

**A-Engrossed**  
**House Bill 3273**

Ordered by the House April 12  
Including House Amendments dated April 12

Sponsored by Representative SCHOUTEN, Senators HEARD, STEINER HAYWARD, Representative EVANS; Representatives ALONSO LEON, BARKER, DOHERTY, GOMBERG, GORSEK, GREENLICK, HELM, HELT, HERNANDEZ, KENY-GUYER, KOTEK, MARSH, MCLAIN, MITCHELL, NERON, NOSSE, PILUSO, POWER, PRUSAK, REARDON, SALINAS, SANCHEZ, SMITH G, WILLIAMS, WILLIAMSON, Senators BOQUIST, DEMBROW, FAGAN, GELSER, GOLDEN, MANNING JR, MONNES ANDERSON, TAYLOR

**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.

Directs each **covered** manufacturer of [*prescription*] **covered** drugs that are sold within this state to develop and implement drug take-back program for purpose of collecting from individuals and nonbusiness entities [*prescription*] **covered** drugs for disposal. **Defines "covered drug" and "covered manufacturer."**

Directs Department of Environmental Quality and Environmental Quality Commission to administer Act. Requires **covered** manufacturers subject to Act to first submit plan for participating in drug take-back program on or before [*July*] **November** 1, 2020. Requires drug take-back programs to be operational by [*February*] **July** 1, 2021.

Becomes operative January 1, 2020.

Sunsets September 15, 2031.

Takes effect on 91st day following adjournment sine die.

**A BILL FOR AN ACT**

1  
2 Relating to drugs; and prescribing an effective date.

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

4 **SECTION 1. Definitions. As used in sections 1 to 23 of this 2019 Act:**

5 (1) **"Authorized collector" means a person that enters into an agreement with a program**  
6 **operator for the purpose of collecting covered drugs under a drug take-back program.**

7 (2) **"Biologics" means a virus, therapeutic serum, toxin, antitoxin or analogous product**  
8 **applicable to the prevention, treatment or cure of human diseases or injuries.**

9 (3)(a) **"Covered drug" means a drug that a covered entity has discarded or abandoned or**  
10 **that a covered entity intends to discard or abandon.**

11 (b) **"Covered drug" includes:**

12 (A) **Prescription drugs, as defined in ORS 689.005;**

13 (B) **Nonprescription drugs, as defined in ORS 689.005;**

14 (C) **Drugs marketed under a brand name, as defined in ORS 689.515;**

15 (D) **Drugs marketed under a generic name, as defined in ORS 689.515; and**

16 (E) **Combination products.**

17 (c) **"Covered drug" does not include:**

18 (A) **Vitamins or supplements;**

19 (B) **Herbal-based remedies or homeopathic drugs, products or remedies;**

20 (C) **Products that are regulated as both cosmetics and nonprescription drugs by the fed-**

**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 eral Food and Drug Administration;

2 (D) Drugs and biological products for which a covered manufacturer administers a drug  
3 take-back program as part of a risk evaluation and mitigation strategy under the oversight  
4 of the federal Food and Drug Administration;

5 (E) Drugs administered in a clinical setting;

6 (F) Drugs that are used for animal medicines, including but not limited to parasiticide  
7 drugs for animals;

8 (G) Exposed sharps, as defined in ORS 459.386, or other used drug products that are  
9 medical waste;

10 (H) Emptied injector products or medical devices and their components;

11 (I) Dialysis concentrates and solutions used for kidney dialysis in a patient's home; or

12 (J) Biologics.

13 (4)(a) "Covered entity" means:

14 (A) A resident of this state;

15 (B) A nonbusiness entity located in this state; or

16 (C) An ultimate user as defined by 21 U.S.C. 802(27).

17 (b) "Covered entity" does not include a law enforcement agency or an entity that gener-  
18 ates pharmaceutical waste, such as a hospital, health care clinic, office of a health care  
19 provider, veterinary clinic or pharmacy.

