who reside in Alabama.
(2) PHARMACY. A place licensed by the Alabama State Board of Pharmacy in which prescriptions, drugs, medicines, medical devices, chemicals, and poisons are sold, offered for sale, compounded, or dispensed and shall include all places whose title may imply the sale, offering for sale, compounding, or dispensing of prescriptions, drugs, medicines, chemicals, or poisons.
(3) PHARMACY BENEFIT MANAGEMENT PLAN. An arrangement for the delivery of pharmacist services in which a pharmacy benefit manager undertakes to administer the payment or reimbursement of any of the costs of pharmacist services for an enrollee on a prepaid or insured basis that contains one or more incentive arrangements intended to influence the cost or level of pharmacist services between the plan sponsor and one

or more pharmacies with respect to the delivery of pharmacist services and requires or creates benefit payment differential incentives for enrollees to use under contract with the pharmacy benefit manager.
(4) PHARMACY BENEFIT MANAGER. A business that administers the prescription drug or device portion of pharmacy benefit management plans or health insurance plans on behalf of plan sponsors, insurance companies, unions, and health maintenance organizations. The term includes a person or entity acting for a pharmacy benefit manager in a contractual or employment relationship in the performance of pharmacy benefits management for a managed care company, nonprofit hospital or medical service organization, insurance company, or third-party payor.
(5) PHARMACIST SERVICES. Offering for sale, compounding, or dispensing of prescriptions, drugs, medicines, chemicals, or poisons pursuant to a prescription. Pharmacist services also includes the sale or provision of, counseling of, or fitting of medical devices, including prosthetics and durable medical equipment.
(Act 2012-306, p. 668, §2.)

Section 34-23-182 Purpose.
The purpose of this article is to establish minimum and uniform standards and criteria for the audit of pharmacy records by or on behalf of certain entities.
(Act 2012-306, p. 668, §3.)

Section 34-23-183 Application.
This article shall apply to any audit of the records of a pharmacy conducted by a managed care company, nonprofit hospital or medical service organization, health benefit plan, third-party payor, pharmacy benefit manager, a health program administered by a department of the state, or any entity that represents those companies, groups, or department.
(Act 2012-306, p. 668, §4.)

Section 34-23-184 Audit procedures; report.
(a) The entity conducting an audit shall follow these procedures:
(1) The pharmacy contract shall identify and describe in detail the audit procedures.
(2) The entity conducting the on-site audit shall give the pharmacy written notice at least two weeks before conducting the initial on-site audit for each audit cycle. If the pharmacy benefit manager does not include their auditing guidelines within their provider manual, then the notice must include a documented checklist of all items being audited and the manual, including the name, date, and edition or volume, applicable to the audit and auditing guidelines. For on-site audits a pharmacy benefit manager shall also provide a list of material that is copied or removed during the course of an audit to the pharmacy. The pharmacy benefit manager may document this material on either a checklist or on an audit acknowledgement form. The pharmacy shall produce any items during the course of the audit or within 30 days of the on-site audit.

