

AMENDED IN ASSEMBLY JUNE 24, 2013

AMENDED IN SENATE MAY 28, 2013

SENATE BILL

No. 294

Introduced by Senator Emmerson

February 15, 2013

An act to amend the heading of Article 7.5 (commencing with Section 4127) of Chapter 9 of Division 2 of, and to amend, repeal, and add Sections 4127, 4127.1, 4127.2, and 4400 of, the Business and Professions Code, relating to pharmacy.

LEGISLATIVE COUNSEL'S DIGEST

SB 294, as amended, Emmerson. Sterile drug products.

(1) The Pharmacy Law provides for the licensure and regulation of pharmacists and pharmacy corporations in this state by the California State Board of Pharmacy. Existing law requires the board to adopt regulations establishing standards for compounding injectable sterile drug products in a pharmacy. Existing law requires pharmacies to obtain a license from the board, subject to annual renewal, in order to compound injectable sterile drug products. A similar licensing requirement applies to nonresident pharmacies compounding injectable sterile drug products for shipment into California. A violation of the Pharmacy Law is a crime.

This bill, *commencing July 1, 2014*, would expand these provisions to prohibit a pharmacy from compounding or dispensing, and a nonresident pharmacy from compounding for shipment into this state, sterile drug products for injection, administration into the eye, or inhalation, unless the pharmacy has obtained a sterile compounding pharmacy license from the board. The bill, *commencing July 1, 2014*, would specify requirements for the board for the issuance or renewal

of a license, and requirements for the pharmacy as a licensee. *The bill would require the board to adopt regulations to implement these provisions, as specified.* By adding additional requirements to the Pharmacy Law concerning sterile drug products, the violation of which is a crime, the bill would impose a state-mandated local program.

(2) Existing law specifies the fee for issuance or renewal of a nongovernmental license to compound sterile drug products.

~~This bill, commencing July 1, 2014, would require the board to establish, by regulation, establish the fee for the issuance or renewal of a nonresident sterile compounding pharmacy license, in an amount not to exceed the reasonable regulatory costs of issuing and renewing the license, or \$2,800, whichever is less. The bill would also require the nonresident sterile compounding pharmacy to reimburse the board for all costs incurred by the board in conducting an inspection of the pharmacy at least once annually, including, but not limited to, travel expenses, meals, lodging, and other actual and necessary costs incurred by the board in connection with the inspection. The failure to reimburse the board for these costs within 30 days of the inspection would result in the suspension of the nonresident sterile compounding pharmacy license in the amount of \$780 and would require the applicant to deposit a reasonable amount, as determined by the board, necessary to cover the board's estimated cost of performing an inspection of the nonresident pharmacy location, as specified.~~

~~(3) The provisions of the bill would become operative on July 1, 2014.~~

~~(4)~~

(3) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. The heading of Article 7.5 (commencing with
- 2 Section 4127) of Chapter 9 of Division 2 of the Business and
- 3 Professions Code is amended to read:

1 Article 7.5. Sterile Drug Products

2
3 SEC. 2. Section 4127 of the Business and Professions Code is
4 amended to read:

5 4127. (a) The board shall adopt regulations establishing
6 standards for compounding injectable sterile drug products in a
7 pharmacy.

8 *(b) The board shall adopt emergency regulations in accordance*
9 *with the Administrative Procedure Act (Chapter 3.5 (commencing*
10 *with Section 11340) of Part 1 of Division 3 of Title 2 of the*
11 *Government Code) to establish policies, guidelines, and procedures*
12 *to initially implement the provisions of this article that become*
13 *operative on July 1, 2014, including, but not limited to, building*
14 *standards adopted pursuant to Part 2.5 (commencing with Section*
15 *18901) of Division 13 of the Health and Safety Code. The initial*
16 *adoption, amendment, or repeal of a regulation authorized by this*
17 *section is deemed to address an emergency for purposes of Sections*
18 *11346.1 and 11346.6 of the Government Code, and the board is*
19 *hereby exempted for that purpose from the requirements of*
20 *subdivision (b) of Section 11346.1 of the Government Code. After*
21 *the initial adoption, amendment, or repeal of an emergency*
22 *regulation pursuant to this section, the board shall not request*
23 *approval from the Office of Administrative Law to readopt the*
24 *regulation as an emergency regulation pursuant to Section 11346.1*
25 *of the Government Code.*

26 ~~(b)~~

27 (c) This section shall become inoperative on July 1, 2014, and,
28 as of January 1, 2015, is repealed, unless a later enacted statute,
29 that becomes operative on or before January 1, 2015, deletes or
30 extends the dates on which it becomes inoperative and is repealed.