20 (5)(a) "Covered manufacturer" means a person that manufactures covered drugs that are  
21 sold within this state, including, but not limited to, a person that manufactures covered  
22 drugs for another manufacturer pursuant to an agreement.

23 (b) "Covered manufacturer" does not include:

24 (A) A person that:

25 (i)(I) Packages covered drugs that are sold within this state or that labels the containers  
26 of covered drugs that are sold within this state; or

27 (II) Repackages covered drugs that are sold within this state or that relabels the con-  
28 tainers of covered drugs that are sold within this state, if the person informs the Depart-  
29 ment of Environmental Quality of the name of the original manufacturer of the covered  
30 drug; and

31 (ii) Does not produce, prepare, propagate, compound, convert or process drugs that are  
32 sold within this state; or

33 (B) A prepaid group practice described in ORS 441.229.

34 (6) "Drop-off site" means the location where an authorized collector operates a secure  
35 repository for collecting covered drugs.

36 (7) "Drug" has the meaning given that term in ORS 689.005.

37 (8) "Drug take-back organization" means an organization designated by a covered man-  
38 ufacturer or a group of covered manufacturers to act as an agent of the covered manufac-  
39 turer or group of covered manufacturers for the purpose of participating in a drug take-back  
40 program.

41 (9) "Drug take-back program" means a program developed and implemented by a pro-  
42 gram operator for the collection, transportation and disposal of covered drugs for which a  
43 plan has been approved under section 4 of this 2019 Act.

44 (10) "Mail-back service" means a method of collecting covered drugs from a covered en-  
45 tity by using prepaid, preaddressed mailing envelopes.

1 (11) "Manufacture" has the meaning given that term in ORS 689.005.

2 (12) "Pharmacy" has the meaning given that term in ORS 689.005.

3 (13) "Potential authorized collector" means:

4 (a) A person that:

5 (A) Is registered with the Drug Enforcement Administration of the United States De-  
6 partment of Justice; and

7 (B) Qualifies under federal law to collect and dispose of controlled substances, or qualifies  
8 under federal law to have the person's registration modified in such a way that authorizes  
9 the person to collect and dispose of controlled substances.

10 (b) A law enforcement agency.

11 (14) "Program operator" means a covered manufacturer, group of covered manufacturers  
12 or drug take-back organization that develops and implements, or plans to develop and im-  
13 plement, a drug take-back program approved by the Department of Environmental Quality.

14 (15)(a) "Retail drug outlet" means a retail drug outlet, as defined in ORS 689.005, that is  
15 open to and accessible by the public.

16 (b) "Retail drug outlet" does not include a hospital that does not have an on-site phar-  
17 macy or a health care clinic that does not have an on-site pharmacy.

18 **SECTION 2. Requirement to participate in drug take-back program.** (1) Except as pro-  
19 vided in subsection (2) of this section, each covered manufacturer shall participate in a drug  
20 take-back program that complies with the requirements of sections 1 to 23 of this 2019 Act.  
21 A covered manufacturer may participate in a drug take-back program independently, as part  
22 of a group of covered manufacturers or by delegating the covered manufacturer's duties  
23 under sections 1 to 23 of this 2019 Act to a drug take-back organization.

24 (2)(a) A covered manufacturer is not required to participate in a drug take-back program  
25 as described in subsection (1) of this section if the covered manufacturer provides sufficient  
26 proof to the Department of Environmental Quality that the covered manufacturer manufac-  
27 tures covered drugs for fewer than 50 patients in this state.

28 (b) The Environmental Quality Commission may adopt rules regarding this subsection.

29 (3) If a covered manufacturer does not participate in a drug take-back program as de-  
30 scribed in subsection (1) of this section, and does not qualify for exemption under subsection  
31 (2) of this section, the State Board of Pharmacy may assess a fine against the covered  
32 manufacturer in an amount not to exceed \$10,000 for each day that covered drugs manufac-  
33 tured by the covered manufacturer are sold in this state.