(3) The entity conducting the on-site audit may not interfere with the delivery of pharmacist services to a patient and shall utilize every effort to minimize inconvenience and disruption to pharmacy operations during the audit process.
(4) An audit that involves clinical or professional judgment shall be conducted by or in consultation with a licensed pharmacist.
(5) The audit shall not consider as fraud any clerical or record-keeping error, such as a typographical error, scrivener's error, or computer error regarding a required document or record; however, such errors may be subject to recoupment. The pharmacy shall have the right to submit amended claims through an online submission to correct clerical or record-keeping errors in lieu of recoupment of a claim where no actual financial harm to the patient or plan has occurred, provided that the prescription was dispensed according to prescription documentation requirements set forth by the Alabama Pharmacy Act and within the plan limits. The pharmacy shall not be subject to recoupment of funds by the pharmacy benefits manager unless the pharmacy benefits manager can provide proof of intent to commit fraud or such error results in actual financial harm to the pharmacy benefits manager, a health insurance plan managed by the pharmacy benefits manager, or a consumer. A person shall not be subject to criminal penalties for errors provided for in this subsection without proof of intent to commit fraud, waste, or abuse.
(6) An entity conducting an audit shall not require any documentation that is not required by state and federal law or Alabama Medicaid. The information shall be considered to be valid if documented on the prescription, computerized treatment notes, pharmacy system, or other acceptable medical records.
(7) Unless superseded by state or federal law, auditors shall only have access to previous audit reports on a particular pharmacy conducted by the auditing entity for the same pharmacy benefits manager, health plan, or insurer. An auditing vendor contracting with multiple pharmacy benefits managers or health insurance plans shall not use audit reports or other information gained from an audit on a particular pharmacy to conduct another audit for a different pharmacy benefits manager or health insurance plan.
(8) Audit results shall be disclosed to the health benefit plan in a manner pursuant to contract terms.
(9) A pharmacy may use the records of a hospital, physician, or other authorized practitioner of the healing arts for drugs or medicinal supplies written or transmitted by any means of communication for purposes of validating the pharmacy record with respect to orders or refills of a legend or narcotic drug.
(10) Reasonable costs associated with the audit shall be the responsibility of the auditing entity with the exception of Alabama Medicaid if the claims sample exceeds 100 unique prescription hard copies.
(11) A finding of an overpayment or an underpayment may be a projection based on the number of patients served having a similar diagnosis or on the number of similar orders or refills for similar drugs, except that recoupment shall be based on the actual overpayment or underpayment of actual claims.
(12) A finding of an overpayment may not include the cost of the drugs that were dispensed in accordance with the prescriber's orders, provided the prescription was

dispensed according to prescription documentation requirements set forth by the Alabama Pharmacy Act and within the plan limits. A finding of an overpayment may not include the dispensing fee amount unless:
a. A prescription was not actually dispensed.
b. The prescriber denied authorization.
c. The prescription dispensed was a medication error by the pharmacy.
d. The identified overpayment is solely based on an extra dispensing fee.
(13) Each pharmacy shall be audited under the same standards and parameters as other similarly situated pharmacies audited by the entity and must be audited under rules applicable to the contractor and time period of the prescription.
(14) Where not superseded by state or federal law, the period covered by an audit may not exceed two years from the date the claim was submitted to or adjudicated by a managed care company, nonprofit hospital or medical service organization, health benefit plan, third-party payor, pharmacy benefit manager, a health program administered by a department of the state, or any entity that represents those companies, groups, or department. An audit may not be conducted six months past the date the pharmacy benefit management plan terminated its contract to adjudicate claims with a pharmacy benefit manager, health plan administrator, or any other entity representing those companies.
(15) An audit may not be initiated or scheduled during the first five calendar days of any month.
(b) The entity shall provide the pharmacy with a written report of the audit and comply with the following requirements:
(1) The preliminary audit report shall be delivered to the pharmacy within 90 days after the conclusion of the audit, with a reasonable extension to be granted upon request.
(2) A pharmacy shall be allowed at least 30 days following receipt of the preliminary audit report in which to produce documentation to address any discrepancy found during the audit, with a reasonable extension to be granted upon request.
(3) A final audit report shall be delivered to the pharmacy within 180 days after receipt of the preliminary audit report or final appeal, as provided for in Section 34-23-185, whichever is later.
(4) The audit documents shall be signed by the auditors assigned to the audit. The acknowledgement or receipt shall be signed by the auditor and the audit report shall contain clear contact information of the representative of the auditing organization.
(5) Recoupments of any disputed funds, or repayment of funds to the entity by the pharmacy if permitted pursuant to contractual agreement, shall occur after final internal disposition of the audit, including the appeals process as set forth in Section 34-23-185. If the identified discrepancy for an individual audit exceeds twenty-five thousand dollars ($25,000), future payments in excess of that amount to the pharmacy may be withheld pending finalization of the audit.
(6) Interest shall not accrue during the audit period.
(7) Each entity conducting an audit shall provide a copy of the final audit report, after completion of any review process, to the plan sponsor in a manner pursuant to a contract.