31 SEC. 3. Section 4127 is added to the Business and Professions
32 Code, to read:

33 4127. (a) A pharmacy that compounds sterile drug products
34 for injection, administration into the eye, or inhalation shall possess
35 a sterile compounding pharmacy license as provided in this article
36 ~~before dispensing the compounded medication.~~

37 *(b) The board shall adopt regulations in accordance with the*
38 *Administrative Procedure Act (Chapter 3.5 (commencing with*
39 *Section 11340) of Part 1 of Division 3 of Title 2 of the Government*
40 *Code) to establish policies, guidelines, and procedures to*

1 *implement this article, including, but not limited to, building*
2 *standards adopted pursuant to Part 2.5 (commencing with Section*
3 *18901) of Division 13 of the Health and Safety Code.*

4 ~~(b)~~

5 (c) This section shall become operative on July 1, 2014.

6 SEC. 4. Section 4127.1 of the Business and Professions Code
7 is amended to read:

8 4127.1. (a) A pharmacy shall not compound injectable sterile
9 drug products in this state unless the pharmacy has obtained a
10 license from the board pursuant to this section. The license shall
11 be renewed annually and is not transferable.

12 (b) A license to compound injectable sterile drug products may
13 only be issued for a location that is licensed as a pharmacy.
14 Furthermore, the license to compound injectable sterile drug
15 products may only be issued to the owner of the pharmacy license
16 at that location. A license to compound injectable sterile drug
17 products may not be issued until the location is inspected by the
18 board and found in compliance with this article and regulations
19 adopted by the board.

20 (c) A license to compound injectable sterile drug products may
21 not be renewed until the location has been inspected by the board
22 and found to be in compliance with this article and regulations
23 adopted by the board.

24 (d) Pharmacies operated by entities that are licensed by either
25 the board or the State Department of Public Health and that have
26 current accreditation from the Joint Commission on Accreditation
27 of Healthcare Organizations, or other private accreditation agencies
28 approved by the board, are exempt from the requirement to obtain
29 a license pursuant to this section.

30 (e) The reconstitution of a sterile powder shall not require a
31 license pursuant to this section if both of the following are met:

- 32 (1) The sterile powder was obtained from a manufacturer.
- 33 (2) The drug is reconstituted for administration to patients by
34 a health care professional licensed to administer drugs by injection
35 pursuant to this division.

36 (f) This section shall become inoperative on July 1, 2014, and,
37 as of January 1, 2015, is repealed, unless a later enacted statute,
38 that becomes operative on or before January 1, 2015, deletes or
39 extends the dates on which it becomes inoperative and is repealed.

1 SEC. 5. Section 4127.1 is added to the Business and Professions
2 Code, to read:

3 4127.1. (a) A pharmacy shall not compound sterile drug
4 products unless the pharmacy has obtained a sterile compounding
5 pharmacy license from the board pursuant to this section. The
6 license shall be renewed annually and is not transferable.

7 (b) A license to compound sterile drug products shall be issued
8 only to a location that is licensed as a pharmacy. ~~Furthermore, the~~
9 ~~license to compound sterile drug products~~ *pharmacy and* shall be
10 issued only to the owner of the pharmacy licensed at that location.

11 ~~A~~
12 (c) A license to compound sterile drug products shall not be
13 issued *or renewed* until the location is inspected by the board and
14 found in compliance with this article and regulations adopted by
15 the board.

16 (e)
17 (d) A license to compound sterile drug products shall not be
18 issued or renewed until the board does all of the following:

19 ~~(1) Performs an onsite inspection of the premises, and any~~
20 ~~deficiencies noted are corrected.~~

21 ~~(2)~~
22 (1) Reviews a current copy of the pharmacy's policies and
23 procedures for sterile compounding.

24 ~~(3)~~
25 (2) Reviews the pharmacy's completed self-assessment form
26 required by Section 1735.2 of Title 16 of the California Code of
27 Regulations.

28 ~~(4)~~
29 (3) Is provided with copies of all inspection reports conducted
30 of the pharmacy's premises, and any reports from a private
31 accrediting agency, conducted in the prior 12 months documenting
32 the pharmacy's operations.