34 **SECTION 3. Organization of program operator.** A program operator of a drug take-back  
35 program must be organized as an entity that is exempt from income taxes under section  
36 501(c)(3) of the Internal Revenue Code, as amended and in effect on the effective date of this  
37 2019 Act.

38 **SECTION 4. Plans and updated plans for drug take-back programs.** (1) In a form and  
39 manner prescribed by the Department of Environmental Quality, a program operator must  
40 submit to the department a plan for participating in a drug take-back program. The de-  
41 partment shall approve a proposed drug take-back program plan if the program operator  
42 submits a completed application, the proposed drug take-back program meets the require-  
43 ments of subsections (2), (4) and (5) of this section and the program operator pays the fee  
44 established by the department under section 15 of this 2019 Act.

45 (2) To be approved by the department, a proposed drug take-back program plan must:

1 (a) Identify and provide contact information for the program operator and each covered  
2 manufacturer participating in the proposed drug take-back program;

3 (b) Provide for a collection system that complies with sections 6, 7 and 8 of this 2019 Act;

4 (c) Provide for a disposal system that complies with section 9 of this 2019 Act;

5 (d) Include policies and procedures to ensure the safe and secure handling and disposal  
6 of covered drugs;

7 (e) Include policies and procedures to ensure the security of patient information that  
8 may be printed on the packaging of a covered drug and compliance with any applicable fed-  
9 eral laws and regulations;

10 (f) Set forth a plan to cover all costs associated with the proposed drug take-back pro-  
11 gram, with the costs of the proposed drug take-back program apportioned among each cov-  
12 ered manufacturer participating in the proposed drug take-back program;

13 (g) Set forth goals with respect to the amount of drugs collected under the proposed drug  
14 take-back program and with respect to fostering full public awareness of the proposed drug  
15 take-back program;

16 (h) Provide public outreach and education in compliance with section 10 of this 2019 Act;

17 (i) Describe how the drug take-back program will provide convenient service in every  
18 county in this state, including how under the drug take-back program the program operator  
19 will establish at least one drop-off site:

20 (A) In each county in this state; and

21 (B) Per population center, plus an additional drop-off site for every 50,000 residents of the  
22 city or town located within a population center;

23 (j) Identify the transporters and waste disposal facilities that the program will use;

24 (k) In a nonurban county, as defined in ORS 653.026, provide upon request of a covered  
25 entity a mail-back service option that is prepaid by the program; and

26 (L) Provide to a person who provides in-home hospice services, upon the person's re-  
27 quest, mail-back service supplies to be used by the hospice services patient.

28 (3) The department may waive the requirement of subsection (2)(i)(A) of this section with  
29 respect to a county if the proposed drug take-back program plan describes how the drug  
30 take-back program will provide mail-back service in the county.

31 (4) Drop-off sites described in subsection (2)(i) of this section must be located throughout  
32 a population center to provide reasonably convenient and equitable access to all residents  
33 of the population center.

34 (5) The drop-off site required under subsection (2)(i)(A) of this section may be the same  
35 drop-off site as the drop-off site required under subsection (2)(i)(B) of this section.

36 (6)(a) A modification to the manner in which a proposed drug take-back program will  
37 provide the public outreach and education described in subsection (2)(h) of this section is not  
38 subject to the requirements of section 5 of this 2019 Act if the modification is in response  
39 to federal, state or local regulatory changes, or to changes in industry best practices that  
40 are made in good faith to improve the quality and outcomes of the outreach and education.

41 (b) A modification to the transporters and waste disposal facilities described in sub-  
42 section (2)(j) of this section is not subject to section 5 of this 2019 Act if the modification is  
43 made in response to federal, state or local regulatory changes, or to changes in industry best  
44 practices or contractors that are made in good faith and do not knowingly have a negative  
45 impact on the efficacy of the plan.

1 (7)(a) Not later than 90 days after receiving a plan under subsection (1) of this section,  
2 the department shall either approve or reject the plan. If the department rejects the plan,  
3 the department shall provide the reason or reasons for the rejection.

