

By: Schoolcraft

H.B. No. 1319

A BILL TO BE ENTITLED

AN ACT

relating to wholesale importation of prescription drugs in this state.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION1. Subtitle A, Title 6, Chapter 444 Health and Safety Code, is amended as follows:

CHAPTER 444. WHOLESALE PRESCRIPTION DRUG IMPORTATION PROGRAM

Sec. 444.001. DEFINITIONS. In this chapter:

(1) "Canadian supplier" means a manufacturer, wholesale distributor, or pharmacy that is appropriately licensed or permitted under Canadian federal or provincial laws and rules to manufacture, distribute, or dispense prescription drugs.

(2) "European Union supplier" " means a manufacturer, wholesale distributor, or pharmacy that is appropriately licensed or permitted under European Union or laws and rules, or the national laws and rules of a European Union member nation, to manufacture, distribute, or dispense prescription drugs.

~~(23)~~ "Commission" means the Health and Human Services Commission.

~~(34)~~ "Prescription drug wholesaler" means a person licensed as a wholesale distributor under Subchapter N, Chapter 431, that contracts with this state to import prescription drugs under the program.

(45) "Program" means the wholesale prescription drug

1 importation program established under this chapter.

2 Sec. 444.002. ESTABLISHMENT OF WHOLESALE PRESCRIPTION DRUG
3 IMPORTATION PROGRAM. (a) The commission shall establish the
4 wholesale prescription drug importation program to provide lower
5 cost prescription drugs available outside of the United States to
6 consumers in this state at the lower cost.

7 (b) The commission shall implement the program by:

8 (1) contracting with one or more prescription drug
9 wholesalers and Canadian or European Union suppliers to import
10 prescription drugs and provide prescription drug cost savings to
11 consumers in this state;

12 (2) developing a registration process for health
13 benefit plan issuers, health care providers, and pharmacies to
14 obtain and dispense prescription drugs imported under the program;

15 (3) developing a list of prescription drugs, including
16 the prices of those drugs, that meet the requirements of Section
17 [444.003](#) and publishing the list on the commission's Internet
18 website;

19 (4) establishing an outreach and marketing plan to
20 generate program awareness;

21 (5) establishing and administering a telephone call
22 center or electronic portal to provide information about the
23 program;

24 (6) ensuring the program and the prescription drug
25 wholesalers that contract with this state under Subdivision (1)
26 comply with the tracking, tracing, verification, and
27 identification requirements of 21 U.S.C. Section 360eee-1;

1 (7) prohibiting the distribution, dispensing, or sale
2 of prescription drugs imported under this chapter outside the
3 boundaries of this state; and

4 (8) performing any other duties the executive
5 commissioner determines necessary to implement the program.

6 (c) The commission shall ensure that the program meets the
7 requirements of 21 U.S.C. Section 384.

8 (d) In developing the program, the commission may consult
9 with interested parties.

10 Sec. 444.003. ELIGIBLE PRESCRIPTION DRUGS. A prescription
11 drug may be imported into this state under the program only if the
12 drug:

13 (1) meets the United States Food and Drug
14 Administration's standards related to prescription drug safety,
15 effectiveness, misbranding, and adulteration;

16 (2) does not violate any federal patent laws through
17 its importation;

18 (3) is expected to generate cost savings for
19 consumers; and

20 (4) is not:

21 (A) listed as a controlled substance under state
22 or federal law;

23 (B) a biological product;

24 (C) an infused drug;

25 (D) an intravenously injected drug;

26 (E) a drug that is inhaled during surgery; or

27 (F) a parenteral drug.

1 Sec. 444.004. ANTICOMPETITIVE BEHAVIOR MONITORING. The
2 commission, in consultation with the attorney general, shall
3 identify and monitor any potential anticompetitive activities in
4 industries affected by the program.

5 Sec. 444.005. PROGRAM FUNDING. In addition to money
6 appropriated by the legislature, the commission may impose a fee on
7 each prescription drug sold under the program or establish another
8 funding method to administer the program.

9 Sec. 444.006. AUDIT PROCEDURES. The executive commissioner
10 by rule shall develop procedures to effectively audit a
11 prescription drug wholesaler participating in the program.

12 Sec. 444.007. ANNUAL REPORTING. Not later than December 1
13 of each year, the commission shall submit a report to the governor
14 and the legislature regarding the operation of the program during
15 the preceding state fiscal year, including:

16 (1) which prescription drugs and Canadian or European
17 Union suppliers are included in the program;

18 (2) the number of health benefit plan issuers, health
19 care providers, and pharmacies participating in the program;

20 (3) the number of prescriptions dispensed through the
21 program;

22 (4) the estimated cost savings to consumers, health
23 plans, employers, and this state since the establishment of the
24 program and during the preceding state fiscal year;

25 (5) information regarding the implementation of the
26 audit procedures under Section 444.006; and

27 (6) any other information:

1 (A) the governor or the legislature requests; or

2 (B) the commission considers necessary.

3 SECTION 3. This Act takes effect September 1, 2025.