33 ~~(5)~~
34 (4) Receives a list of all sterile medications compounded by the
35 pharmacy since the last license renewal.

36 ~~(6)~~
37 (e) A pharmacy licensed pursuant to this section shall do all of
38 the following:

39 (1) Provide to the board a copy of any disciplinary or other
40 action taken by another state within 10 days of the action.

1 (2) Notify the board within 10 days of the suspension of any
2 accreditation held by the pharmacy.

3 (3) Provide to the board, within ~~24~~ 12 hours, any recall notice
4 issued by the pharmacy for sterile drug products it has
5 compounded.

6 ~~(e)~~

7 (f) Adverse effects reported or potentially attributable to a
8 pharmacy’s sterile drug product shall be immediately reported to
9 the board and the MedWatch program of the federal Food and
10 Drug Administration.

11 ~~(f)~~

12 (g) The reconstitution of a sterile powder shall not require a
13 license pursuant to this section if both of the following
14 requirements are met:

15 (1) The sterile powder was obtained from a manufacturer.

16 (2) The drug is reconstituted for administration to patients by
17 a health care professional licensed to administer drugs by injection
18 pursuant to this division.

19 ~~(g)~~

20 (h) This section shall become operative on July 1, 2014.

21 SEC. 6. Section 4127.2 of the Business and Professions Code
22 is amended to read:

23 4127.2. (a) A nonresident pharmacy shall not compound
24 injectable sterile drug products for shipment into the State of
25 California without a license issued by the board pursuant to this
26 section. The license shall be renewed annually and shall not be
27 transferable.

28 (b) A license to compound injectable sterile drug products may
29 only be issued for a location that is licensed as a nonresident
30 pharmacy. Furthermore, the license to compound injectable sterile
31 drug products may only be issued to the owner of the nonresident
32 pharmacy license at that location. A license to compound injectable
33 sterile drug products may not be issued or renewed until the board
34 receives the following from the nonresident pharmacy:

35 (1) A copy of an inspection report issued by the pharmacy’s
36 licensing agency, or a report from a private accrediting agency
37 approved by the board, in the prior 12 months documenting the
38 pharmacy’s compliance with board regulations regarding the
39 compounding of injectable sterile drug products.

1 (2) A copy of the nonresident pharmacy's proposed policies
2 and procedures for sterile compounding.

3 (c) Nonresident pharmacies operated by entities that are licensed
4 as a hospital, home health agency, or a skilled nursing facility and
5 have current accreditation from the Joint Commission on
6 Accreditation of Healthcare Organizations, or other private
7 accreditation agencies approved by the board, are exempt from
8 the requirement to obtain a license pursuant to this section.

9 (d) This section shall become inoperative on July 1, 2014, and,
10 as of January 1, 2015, is repealed, unless a later enacted statute,
11 that becomes operative on or before January 1, 2015, deletes or
12 extends the dates on which it becomes inoperative and is repealed.

13 SEC. 7. Section 4127.2 is added to the Business and Professions
14 Code, to read:

15 4127.2. (a) A nonresident pharmacy shall not compound sterile
16 drug products for shipment into this state without a sterile
17 compounding pharmacy license issued by the board pursuant to
18 this section. The license shall be renewed annually and shall not
19 be transferable.

20 (b) A license to compound sterile drug products shall be issued
21 only to a location that is licensed as a nonresident ~~pharmacy~~.
22 ~~Furthermore, the license to compound sterile drug products~~
23 ~~pharmacy and shall be issued only to the owner of the nonresident~~
24 ~~pharmacy licensed at that location.~~ A

25 (c) A license to compound sterile drug products shall not be
26 issued *or renewed* until the location is inspected by the board and
27 found in compliance with this article and any regulations adopted
28 by the board. *The nonresident pharmacy shall reimburse the board*
29 *for all actual and necessary costs incurred by the board in*
30 *conducting an inspection of the pharmacy at least once annually*
31 *pursuant to subdivision (v) of Section 4400.*

32 (e)

33 (d) A license to compound sterile drug products shall not be
34 issued or renewed until the board does all of the following:

35 ~~(1) Performs an onsite inspection of the premises, and any~~
36 ~~deficiencies noted are corrected. The nonresident pharmacy shall~~
37 ~~be responsible for payment of reasonable travel expenses incurred~~
38 ~~by the board in connection with inspecting the pharmacy at least~~
39 ~~once annually pursuant to subdivision (v) of Section 4400.~~