4 (b) Not later than 60 days after the department rejects a plan under paragraph (a) of this  
5 subsection, a program operator must submit to the department a revised plan for partic-  
6 ipating in a drug take-back program. Not later than 90 days after receiving a revised plan  
7 under this paragraph, the department shall either approve or reject the revised plan. If the  
8 department rejects the revised plan, the department shall provide the reason or reasons for  
9 the rejection.

10 (c) If the department rejects a revised plan under paragraph (b) of this subsection, the  
11 department may:

12 (A) Require the program operator to further revise the plan in accordance with the  
13 processes set forth in paragraph (b) of this subsection; or

14 (B) Impose a penalty on each covered manufacturer participating in the proposed drug  
15 take-back program as described in section 14 of this 2019 Act.

16 (d) Not later than four years after the department approves a plan under paragraph (a)  
17 of this subsection, a program operator must submit to the department an updated plan for  
18 the continued operation of a drug take-back program, in which the program operator de-  
19 scribes any substantive changes to the drug take-back program that involve an element re-  
20 quired under subsection (2) of this section. An updated plan is subject to the approval  
21 processes set forth in this subsection.

22 (8) The department shall make each plan submitted under subsection (1) of this section  
23 and each revised or updated plan submitted under subsection (7) of this section available to  
24 the public.

25 (9) As used in this section, "population center" means a city or town and the  
26 unincorporated area of the county that is within a 10-mile radius from the center of the city  
27 or town.

28 **SECTION 5. Changes to drug take-back programs.** (1) In a form and manner prescribed  
29 by the Department of Environmental Quality, except as provided in subsection (3) of this  
30 section, a program operator must request preapproval from the department for any change  
31 to a drug take-back program that substantively alters the drug take-back program. A pro-  
32 gram operator must make a request under this subsection not later than 30 days before the  
33 change is to occur. For purposes of this subsection, the following types of changes  
34 substantively alter a drug take-back program:

35 (a) Changes involving methods used to collect covered drugs;

36 (b) Changes involving methods used to dispose of covered drugs;

37 (c) Changes to the policies and procedures for handling and disposing of covered drugs;

38 (d) Changes to the policies and procedures for securing patient information that may be  
39 printed on the packaging of a covered drug;

40 (e) Changes involving methods used to foster public awareness of the proposed drug  
41 take-back program;

42 (f) Changes to drop-off sites that do not meet the requirements of section 4 (2)(i) of this  
43 2019 Act;

44 (g) Changes in the location of a drop-off site; and

45 (h) Changes to the location or schedule of a collection event held pursuant to section 8

1 of this 2019 Act.

2 (2) The department shall approve or reject a request submitted pursuant to subsection  
3 (1) of this section within 30 days of receiving the request. If the department does not approve  
4 or reject the request, and provide written notice to the program operator of the  
5 department's decision within 30 days of the date on which the department received the re-  
6 quest, the proposed change shall be considered approved.

7 (3)(a) If a program operator intends to make a proposed change to a drug take-back  
8 program but, for good cause as determined by the department, is unable to make a request  
9 30 days before the proposed change is to occur as required under subsection (1) of this sec-  
10 tion, the program operator shall notify the department of the proposed change as far in ad-  
11 vance of the proposed change as practicable. Upon receipt of notice described in this  
12 subsection, the department shall consult with the program operator regarding the proposed  
13 change. Not later than seven business days after receiving the notice, the department may  
14 temporarily approve the proposed change.

15 (b) The Environmental Quality Commission may adopt rules to carry out this subsection.

16 (4) In a form and manner prescribed by the department, a program operator must notify  
17 the department:

18 (a) Not later than 30 days after the change occurs of any change to the contact infor-  
19 mation for the program operator.

20 (b) Not later than 60 days after the change occurs, of any change involving:

21 (A) Which covered manufacturers are participating in the drug take-back program;

22 (B) The contact information for a covered manufacturer participating in the drug take-  
23 back program; or

24 (C) The ownership of a covered manufacturer participating in the drug take-back pro-  
25 gram.