(Act 2012-306, p. 668, §5.)

Section 34-23-185 Appeals.
(a) Each entity conducting an audit shall establish a written appeals process under which a pharmacy may appeal an unfavorable preliminary audit report to the entity.
(b) If, following the appeal, the entity finds that an unfavorable audit report or any portion thereof is unsubstantiated, the entity shall dismiss the audit report or that portion without the necessity of any further action.
(c) If, following the appeal, any of the issues raised in the appeal are not resolved to the satisfaction of either party, that party may ask for mediation of those unresolved issues unless other remedies are granted under the terms of the contract. A certified mediator shall be chosen by agreement of the parties from the mediators list maintained by the Alabama Supreme Court. The cost of mediation shall be borne by agreement of the parties or by the decision of the mediator.
(Act 2012-306, p. 668, §6.)

Section 34-23-186 Extrapolation.
Notwithstanding any other provision in this article or state or federal law, the entity conducting the audit may not use the accounting practice of extrapolation in calculating recoupments or penalties for audits. An extrapolation audit means an audit of a sample of prescription drug benefit claims submitted by a pharmacy to the entity conducting the audit that is then used to estimate audit results for a larger batch or group of claims not reviewed by the auditor. Future fills or refills beyond the current claim date may not be subject to recoupment due to an assumption of error under extrapolation procedure.
(Act 2012-306, p. 668, §7.)

Section 34-23-187 Fraud, willful misrepresentation, or waste abuse.
This article does not apply to any audit, review, or investigation that involves alleged fraud, willful misrepresentation, or waste abuse.
(Act 2012-306, p. 668, §8.)

The board may grant a Qualified Alabama Controlled Substances Registration Certificate to an assistant to physician who:
(1) Is practicing with appropriate physician supervision as defined herein and in accordance with this article; Title 34, Chapter 24, Article 7, and all rules and regulations pertaining to physician supervision between qualified physicians and qualified assistants to physicians.
(2) Submits proof of successful completion of a course or courses approved by the board which includes advanced pharmacology and prescribing trends relating to controlled substances.
(3) Provides accurate and complete documentation of a minimum of 12 months of active, clinical employment with physician supervision following National Commission on Certification of Physician Assistants (NCCPA) certification.
(Act 2009-489, p. 891, §1.)

IMPAIRED PROFESSIONALS' COMMITTEE.

Section 34-38-1 Definitions.
For the purposes of this chapter, the following terms shall have the meaning respectively ascribed to them by this section, unless the context clearly provides for another:
(1) DENTIST. Any person who is a dentist or dental practitioner pursuant to the definition of Section 6-5-481, as amended.
(2) PHARMACIST. Any person who is a pharmacist as defined in Section 34-23-1, as amended, and pharmacy externs and interns registered by the Board of Pharmacy under Rule 680-X-2-.16 of the Alabama Administrative Code.
(3) BOARDS. Individually and/or jointly: The Board of Dental Examiners and the Board of Pharmacy.
(4) COMMITTEE. The Alabama Impaired Professionals' Committee.
(5) HYGIENIST. Any person who is a hygienist pursuant to the provisions of Sections 34-9-26 and 34-9-27.
(Acts 1988, No. 88-334, p. 505, §1; Acts 1989, No. 89-860, p. 1713, §1.)