40 (2)

- 1 (1) Reviews a current copy of the nonresident pharmacy’s
- 2 policies and procedures for sterile compounding.
- 3 ~~(3)~~
- 4 (2) Reviews the pharmacy’s completed self-assessment form
- 5 required by Section 1735.2 of Title 16 of the California Code of
- 6 Regulations.
- 7 ~~(4)~~
- 8 (3) Is provided with copies of all inspection reports conducted
- 9 of the nonresident pharmacy’s premises, and any reports from a
- 10 private accrediting agency, conducted in the prior 12 months
- 11 documenting the nonresident pharmacy’s operations.
- 12 ~~(5)~~
- 13 (4) Receives a list of all sterile drug products compounded by
- 14 the pharmacy within the prior 12 months.
- 15 ~~(6)~~
- 16 (e) A pharmacy licensed pursuant to this section shall do all of
- 17 the following:
- 18 (1) Provide to the board a copy of any disciplinary or other
- 19 action taken by its state of residence or another state within 10
- 20 days of the action.
- 21 (2) Notify the board within 10 days of the suspension of any
- 22 accreditation held by the pharmacy.
- 23 (3) Provide to the board, within ~~24~~ 12 hours, any recall notice
- 24 issued by the pharmacy for sterile drug products it has compounded
- 25 that have been shipped into, or dispensed in, California.
- 26 (4) Advise the board of any complaint it receives from a
- 27 provider, pharmacy, or patient in California.
- 28 ~~(e)~~
- 29 (f) Adverse effects reported or potentially attributable to a
- 30 nonresident pharmacy’s sterile compounded drug product shall be
- 31 immediately reported to the board and the MedWatch program of
- 32 the federal Food and Drug Administration.
- 33 ~~(f)~~
- 34 (g) This section shall become operative on July 1, 2014.
- 35 SEC. 8. Section 4400 of the Business and Professions Code is
- 36 amended to read:
- 37 4400. The amount of fees and penalties prescribed by this
- 38 chapter, except as otherwise provided, is that fixed by the board
- 39 according to the following schedule:

1 (a) The fee for a nongovernmental pharmacy license shall be
2 four hundred dollars (\$400) and may be increased to five hundred
3 twenty dollars (\$520). The fee for the issuance of a temporary
4 nongovernmental pharmacy permit shall be two hundred fifty
5 dollars (\$250) and may be increased to three hundred twenty-five
6 dollars (\$325).

7 (b) The fee for a nongovernmental pharmacy license annual
8 renewal shall be two hundred fifty dollars (\$250) and may be
9 increased to three hundred twenty-five dollars (\$325).

10 (c) The fee for the pharmacist application and examination shall
11 be two hundred dollars (\$200) and may be increased to two
12 hundred sixty dollars (\$260).

13 (d) The fee for regrading an examination shall be ninety dollars
14 (\$90) and may be increased to one hundred fifteen dollars (\$115).
15 If an error in grading is found and the applicant passes the
16 examination, the regrading fee shall be refunded.

17 (e) The fee for a pharmacist license and biennial renewal shall
18 be one hundred fifty dollars (\$150) and may be increased to one
19 hundred ninety-five dollars (\$195).

20 (f) The fee for a nongovernmental wholesaler license and annual
21 renewal shall be six hundred dollars (\$600), and may be increased
22 to seven hundred eighty dollars (\$780). The application fee for
23 any additional location after licensure of the first 20 locations shall
24 be two hundred twenty-five dollars (\$225) and may be increased
25 to three hundred dollars (\$300). A temporary license fee shall be
26 five hundred fifty dollars (\$550) and may be increased to seven
27 hundred fifteen dollars (\$715).

28 (g) The fee for a hypodermic license and renewal shall be one
29 hundred twenty-five dollars (\$125) and may be increased to one
30 hundred sixty-five dollars (\$165).

31 (h) (1) The fee for application, investigation, and issuance of
32 license as a designated representative pursuant to Section 4053
33 shall be two hundred fifty-five dollars (\$255) and may be increased
34 to three hundred thirty dollars (\$330).

35 (2) The fee for the annual renewal of a license as a designated
36 representative shall be one hundred fifty dollars (\$150) and may
37 be increased to one hundred ninety-five dollars (\$195).

