

A-Engrossed
Senate Bill 649

Ordered by the Senate May 8
Including Senate Amendments dated May 8

Sponsored by Senator MORRISETTE

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Requires drug manufacturers and wholesale drug outlets to adopt marketing code of conduct and make annual report to State Board of Pharmacy.

A BILL FOR AN ACT

1
2 Relating to pharmaceutical sales.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1. Section 2 of this 2009 Act is added to and made a part of ORS chapter 689.**

5 **SECTION 2. (1) A manufacturer or wholesale drug outlet that employs a person to sell**
6 **a drug in this state shall:**

7 (a) **Adopt a written marketing code of conduct that establishes the practices and stan-**
8 **dards that govern the manufacturer's or wholesale drug outlet's sales and marketing activ-**
9 **ities. The marketing code of conduct must incorporate principles of health care, including a**
10 **requirement that the activities of the wholesaler or manufacturer be intended to benefit**
11 **patients, enhance the practice of medicine and not interfere with the independent judgment**
12 **of health care professionals.**

13 (b) **Provide regular training on the marketing code of conduct to employees engaged in**
14 **the sale and marketing of drugs.**

15 (c) **Conduct an annual self-audit to monitor compliance with the marketing code of con-**
16 **duct.**

17 (d) **Adopt policies and procedures for investigating noncompliance with the marketing**
18 **code of conduct, including procedures for reporting noncompliance, investigation of reports**
19 **of noncompliance, policies for corrective action in response to noncompliance and procedures**
20 **for reporting noncompliance to law enforcement authorities in appropriate circumstances.**

21 (e) **Identify a compliance officer responsible for developing and ensuring compliance with**
22 **the marketing code of conduct.**

23 (2) **A manufacturer or wholesale drug outlet that employs a person to sell or market a**
24 **drug in this state shall submit the following information to the State Board of Pharmacy**
25 **each year in the form and manner required by the board by rule:**

26 (a) **The marketing code of conduct adopted by the manufacturer or wholesale drug outlet;**

27 (b) **A description of the training program established by the manufacturer or wholesale**
28 **drug outlet;**

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 (c) A written statement certifying that the manufacturer or wholesale drug outlet has
2 conducted the annual self-audit;

3 (d) A description of the policies and procedures for investigating noncompliance with the
4 marketing code of conduct adopted by the manufacturer or wholesale drug outlet; and

5 (e) The name, title and contact information for the compliance officer appointed by the
6 manufacturer or wholesale drug outlet.

7 (3) The State Board of Pharmacy shall report to the Legislative Assembly in the manner
8 provided in ORS 192.245 by March 31 of each odd-numbered year on the status of marketing
9 codes of conduct.

10 SECTION 3. A manufacturer or wholesale drug outlet that is subject to the requirements
11 of section 2 of this 2009 Act shall submit its first report to the State Board of Pharmacy as
12 required by section 2 (2) of this 2009 Act by December 31, 2010.

13 SECTION 4. Section 2 of this 2009 Act becomes operative on June 30, 2010.
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