Section 34-38-2 Promotion of early treatment, etc., of individuals impaired by illness, inebriation, etc.; Alabama Impaired Professionals' Committee; expenses; competitive bidding not required.
It shall be the duty and obligation of the State Board of Dental Examiners and the State Board of Pharmacy to promote the early identification, intervention, treatment, and rehabilitation of individuals within the respective jurisdiction, licensed to practice in the State of Alabama, who may be impaired by reason of illness, inebriation, excessive use of drugs, narcotics, controlled substances, alcohol, chemicals, or other dependent forming substances, or as a result of any physical or mental condition rendering such person unable to meet the standards of his or her profession. For the purposes of this chapter, the term "impaired" shall mean the inability of a dentist, hygienist, expanded duty dental assistant, or pharmacist to practice with reasonable skill and safety to patients by reason of illness, inebriation, excessive use of drugs, narcotics, controlled substances, alcohol, chemicals, or other dependent forming substances, or as a result of any physical or mental condition rendering such person unable to meet the standards of his or her profession. In order to carry out this obligation, each board, individually or jointly, is hereby empowered to contract with any nonprofit corporation, health provider, or professional association for the purpose of creating, supporting, and maintaining a committee of professionals to be designated the Alabama Impaired Professionals' Committee. The committee shall consist of not less than three nor more than 15 professionals licensed to practice dentistry or pharmacy in the State of Alabama, and selected in a manner prescribed by the board or boards. The authority of the Alabama Impaired Professionals' Committee shall not supersede the authority of the board or boards to take disciplinary action against individuals subject to this chapter. Nothing in this chapter shall limit the power and authority of the board or boards to

discipline an impaired individual subject to its jurisdiction; provided that where an individual is impaired and currently in need of intervention, treatment, or rehabilitation and such individual is currently participating in programs or rehabilitation recommended by the committee, then in its discretion, the board or boards may refrain from taking or continuing disciplinary action against such individual; and further provided that where the board or boards, upon reasonable cause to believe an individual subject to its jurisdiction is impaired, has referred such individual to the committee for evaluation, then in its discretion, the board or boards may refrain from taking or continuing disciplinary action against such individual. The board, or boards, may collect or expend such funds as are available to it as deemed necessary to adequately provide for the operational expenses of the Alabama Impaired Professionals' Committee, including, but not limited to, the actual cost of travel, office overhead and personnel expense, and compensation for the members of the committee and its staff; provided that operational expenses of the Alabama Impaired Professionals' Committee shall not include the cost of treatment or rehabilitation programs recommended by the committee to individuals subject to this chapter. The funds provided by the board or boards, under this section for the purposes stated herein shall not be subject to any provision of law requiring competitive bidding.
(Acts 1988, No. 88-334, p. 505, §2; Acts 1989, No. 89-860, p. 1713, §2; Act 2013-252, p. 626, §1.)

Section 34-38-3 Authority of board or boards to contract for Impaired Professionals' Committee to undertake certain functions.
The board or boards shall have the authority to enter into an agreement with a nonprofit corporation, health provider, or professional association for the Alabama Impaired Professionals' Committee to undertake those functions and responsibilities specified in the agreement. Such functions and responsibilities may include any or all of the following:
(1) Contracting with providers of treatment programs;
(2) Receiving and evaluating reports of suspected impairment from any source;
(3) Intervening in cases of verified impairment;
(4) Referring impaired professional to treatment programs;
(5) Monitoring the treatment and rehabilitation of impaired professional;
(6) Providing post-treatment monitoring and support of rehabilitated impaired professional; and
(7) Performing such other activities as agreed upon by the respective board or boards and the Alabama Impaired Professionals' Committee.
(Acts 1988, No. 88-334, p. 505, §2.)

Section 34-38-4 Procedures for reporting impaired professional program activity and disclosure and joint review of information.
The Alabama Impaired Professionals' Committee shall develop procedures in consultation with such board or boards for:

(1) Periodic reporting of statistical information regarding impaired professional program activity;
(2) Periodic disclosure and joint review of such information as the board or boards may deem appropriate regarding reports received, contracts or investigations made and the disposition of each report, provided, however, that the committee shall not disclose any personally identifiable information except as provided in Section 34-38-7.
(Acts 1988, No. 88-334, p. 505, §2.)