38 (i) (1) The fee for the application, investigation, and issuance
39 of a license as a designated representative for a veterinary
40 food-animal drug retailer pursuant to Section 4053 shall be two

1 hundred fifty-five dollars (\$255) and may be increased to three
2 hundred thirty dollars (\$330).

3 (2) The fee for the annual renewal of a license as a designated
4 representative for a veterinary food-animal drug retailer shall be
5 one hundred fifty dollars (\$150) and may be increased to one
6 hundred ninety-five dollars (\$195).

7 (j) (1) The application fee for a nonresident wholesaler's license
8 issued pursuant to Section 4161 shall be six hundred dollars (\$600)
9 and may be increased to seven hundred eighty dollars (\$780).

10 (2) For nonresident wholesalers who have 21 or more facilities
11 operating nationwide the application fees for the first 20 locations
12 shall be six hundred dollars (\$600) and may be increased to seven
13 hundred eighty dollars (\$780). The application fee for any
14 additional location after licensure of the first 20 locations shall be
15 two hundred twenty-five dollars (\$225) and may be increased to
16 three hundred dollars (\$300). A temporary license fee shall be five
17 hundred fifty dollars (\$550) and may be increased to seven hundred
18 fifteen dollars (\$715).

19 (3) The annual renewal fee for a nonresident wholesaler's license
20 issued pursuant to Section 4161 shall be six hundred dollars (\$600)
21 and may be increased to seven hundred eighty dollars (\$780).

22 (k) The fee for evaluation of continuing education courses for
23 accreditation shall be set by the board at an amount not to exceed
24 forty dollars (\$40) per course hour.

25 (l) The fee for an intern pharmacist license shall be ninety dollars
26 (\$90) and may be increased to one hundred fifteen dollars (\$115).
27 The fee for transfer of intern hours or verification of licensure to
28 another state shall be twenty-five dollars (\$25) and may be
29 increased to thirty dollars (\$30).

30 (m) The board may waive or refund the additional fee for the
31 issuance of a license where the license is issued less than 45 days
32 before the next regular renewal date.

33 (n) The fee for the reissuance of any license, or renewal thereof,
34 that has been lost or destroyed or reissued due to a name change
35 shall be thirty-five dollars (\$35) and may be increased to forty-five
36 dollars (\$45).

37 (o) The fee for the reissuance of any license, or renewal thereof,
38 that must be reissued because of a change in the information, shall
39 be one hundred dollars (\$100) and may be increased to one hundred
40 thirty dollars (\$130).

1 (p) It is the intent of the Legislature that, in setting fees pursuant
2 to this section, the board shall seek to maintain a reserve in the
3 Pharmacy Board Contingent Fund equal to approximately one
4 year's operating expenditures.

5 (q) The fee for any applicant for a nongovernmental clinic
6 license shall be four hundred dollars (\$400) and may be increased
7 to five hundred twenty dollars (\$520) for each license. The annual
8 fee for renewal of the license shall be two hundred fifty dollars
9 (\$250) and may be increased to three hundred twenty-five dollars
10 (\$325) for each license.

11 (r) The fee for the issuance of a pharmacy technician license
12 shall be eighty dollars (\$80) and may be increased to one hundred
13 five dollars (\$105). The fee for renewal of a pharmacy technician
14 license shall be one hundred dollars (\$100) and may be increased
15 to one hundred thirty dollars (\$130).

16 (s) The fee for a veterinary food-animal drug retailer license
17 shall be four hundred five dollars (\$405) and may be increased to
18 four hundred twenty-five dollars (\$425). The annual renewal fee
19 for a veterinary food-animal drug retailer license shall be two
20 hundred fifty dollars (\$250) and may be increased to three hundred
21 twenty-five dollars (\$325).

22 (t) The fee for issuance of a retired license pursuant to Section
23 4200.5 shall be thirty-five dollars (\$35) and may be increased to
24 forty-five dollars (\$45).

25 (u) The fee for issuance or renewal of a nongovernmental license
26 to compound sterile drug products shall be six hundred dollars
27 (\$600) and may be increased to seven hundred eighty dollars
28 (\$780). The fee for a temporary license shall be five hundred fifty
29 dollars (\$550) and may be increased to seven hundred fifteen
30 dollars (\$715).

31 (v) This section shall become inoperative on July 1, 2014, and,
32 as of January 1, 2015, is repealed, unless a later enacted statute,
33 that becomes operative on or before January 1, 2015, deletes or
34 extends the dates on which it becomes inoperative and is repealed.