26 **SECTION 6. Authorized collectors.** (1) Before submitting to the Department of Environ-  
27 mental Quality a plan under section 4 (1) of this 2019 Act, a program operator must:

28 (a) Solicit potential authorized collectors for the purpose of collecting covered drugs un-  
29 der the drug take-back program; and

30 (b) Enter into agreements with all willing authorized collectors for the purpose of col-  
31 lecting covered drugs under the drug take-back program.

32 (2) An agreement entered into under this section must require an authorized collector  
33 to comply with all state laws and rules and federal laws and regulations governing the  
34 keeping of covered drugs, as identified by the State Board of Pharmacy by rule.

35 (3) In approving plans and updated plans under section 4 of this 2019 Act, and in preap-  
36 proving changes under section 5 of this 2019 Act, the department shall, insofar as is practi-  
37 cable, ensure that each resident of this state has adequate access to a drop-off site.

38 **SECTION 7. Drop-off sites.** (1) The system by which a program operator collects covered  
39 drugs under a drug take-back program must be safe and secure to use on an ongoing basis.

40 (2) For purposes of a drug take-back program:

41 (a) A drop-off site must be available for use during the normal business hours of the  
42 authorized collector;

43 (b) A drop-off site must use a secure repository in compliance with all state laws and  
44 rules and federal laws and regulations governing the keeping of covered drugs in repositories,  
45 as identified by the State Board of Pharmacy by rule;

1 (c) The program operator must:

2 (A) Ensure that each secure repository is serviced as often as necessary to avoid reach-  
3 ing capacity;

4 (B) Ensure that collected covered drugs are transported to a location described in section  
5 9 of this 2019 Act in a timely manner; and

6 (C) Provide a method for the authorized collector to notify the program operator of the  
7 need for additional collections at the drop-off site;

8 (d) A sign must be affixed to the secure repository used at a drop-off site that promi-  
9 nently displays a toll-free telephone number and a website address that a covered entity may  
10 use to provide feedback to the program operator about the drug take-back program;

11 (e) Except as provided in paragraph (f) of this subsection, a drop-off site must accept all  
12 covered drugs from covered entities; and

13 (f) If a drop-off site is located at a long-term care facility, as defined in ORS 442.015, and  
14 allowed under applicable federal regulations, only individuals who reside, or have resided, at  
15 the long-term care facility may use the drop-off site.

16 (3) A drug take-back program that is unable to establish and maintain a sufficient num-  
17 ber of drop-off sites in order to meet the requirements of the plan submitted under section  
18 4 of this 2019 Act shall provide additional services, such as mail-back services, and hold col-  
19 lection events to ensure the convenient service described in the plan submitted under section  
20 4 of this 2019 Act, subject to approval by the Department of Environmental Quality.

21 **SECTION 8. Covered drug collection events.** If a drug take-back program provides for the  
22 periodic collection of covered drugs through collection events, the collection events must be  
23 conducted:

24 (1) In accordance with the applicable regulations and protocols of the Drug Enforcement  
25 Administration of the United States Department of Justice; and

26 (2) In coordination with the local solid waste management officials who have jurisdiction  
27 over the impacted area.

28 **SECTION 9. Disposal of covered drugs.** Covered drugs must be disposed of:

29 (1) At a hazardous waste disposal facility that meets the requirements of 40 C.F.R. parts  
30 264 and 265, as in effect on the effective date of this 2019 Act; or

31 (2) At a municipal solid waste incinerator that is permitted to accept pharmaceutical  
32 waste.