Section 34-38-5 Nonliability of Impaired Professionals' Committee personnel, etc., for actions within scope of function.
Any dentist licensed to practice in the State of Alabama, or pharmacist, who shall be duly appointed to serve as a member of the Alabama Impaired Professionals' Committee and any auxiliary personnel, consultants, attorneys, or other employees of the committee shall not be liable to any person for any claim for damages as a result of any decision, opinion, investigation, or action taken by the committee or any individual member of the committee made by him or her within the scope of his or her function as a member of the committee if such decision, opinion, investigation, or action was taken without malice and on a reasonable belief that such action or recommendation was warranted by the facts that were then available. No nonprofit corporation, professional association, health provider, or state or county association that contracts with, or receives funds from, board or boards for the creation, support, and operation of the Alabama Impaired Professionals' Committee shall be liable to any person for any claim for damages for any action taken or recommendation made by the Alabama Impaired Professionals' Committee, or any member thereof, or any auxiliary personnel, consultant, attorney, or employee of such committee.
(Acts 1988, No. 88-334, p. 505, §2.)

Section 34-38-6 Confidentiality of information, records, and proceedings.
All information, interviews, reports, statements, memorandums, or other documents furnished to or produced by the Alabama Impaired Professionals' Committee and any findings, conclusions, recommendations, or reports resulting from the investigations, interventions, treatment, or rehabilitation, or other related proceedings of such committee are declared to be privileged and confidential. All records and proceedings of such committee shall be confidential and shall be used by such committee, the members thereof, and the boards, only in the exercise of the proper functions of the committee and the boards, and shall not be public records nor available for court subpoena or for discovery proceedings. Nothing contained herein shall apply to records made in the regular course of business of an individual; documents or records otherwise available from original sources are not to be construed as immune from discovery or use in any civil proceedings merely because they were presented or considered during the proceedings of the Alabama Impaired Professionals' Committee.
(Acts 1988, No. 88-334, p. 505, §2; Acts 1989, No. 89-860, p. 1713, §3.)

Section 34-38-7 Annual report.

It shall be the duty of the Alabama Impaired Professionals' Committee to render an annual report to each board or boards, concerning the operations and proceedings of the committee for the preceding year. In addition, the committee shall promptly report to the respective boards any individual within their jurisdiction who, in the opinion of the committee is unable to practice the standards of his or her profession with reasonable skill and safety to patients, by reason of illness, inebriation, excessive use of drugs, controlled substances, narcotics, alcohol, chemicals, or other dependency forming substances, or as a result of any physical or mental condition rendering such person unable to meet the standards of his or her profession and appears that such individual is currently in need of intervention, treatment, or rehabilitation. A report to the Alabama Impaired Professionals' Committee shall be deemed to be a report to the board or boards for the purposes of any mandated reporting of professional impairment otherwise provided for by the statutes of this state.

(Acts 1988, No. 88-334, p. 505, §2; Acts 1989, No. 89-860, p. 1713, §4.)

Section 34-38-8 Evaluation of professional who is believed to be impaired; report of findings.

If the board or boards has reasonable cause to believe that a professional is impaired, such board may cause an evaluation of such professional to be conducted by the Alabama Impaired Professionals' Committee, for the purpose of determining if there is an impairment. The Alabama Impaired Professionals' Committee shall report the findings of its evaluation to the respective board or boards.

(Acts 1988, No. 88-334, p. 505, §2.)

Summary of Legislative Activity

HB 61 – Sponsored by Representative Elaine Beech would have required outsourcing facilities to annually register with the Board of Pharmacy. The bill was indefinitely postponed on February 8, 2018. This was the companion to SB 32

HB 270 – Sponsored by Representative April Weaver would amend laws relating to the Prescription Drug Monitoring Program to revise definitions and to create a review committee that may approve the release or publication of de-identified aggregate statewide and regional health information for statistical, research, or educational purposes. This bill was substituted for SB 200 on February 22, 2018.