35 SEC. 9. Section 4400 is added to the Business and Professions
36 Code, to read:

37 4400. The amount of fees and penalties prescribed by this
38 chapter, except as otherwise provided, is that fixed by the board
39 according to the following schedule:

1 (a) The fee for a nongovernmental pharmacy license shall be
2 four hundred dollars (\$400) and may be increased to five hundred
3 twenty dollars (\$520). The fee for the issuance of a temporary
4 nongovernmental pharmacy permit shall be two hundred fifty
5 dollars (\$250) and may be increased to three hundred twenty-five
6 dollars (\$325).

7 (b) The fee for a nongovernmental pharmacy license annual
8 renewal shall be two hundred fifty dollars (\$250) and may be
9 increased to three hundred twenty-five dollars (\$325).

10 (c) The fee for the pharmacist application and examination shall
11 be two hundred dollars (\$200) and may be increased to two
12 hundred sixty dollars (\$260).

13 (d) The fee for regrading an examination shall be ninety dollars
14 (\$90) and may be increased to one hundred fifteen dollars (\$115).
15 If an error in grading is found and the applicant passes the
16 examination, the regrading fee shall be refunded.

17 (e) The fee for a pharmacist license and biennial renewal shall
18 be one hundred fifty dollars (\$150) and may be increased to one
19 hundred ninety-five dollars (\$195).

20 (f) The fee for a nongovernmental wholesaler license and annual
21 renewal shall be six hundred dollars (\$600), and may be increased
22 to seven hundred eighty dollars (\$780). The application fee for
23 any additional location after licensure of the first 20 locations shall
24 be two hundred twenty-five dollars (\$225) and may be increased
25 to three hundred dollars (\$300). A temporary license fee shall be
26 five hundred fifty dollars (\$550) and may be increased to seven
27 hundred fifteen dollars (\$715).

28 (g) The fee for a hypodermic license and renewal shall be one
29 hundred twenty-five dollars (\$125) and may be increased to one
30 hundred sixty-five dollars (\$165).

31 (h) (1) The fee for application, investigation, and issuance of
32 license as a designated representative pursuant to Section 4053
33 shall be two hundred fifty-five dollars (\$255) and may be increased
34 to three hundred thirty dollars (\$330).

35 (2) The fee for the annual renewal of a license as a designated
36 representative shall be one hundred fifty dollars (\$150) and may
37 be increased to one hundred ninety-five dollars (\$195).

38 (i) (1) The fee for the application, investigation, and issuance
39 of a license as a designated representative for a veterinary
40 food-animal drug retailer pursuant to Section 4053 shall be two

1 hundred fifty-five dollars (\$255) and may be increased to three
2 hundred thirty dollars (\$330).

3 (2) The fee for the annual renewal of a license as a designated
4 representative for a veterinary food-animal drug retailer shall be
5 one hundred fifty dollars (\$150) and may be increased to one
6 hundred ninety-five dollars (\$195).

7 (j) (1) The application fee for a nonresident wholesaler's license
8 issued pursuant to Section 4161 shall be six hundred dollars (\$600)
9 and may be increased to seven hundred eighty dollars (\$780).

10 (2) For nonresident wholesalers who have 21 or more facilities
11 operating nationwide the application fees for the first 20 locations
12 shall be six hundred dollars (\$600) and may be increased to seven
13 hundred eighty dollars (\$780). The application fee for any
14 additional location after licensure of the first 20 locations shall be
15 two hundred twenty-five dollars (\$225) and may be increased to
16 three hundred dollars (\$300). A temporary license fee shall be five
17 hundred fifty dollars (\$550) and may be increased to seven hundred
18 fifteen dollars (\$715).

19 (3) The annual renewal fee for a nonresident wholesaler's license
20 issued pursuant to Section 4161 shall be six hundred dollars (\$600)
21 and may be increased to seven hundred eighty dollars (\$780).

22 (k) The fee for evaluation of continuing education courses for
23 accreditation shall be set by the board at an amount not to exceed
24 forty dollars (\$40) per course hour.

25 (l) The fee for an intern pharmacist license shall be ninety dollars
26 (\$90) and may be increased to one hundred fifteen dollars (\$115).
27 The fee for transfer of intern hours or verification of licensure to
28 another state shall be twenty-five dollars (\$25) and may be
29 increased to thirty dollars (\$30).

