By: Williams S.B. No. 1641

## A BILL TO BE ENTITLED

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1	AN ACT
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- 2 relating to regulation of the manufacture, distribution, and
- 3 disposition of controlled substances, precursors, and chemical
- 4 laboratory apparatus; providing penalties; providing for a change
- 5 in fees.
- 6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 7 SECTION 1. Section 481.062(a), Health and Safety Code, is
- 8 amended to read as follows:
- 9 (a) The following persons are not required to register and
- 10 may possess a controlled substance under this chapter:
- 11 (1) an agent or employee of a registered manufacturer,
- 12 distributor, analyzer, or dispenser of the controlled substance
- 13 acting in the usual course of business or employment;
- 14 (2) a common or contract carrier, a warehouseman, or
- 15 an employee of a carrier or warehouseman whose possession of the
- 16 controlled substance is in the usual course of business or
- 17 employment;
- 18 (3) an ultimate user or a person in possession of the
- 19 controlled substance under a lawful order of a practitioner or in
- 20 lawful possession of the controlled substance if it is listed in
- 21 Schedule V;
- 22 (4) an officer or employee of this state, another
- 23 state, a political subdivision of this state or another state, or
- 24 the United States who is lawfully engaged in the enforcement of a

- 1 law relating to a controlled substance or drug or to a customs law
- 2 and authorized to possess the controlled substance in the discharge
- 3 of the person's official duties; [ex]
- 4 (5) if the substance is tetrahydrocannabinol or one of
- 5 its derivatives:
- 6 (A) a Texas Department of Health official, a
- 7 medical school researcher, or a research program participant
- 8 possessing the substance as authorized under Subchapter G; or
- 9 (B) a practitioner or an ultimate user possessing
- 10 the substance as a participant in a federally approved therapeutic
- 11 research program that the commissioner has reviewed and found, in
- 12 writing, to contain a medically responsible research protocol; or
- 13 (6) a person for whom registration with the United
- 14 States Drug Enforcement Administration is waived under 21 C.F.R.
- 15 <u>Section 1301.22</u>.
- SECTION 2. Sections 481.063(b) and (e), Health and Safety
- 17 Code, are amended to read as follows:
- 18 (b) The director may not issue a registration to a person to
- 19 manufacture, distribute, analyze, dispense, or conduct research
- 20 with a controlled substance unless the director receives:
- 21 <u>(1)</u> a consent form signed by the person granting the
- 22 director the right to inspect records as required by this chapter;
- 23 <u>and</u>
- 24 (2) a complete set of the person's fingerprints in the
- 25 form and manner prescribed by the department.
- 26 (e) An application for registration to manufacture,
- 27 distribute, analyze, dispense, or conduct research with a

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- 1 controlled substance may be denied on a finding that the applicant:
- 2 (1) has furnished material information in an
- 3 application filed under this chapter that the applicant knows is
- 4 false or fraudulent;
- 5 (2) has been convicted of or placed on community
- 6 supervision or other probation for:
- 7 (A) a felony;
- 8 (B) a violation of this chapter or of Chapters
- 9 482-485; or
- 10 (C) an offense reasonably related to the
- 11 registration sought;
- 12 (3) has voluntarily surrendered or has had suspended,
- 13 denied, or revoked a registration or application for registration
- 14 to manufacture, distribute, analyze, or dispense controlled
- 15 substances under the Federal Controlled Substances Act;
- 16 (4) has had suspended, probated, or revoked a
- 17 registration or a practitioner's license under the laws of this
- 18 state or another state;
- 19 (5) has intentionally or knowingly failed to establish
- 20 and maintain effective security controls against diversion of
- 21 controlled substances into other than legitimate medical,
- 22 scientific, or industrial channels as provided by federal
- 23 regulations or laws, this chapter, or a rule adopted under this
- 24 chapter;
- 25 (6) has intentionally or knowingly failed to maintain
- 26 records required to be kept by this chapter or a rule adopted under
- 27 this chapter;

- 1 (7) has refused to allow an inspection authorized by
- 2 this chapter or a rule adopted under this chapter;
- 3 (8) has intentionally or knowingly violated this
- 4 chapter or a rule adopted under this chapter; [or]
- 5 (9) has voluntarily surrendered a registration that
- 6 has not been reinstated; or
- 7 (10) has submitted an application fee that is
- 8 dishonored or reversed and the person has not cured the defect after
- 9 reasonable notice and opportunity were provided.
- SECTION 3. Section 481.064(a), Health and Safety Code, is
- 11 amended to read as follows:
- 12 (a) The director may charge a nonrefundable fee [of not more
- 13 than \$25] before processing an application for annual registration
- 14 and may charge a late fee  $[\frac{\text{of not more than }\$50}]$  for each
- 15 application for renewal the department receives after the date the
- 16 registration expires. The director by rule shall set the amounts of
- 17 the fees at the amounts that are necessary to cover the cost of
- 18 administering and enforcing this subchapter. Except as provided by
- 19 Subsection (b), registrants shall pay the fees to the director. Not
- 20 later than 60 days before the date the registration expires, the
- 21 director shall send a renewal notice to the registrant at the last
- 22 known address of the registrant according to department records.
- SECTION 4. Section 481.127(a), Health and Safety Code, is
- 24 amended to read as follows:
- 25 (a) A person commits an offense if the person knowingly
- 26 gives, permits, or obtains unauthorized access to information
- 27 submitted to the director under Section 481.074(g) or 481.075.

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- 1 SECTION 5. Section 481.301, Health and Safety Code, is
- 2 amended to read as follows:
- 3 Sec. 481.301. IMPOSITION OF PENALTY. The department may
- 4 impose an administrative penalty on a person who violates Section
- 5 481.061, 481.066, 481.067, 481.069, 481.070, 481.071, 481.072,
- 6 <u>481.073</u>, 481.074, 481.075, 481.077, 481.0771, 481.078, 481.080, or
- 7 481.081 or a rule or order adopted under any of those sections.
- 8 SECTION 6. (a) Sections 481.063(b) and 481.064(a), Health
- 9 and Safety Code, as amended by this Act, apply only to a
- 10 registration that is issued or renewed on or after the effective
- 11 date of this Act. A registration issued or renewed before the
- 12 effective date of this Act is governed by the law in effect on the
- 13 date the registration was issued or renewed, and the former law is
- 14 continued in effect for that purpose.
- 15 (b) Section 481.063(e), Health and Safety Code, as amended
- 16 by this Act, applies only to an application for registration,
- 17 including a renewal application, submitted on or after the
- 18 effective date of this Act. An application submitted before the
- 19 effective date of this Act is governed by the law in effect on the
- 20 date the application was submitted, and the former law is continued
- 21 in effect for that purpose.
- (c) Section 481.301, Health and Safety Code, as amended by
- 23 this Act, applies only to a violation that occurs on or after the
- 24 effective date of this Act. A violation that occurs before that
- 25 date is governed by the law in effect on the date the violation
- 26 occurred, and the former law is continued in effect for that
- 27 purpose.

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1 SECTION 7. This Act takes effect September 1, 2013.