SB 144 – Sponsored by Senator Greg J. Reed would have provided further for the employment of an executive secretary and would require the board to establish minimum eligibility requirements for the executive secretary. This bill would have required any attorney employed by the board to possess a pharmacy degree and be in good standing with the state bar association. This bill would also have required the board to furnish the executive secretary and any attorney employed by the board with sufficient office space and office equipment. This bill did not pass.

Professional Services by Vendor

	FY 2014	FY 2015	FY 2016	FY 2017
Administrative Services				
A. B. Anderson Group, LLC	$ -	$ -	$ 36,000.00	$ 50,800.00
Alabama Payroll Services, Inc.	-	-	-	45.00
Alabama Pharmacy Association	4,533.00	7,780.00	5,050.00	8,000.00
Certified Mail Labels Inc.	-	-	-	1,800.00
Dan C. McConaghy	-	-	21,342.81	-
David Rigdon	9,615.00	13,050.00	12,850.00	-
Department of Labor	750.00	-	-	-
DEX Imaging	-	-	9.08	3,035.50
Federalgraphics, LLC	-	199.50	-	199.50
FP Mailing Solutions	-	14,000.00	18,000.00	12,000.00
GAP Regulatory Consulting	-	-	8,288.16	260.00
Google.Com	-	-	71.79	-
Henry A. Burks	10.00	-	-	-
Icing On The Cookie	-	272.50	-	-
Jeffrey S. Daniel	-	-	-	457.25
Legislative Reference Service	750.00	410.00	1,680.00	510.00
Mark T. Conradi, PC	-	2,250.00	2,000.00	2,875.00
Mary R. Monk-Tutor	-	3,542.50	-	19,695.00
Michael C. Garver, DMD	80,000.04	80,000.04	80,000.04	80,000.04
Nationwide Retirement Solution	1,656.25	2,287.50	1,700.00	1,768.75
Neopost	19,507.97	124.01	-	-
Neopost Southeast	1,250.48	-	-	-
Neopost USA, Inc.	590.00	-	-	-
Not Recorded in System	3,636.04	772.85	-	-
Payroll	-	-	2,651.51	1,070.65
Postmaster	405.00	-	-	-
QuickBooks Payroll Service	-	-	-	622.01
Southern Strategy Group	75,000.00	50,000.00	55,000.00	55,000.00
Alabama State Dept. of Finance	4,020.00	9.50	-	-
Susan Alverson	-	160.05	-	-
System4 of Central Alabama	-	4,020.00	5,620.00	2,970.00
Turpin & Associates, PC	48,000.00	48,000.00	12,000.00	-
US Yellow	-	-	-	259.00
USPS	-	-	-	11.60

	FY 2014	FY 2015	FY 2016	FY 2017
Val's Print & Copy Corner, Inc.	-	-	2,700.00	-
Video Comm & Dist Learning	-	14,000.00	-	-
We're Green Clean, LLC	-	-	-	5,550.00
Wesley Little Photography	325.00	-	-	-
Zarzour & Schwartz, PC	-	-	-	13.00
Total Administrative Services	**250,119.78**	**240,878.45**	**264,963.39**	**246,942.30**
Data Processing				
CyberBest Technology	-	295,000.00	176,666.00	82,500.00
GL Suite, Inc.	142,670.48	126,180.21	-	-
Total Data Processing	**142,670.48**	**421,180.21**	**176,666.00**	**82,500.00**
Legal				
Freedom Reporting, Inc.	15,538.50	21,433.00	25,345.30	17,335.75
Not Recorded In System	10.00	2,259.50	-	-
Vance L. Alexander, PC	40,727.40	64,994.19	48,519.38	45,458.38
Ward & Wilson, LLC	102,896.70	117,997.77	120,355.02	149,589.49
Total Legal	**159,172.60**	**206,684.46**	**194,219.70**	**212,383.62**
Total Professional Services	**$551,962.86**	**$868,743.12**	**$635,849.09**	**$541,825.92**

