

# ALASKA STATE LEGISLATURE

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## REPRESENTATIVE DAN SADDLER

### SPONSOR STATEMENT

#### House Bill 9

*"An Act relating to the Board of Pharmacy; relating to the licensing and inspection of certain facilities located outside the state; relating to drug supply chain security; and creating a position of executive administrator for the Board of Pharmacy."*

House Bill 9 strengthens Alaska's prescription drug supply chain, by giving the Board of Pharmacy the authority to license and inspect the facilities of out-of-state wholesale drug distributors and third-party logistics providers shipping pharmaceuticals to Alaska.

Alaska is one of the few remaining states not in compliance with the federal Drug Quality and Security Act of 2013. Passage of HB 9 is critical to making Alaska comply with that Act.

HB 9 closes loopholes in the regulatory system and holds out-of-state wholesale distributors to the same regulations as Alaska wholesalers shipping within the state. The bill creates a new category of pharmacy license for "Out-of-State" Wholesale Drug Distributors.

HB 9 will:

- require any out-of-state wholesale drug distributor or outsourcing facility to obtain a license
- authorize inspection of the facility by a designee of the board
- require a facility to appoint an agent before it advertises its services in Alaska, and before it ships, mails or delivers prescription drugs to a licensee in the state

HB 9 provides the Board of Pharmacy and the State of Alaska with the tools to ensure the safe delivery of controlled, non-counterfeit medications to Alaska. These tools are necessary to combat the increasing production and distribution of counterfeit medications by out-of-state wholesale vendors, and to support efforts to maintain the integrity of the drug supply chain.

To help manage the workload from increasing Federal Drug Administration regulatory and compliance requirements necessary to protect the state-level drug supply chain, the bill also authorizes the Board of Pharmacy to create an "Executive Administrator" position. This position will also help manage current licensees, and serve as a liaison to the legislature, executive branches, and other state pharmacy boards.