33 **SECTION 10. Public awareness.** (1) A program operator must promote, and provide public  
34 outreach and education about, the safe and secure collection of covered drugs under the drug  
35 take-back program through the use of a website and written materials provided at the time  
36 a covered drug is delivered to a covered entity, and through the use of any signage, adver-  
37 tising or other means of fostering public awareness. At a minimum, a program operator  
38 must:

39 (a) Promote the safe and secure storage of covered drugs by covered entities;

40 (b) Disseminate information on the inherent risks of improperly storing or disposing of  
41 opioids or opiates and other covered drugs;

42 (c) Discourage the disposal of covered drugs in the garbage or sewer system;

43 (d) Promote the disposal of covered drugs through the use of the drug take-back pro-  
44 gram;

45 (e) Establish a toll-free telephone number and a website address that a covered entity

1 may use to contact the program operator about the drug take-back program;

2 (f) Publicize information on the location of drop-off sites, collection processes and any  
3 collection events;

4 (g) Work with authorized collectors to develop a readily recognizable and consistent de-  
5 sign for repositories to be used at drop-off sites and to develop clear, standardized in-  
6 structions to covered entities on how to use those repositories; and

7 (h) Conduct a biennial survey of covered entities and of pharmacists and health care  
8 providers who interact with covered entities.

9 (2) For purposes of conducting a survey under subsection (1)(h) of this section:

10 (a) In a form and manner prescribed by the Department of Environmental Quality, a  
11 program operator must submit proposed survey questions to the department for preapproval.

12 (b) Surveys must:

13 (A) Measure public awareness of the drug take-back program;

14 (B) Assess the extent to which drop-off sites, mail-back service and collection events are  
15 convenient and easy to use; and

16 (C) Assess knowledge of and attitudes toward the risks posed by improperly storing cov-  
17 ered drugs and improperly discarding or abandoning covered drugs.

18 (3) A program operator shall coordinate with other program operators under this section  
19 to ensure that covered entities can easily identify, understand and access the services pro-  
20 vided by all drug take-back programs that are operational in this state. At a minimum, all  
21 of the drug take-back programs that are operational in this state must provide a single  
22 toll-free telephone number and a single website address that a covered entity may use to  
23 contact program operators about the drug take-back programs and to acquire information  
24 about the location of the drop-off sites and the collection processes of the drug take-back  
25 programs.

26 (4) Upon request by a covered entity, a retail drug outlet, hospital with an on-site phar-  
27 macy or health care clinic with an on-site pharmacy must provide a covered entity with  
28 written materials provided by a program operator for the purpose of promoting the safe and  
29 secure collection of covered drugs at the time that a covered drug is delivered to a covered  
30 entity.

31 **SECTION 11. Annual report to the Department of Environmental Quality.** (1) In a form  
32 and manner prescribed by the Department of Environmental Quality, a program operator  
33 must submit to the department an annual report on the development, implementation and  
34 operation of the drug take-back program that includes:

35 (a) A list of covered manufacturers participating in the drug take-back program;

36 (b) The total amount, by weight, of drugs collected under the drug take-back program;

37 (c) The amount, by weight, of drugs collected under each method of collecting drugs un-  
38 der the drug take-back program;

39 (d) The address of each drop-off site used under the drug take-back program;

40 (e) The total amount, by weight, of drugs collected at each drop-off site, presented in a  
41 manner that assists the department in determining the rate of use of each drop-off site;

42 (f) The date and location of each collection event held pursuant to section 8 of this 2019  
43 Act;

44 (g) The method or methods used to transport drugs collected under the drug take-back  
45 program;



1 (h) The disposal technologies or processes used pursuant to section 9 of this 2019 Act and  
2 which facilities or incinerators were used;

3 (i) The total amount, by weight, of drugs disposed of by each method, presented in a  
4 manner that allows the department to conduct an audit to verify the information;

5 (j) Whether any safety or security problems occurred during the collection, transporta-  
6 tion or disposal of drugs and, if a problem occurred, a summary of the occurrence and pos-  
7 sible resolutions;

8 (k) A summary of the drug take-back program's compliance with section 10 of this 2019  
9 Act;

10 (L) A summary of the annual expenditures of the drug take-back program, aggregated  
11 by category;

12 (m) Whether service was provided in compliance with the program operator's description  
13 pursuant to section 4 (2)(i) of this 2019 Act and whether the public awareness goals have been  
14 met, including a summary of strategies and surveys used, and copies of any promotional  
15 materials developed by, the drug take-back program; and

16 (n) An attestation that all covered drugs collected under the drug take-back program  
17 were disposed of in compliance with applicable laws, rules and regulations.