Examination Results by Alabama Educational Institutions

Number of First Time Candidates	2014		2015		2016		2017	
	MPJE	NAPLEX	MPJE	NAPLEX	MPJE	NAPLEX	MPJE	NAPLEX
Auburn University	283	151	281	138	269	134	306	148
Samford University	281	120	252	121	251	106	283	133
National	24,919	14,437	26,076	14,891	26,879	15,193	27,030	14,978
Score Averages								
Auburn University	81.91	98.96	81.69	97.53	78.20	89.32	77.83	96.32
Samford University	82.68	100.03	81.73	97.64	79.28	86.53	78.94	97.81
State	82.48	99.70	81.54	97.17	79.08	88.86	78.53	96.14
National	82.27	100.66	82.21	99.30	78.77	93.57	78.13	94.89
Pass Rates %								
Auburn University	94.70	95.36	94.66	92.75	84.39	77.61	83.66	89.19
Samford University	94.31	95.00	96.43	94.21	86.85	73.58	86.57	90.98
State	95.43	95.41	94.82	92.59	87.08	75.23	85.64	88.58
National	92.43	92.69	92.23	90.65	83.47	83.57	82.24	86.53

Repeat Candidates*	2014		2015		2016		2017	
	MPJE	NAPLEX	MPJE	NAPLEX	MPJE	NAPLEX	MPJE	NAPLEX
Auburn University	19	10	15	12	44	32	60	24
Samford University	14	10	7	8	34	35	42	21

* Taking examination for the 2nd or more times

Source: Board Staff

Board Members

ALABAMA STATE BOARD OF PHARMACY
111 VILLAGE STREET, BIRMINGHAM, AL 35242
205-981-2280
salverson@albop.com

BOARD MEMBERS AND OFFICIAL
January 1, 2017 thru December 31, 2018

BOARD MEMBERS	TERM EXPIRES
DAVID A. DARBY, R.Ph. **Andalusia, Alabama 36420** **Elected Alabama Licensed Pharmacists at Large 1-1-2014** **Male** **PRESIDENT**	**December 31, 2018**
DONNA C. YEATMAN, R.Ph. **Birmingham, Alabama 35242** **Appointed by Governor Robert Bentley 1-1-2015** **Female** **VICE-PRESIDENT**	**December 31, 2019**
RALPH E SORRELL, R.Ph. **Pelham, Alabama 35124** **Elected Alabama Licensed Pharmacists at Large 1-1-2016** **Male** **TREASURER**	**December 31. 2020**
BRENDA R. DENSON, PharmD **Birmingham, AL 35242** **Appointed by Governor Robert Bentley 1-1-17** **Female** **MEMBER**	**December 31, 2021**

CHRIS PHUNG, R.P.h
Montgomery, AL 36109 **December 31, 2022**
Appointed by Governor
Kay Ivey 1-1-18
Male
MEMBER

OFFICIAL:

Susan P. Alverson, D.P.A., R.Ph.
Secretary
AL State Board of Pharmacy
111 Village Street
Birmingham, AL 35242
Female
Elected by Members Alabama State Board
Of Pharmacy

Sincerely,

Susan P. Alverson

Susan P. Alverson, D.P.A, R.Ph.
Secretary

Response to Significant Issues

May 27, 2018

Maria L. Catledge, Director
Operational Division
State of Alabama Department of Examiners of Public Accounts
P.O. Box 302251
Montgomery, AL 36130-225 I

Dear Ms. Catledge:

This letter is in response to the significant issue reported for the Sunset review for the Alabama State Board of Pharmacy. The issue is:

Significant Issue 2018-01 - Act No. 422, Acts of Alabama 2017 amended the Board's statutes to create new licenses and permits to comply with the Drug Safety Compliance and Security Act The Act added the following licenses, permits and requirements:

(1) Out of State Pharmacy, Private Label Distributors, Third Party Logistics Provider, and Pharmacy Businesses identified in the supply chain.
(2) Set a fee range for the Out of State pharmacy permits.
(3) Changed the renewal period from biennially to annually and increased the fee range for manufacturers, bottlers, packagers, repackagers, third party logistic providers, wholesale drug distributors, private label distributors, and pharmacy businesses identified in the supply chain.
(4) Increased the minimum and maximum amounts for the pharmacy transfer of ownership fee.

As of May 2018, the Board had not adopted the necessary administrative rules to implement the new licenses and permits created by Act No 422. The Board has not adopted an administrative rule to set the fees to charge out of state pharmacies. Currently, the Board is charging out of state pharmacies the same fees as in-state pharmacies which is less than the minimum allowed by law. The Board continues to renew licenses biennially instead of annually.

Response to first charge: As of May 2018, the Board had not adopted the necessary administrative rules to implement the new licenses and permits created by Act No 422.

The Board wrote the necessary administrative rules to implement the new licenses and permits when it wrote the proposed statues. It is true that the Board did not submit these rules this past fall for manufacturers, bottlers, packagers, repackagers, third party logistic providers, wholesale drug distributors, private label distributors and out-of-state pharmacies. The legislation, though passed in 2017 and contained in Act 422, was not codified until the next legislative session. That meant that the changes would not appear in the expected place in the Alabama Code 34-23-32 at the time renewal started. Virtually all of our businesses in these categories are out-of-state and licensing/renewal is submitted by contract licensing firms. We receive an overwhelming number of calls and emails challenging every part of the licensing system. If the new statutes did not show in Alabama Code, we would have been overrun by questions and disagreements. To minimize that problem, we decided to wait until the new statutes appeared online in their usual place in the Code. Plus, we changed to renewing these businesses annually. That meant that for this past year the businesses would be paying an additional $500 each.

The Board approved the new fees at this past meeting and new rules are presently in the legislative system awaiting public comment. A copy of new fee schedule is attached to this document.

Response to second charge: The Board has not adopted an administrative rule to set the fees to charge out of state pharmacies. Currently, the Board is charging out of state pharmacies the same fees as in-state pharmacies which is less than the minimum allowed by law.

This is also true and it I true for the same reason mentioned in the response to the first charge: we did not want to put into practice something which could not be seen in Code.

We thank you for the opportunity to respond to this issue. If there is more information which you need from us, please contact us and we will gladly provide it. Thank you.

Sincerely,

Susan Alverson, D.P.A., M.H.P., R.Ph.
Executive Secretary

LICENSE FEES				
TYPE	**FEE RANGE**	**PRESENT FEE**	**PROPOSED FEE**	
IN-STATE				
NEW PHARMACY/PHARMACY SERVICES	$100-$200	$200	$200	
RENEWAL	$50-$150	$100	$100	
CHANGE OF OWNERSHIP	$150-$400	$50	$250	**Increase**
OUT OF STATE				
NEW PHARMACY/PHARMACY SERVICES	$750-$2000	$200	$750	**Increase**
RENEWAL	$400-$750	$100	$400	**Increase**
CHANGE OF OWNERSHIP		$50	$250	
BUSINESS PERMITS				
NEW	$500-$2000	$500	$750	**Increase**
RENEWAL	$250-$1000	$500	$500	
CHANGE OF OWNERSHIP	$500-$2000	$250	$750	**Increase**
PER MONTH LATE FEE		$25 per month	$100 per month	**(Amount already in statute)**
DOING BUSINESS W/O PERMIT		$4000 each violation		**(Amount Already in statute)**