30 (m) The board may waive or refund the additional fee for the
31 issuance of a license where the license is issued less than 45 days
32 before the next regular renewal date.

33 (n) The fee for the reissuance of any license, or renewal thereof,
34 that has been lost or destroyed or reissued due to a name change
35 shall be thirty-five dollars (\$35) and may be increased to forty-five
36 dollars (\$45).

37 (o) The fee for the reissuance of any license, or renewal thereof,
38 that must be reissued because of a change in the information, shall
39 be one hundred dollars (\$100) and may be increased to one hundred
40 thirty dollars (\$130).

1 (p) It is the intent of the Legislature that, in setting fees pursuant
2 to this section, the board shall seek to maintain a reserve in the
3 Pharmacy Board Contingent Fund equal to approximately one
4 year's operating expenditures.

5 (q) The fee for any applicant for a nongovernmental clinic
6 license shall be four hundred dollars (\$400) and may be increased
7 to five hundred twenty dollars (\$520) for each license. The annual
8 fee for renewal of the license shall be two hundred fifty dollars
9 (\$250) and may be increased to three hundred twenty-five dollars
10 (\$325) for each license.

11 (r) The fee for the issuance of a pharmacy technician license
12 shall be eighty dollars (\$80) and may be increased to one hundred
13 five dollars (\$105). The fee for renewal of a pharmacy technician
14 license shall be one hundred dollars (\$100) and may be increased
15 to one hundred thirty dollars (\$130).

16 (s) The fee for a veterinary food-animal drug retailer license
17 shall be four hundred five dollars (\$405) and may be increased to
18 four hundred twenty-five dollars (\$425). The annual renewal fee
19 for a veterinary food-animal drug retailer license shall be two
20 hundred fifty dollars (\$250) and may be increased to three hundred
21 twenty-five dollars (\$325).

22 (t) The fee for issuance of a retired license pursuant to Section
23 4200.5 shall be thirty-five dollars (\$35) and may be increased to
24 forty-five dollars (\$45).

25 (u) The fee for issuance or renewal of a nongovernmental sterile
26 compounding pharmacy license shall be six hundred dollars (\$600)
27 and may be increased to seven hundred eighty dollars (\$780). The
28 fee for a temporary license shall be five hundred fifty dollars (\$550)
29 and may be increased to seven hundred fifteen dollars (\$715).

30 ~~(v) The board shall establish, by regulation, the fee for the~~
31 ~~issuance or renewal of a nonresident sterile compounding~~
32 ~~pharmacy license in an amount not to exceed the reasonable~~
33 ~~regulatory costs of issuing and renewing the license, or two~~
34 ~~thousand eight hundred dollars (\$2,800), whichever is less shall~~
35 ~~be seven hundred eighty dollars (\$780). In addition to paying the~~
36 ~~license that application fee, the nonresident sterile compounding~~
37 ~~pharmacy shall reimburse the board for all costs incurred by the~~
38 ~~board in conducting an inspection of the pharmacy at least once~~
39 ~~annually, including, but not limited to, travel expenses, meals,~~
40 ~~lodging, and other actual and necessary costs incurred by the board~~

1 in connection with the inspection. Failure to reimburse the board
2 for all costs associated with the annual inspection, as authorized
3 by this subdivision, within 30 days of the inspection shall result
4 in the suspension of the nonresident sterile compounding pharmacy
5 license deposit, when submitting the application, a reasonable
6 amount, as determined by the board, necessary to cover the board's
7 estimated cost of performing the inspection required by Section
8 4127.2. If the required deposit is not submitted with the application,
9 the application shall be deemed to be incomplete. If the actual cost
10 of the inspection exceeds the amount deposited, the board shall
11 provide to the applicant a written invoice for the remaining amount
12 and shall not take action on the application until the full amount
13 has been paid to the board. If the amount deposited exceeds the
14 amount of actual and necessary costs incurred, the board shall
15 remit the difference to the applicant.

16 (w) This section shall become operative on July 1, 2014.

17 SEC. 10. No reimbursement is required by this act pursuant to
18 Section 6 of Article XIII B of the California Constitution because
19 the only costs that may be incurred by a local agency or school
20 district will be incurred because this act creates a new crime or
21 infraction, eliminates a crime or infraction, or changes the penalty
22 for a crime or infraction, within the meaning of Section 17556 of
23 the Government Code, or changes the definition of a crime within
24 the meaning of Section 6 of Article XIII B of the California
25 Constitution.