18 (2) The department shall review reports submitted under this section and approve those  
19 that comport with the requirements of this section. If the department does not approve a  
20 report under this subsection, the department shall provide the program operator with writ-  
21 ten notice of revisions necessary for approval and the timeline for resubmittal.

22 (3) The department shall publish approved reports submitted under this section on a  
23 website of the department.

24 SECTION 12. Funding drug take-back programs. Each covered manufacturer or group  
25 of covered manufacturers must pay all costs associated with participating in a drug take-  
26 back program. A program operator or authorized collector may not impose a charge, in-  
27 cluding any charge imposed at the time that a covered drug is sold to or collected from a  
28 covered entity, against covered entities for the purpose of recouping the costs of a drug  
29 take-back program.

30 SECTION 13. Inspection and audit. The Department of Environmental Quality shall en-  
31 sure compliance with sections 1 to 23 of this 2019 Act by:

32 (1) Entering into an agreement with the State Board of Pharmacy whereby the board,  
33 during routine inspections of retail drug outlets:

34 (a) Inspects drop-off sites located at retail drug outlets; and

35 (b) Informs the department of drop-off sites that are not in compliance with sections 1  
36 to 23 of this 2019 Act;

37 (2) Inspecting drop-off sites not located at retail drug outlets; and

38 (3) Auditing the records of program operators.

39 SECTION 14. Enforcement and discipline. (1)(a) The Environmental Quality Commission  
40 shall send notice to a covered manufacturer if the covered manufacturer fails to participate  
41 in a drug take-back program as required by sections 1 to 23 of this 2019 Act. Notice sent  
42 under this subsection must explain the possible penalties that may be incurred by the cov-  
43 ered manufacturer for committing the violation.

44 (b) If, 30 days after the date on which the commission sent notice under paragraph (a)  
45 of this subsection, the covered manufacturer continues to sell drugs within this state with-

1 out participating in a drug take-back program, the commission may impose a civil penalty  
2 against the covered manufacturer for an amount that does not exceed \$10,000 for each day,  
3 beginning on the 31st day, that the covered manufacturer commits the violation.

4 (2)(a) The commission shall send notice to a program operator, and any covered man-  
5 ufacturers that participate in the program operator's drug take-back program, if the com-  
6 mission determines that the program operator's drug take-back program is not in  
7 compliance with sections 1 to 23 of this 2019 Act. Notice sent under this subsection must  
8 explain the possible penalties that may be incurred by the program operator for committing  
9 the violation.

10 (b) If a drug take-back program continues to be out of compliance with sections 1 to 23  
11 of this 2019 Act 30 days after the date on which the commission sent notice under paragraph  
12 (a) of this subsection, the commission may:

13 (A) Impose a civil penalty against the program operator, and each covered manufacturer  
14 described in paragraph (a) of this subsection, for an amount that does not exceed \$1,000 for  
15 each entity per day, beginning on the 31st day, that the program operator commits the vio-  
16 lation; and

17 (B) If the commission determines that the violation presents a risk to public health and  
18 safety, suspend, in whole or in part, operation of the drug take-back program.

19 (3) Civil penalties imposed under this section are joint and several obligations of the  
20 program operator and each covered manufacturer that participates in the program  
21 operator's drug take-back program.

22 (4) The commission shall deposit moneys collected through the imposition of civil penal-  
23 ties under this section into the Secure Drug Take-Back Account established under section  
24 16 of this 2019 Act.

25 SECTION 15. Fees. (1) The Department of Environmental Quality shall establish the fol-  
26 lowing fees for the purpose of paying the costs of administering sections 1 to 23 of this 2019  
27 Act:

28 (a) A one-time fee for reviewing a drug take-back program plan submitted under section  
29 4 of this 2019 Act.

30 (b) An annual fee for expenses associated with the ongoing costs of administering  
31 sections 1 to 23 of this 2019 Act.

32 (c) An hourly fee for any other work that the department must do on behalf of a drug  
33 take-back program.

34 (2) If a drug take-back program has more than one program operator, each program  
35 operator is subject to the fees established under subsection (1) of this section.

36 (3) Fees established under subsection (1) of this section must be reasonably calculated  
37 to cover the costs of administering sections 1 to 23 of this 2019 Act.

38 (4) The department shall deposit fee moneys collected pursuant to this section into the  
39 Secure Drug Take-Back Account established under section 16 of this 2019 Act.

40 SECTION 16. Secure Drug Take-Back Account. (1) The Secure Drug Take-Back Account  
41 is established in the State Treasury, separate and distinct from the General Fund. Interest  
42 earned by the account shall be credited to the account. All moneys in the account are con-  
43 tinuously appropriated to the Department of Environmental Quality for purposes of admin-  
44 istering sections 1 to 23 of this 2019 Act.

45 (2) The account shall consist of all moneys deposited into or credited to the account, in-

1 **cluding:**

2 (a) Moneys collected under and deposited into the account pursuant to sections 14 and  
3 15 of this 2019 Act; and

4 (b) Moneys appropriated or transferred to the account by the Legislative Assembly.

5 **SECTION 17. Liability.** An authorized collector, covered manufacturer, drug take-back  
6 organization, drug take-back program and program operator may not be held criminally or  
7 civilly liable for any function, duty or power performed for the purpose of complying with  
8 sections 1 to 23 of this 2019 Act, unless the function, duty or power was performed with gross  
9 negligence or willful and wanton misconduct.

10 **SECTION 18. Antitrust immunity.** The Legislative Assembly declares that program op-  
11 erators providing covered entities with drug take-back program services, including the safe  
12 and secure collection, transportation and disposal of covered drugs, is in the best interests  
13 of the public. Therefore, the Legislative Assembly declares its intent that participating in  
14 drug take-back programs as required by sections 1 to 23 of this 2019 Act shall be exempt  
15 from state antitrust laws. The Legislative Assembly further declares its intent to provide  
16 immunity for participating in drug take-back programs as required by sections 1 to 23 of this  
17 2019 Act from federal antitrust laws. This section does not authorize any person to engage  
18 in activities or to conspire to engage in activities that constitute per se violations of state  
19 or federal antitrust laws that are not authorized under sections 1 to 23 of this 2019 Act.

20 **SECTION 19. Confidentiality.** Any proprietary information or any financial, manufactur-  
21 ing or sales information or data that the Department of Environmental Quality receives from  
22 a covered manufacturer or drug take-back organization under sections 1 to 23 of this 2019  
23 Act is confidential and not subject to public disclosure under ORS 192.311 to 192.478, except  
24 that the department may disclose summarized information or aggregated data if the infor-  
25 mation or data does not directly or indirectly identify the proprietary information or the fi-  
26 nancial, manufacturing or sales information or data of a specific covered manufacturer or  
27 drug take-back organization.

28 **SECTION 20. Nonapplicability of the Uniform Controlled Substances Act.** The provisions  
29 of the Uniform Controlled Substances Act do not apply to a program operator or authorized  
30 collector, insofar as the program operator is collecting, transporting and disposing of covered  
31 drugs pursuant to sections 1 to 23 of this 2019 Act.

32 **SECTION 21. Moratorium.** Except as expressly authorized by state law, the governing  
33 body of a city, county or other political subdivision of this state may not enact an ordinance  
34 or regulation or otherwise establish or require a program for the collection, by or on behalf  
35 of covered manufacturers, of:

36 (1) Biologics;

37 (2) Covered drugs;

38 (3) Drugs for which a covered manufacturer administers a drug take-back program as  
39 part of a risk evaluation and mitigation strategy under the oversight of the federal Food and  
40 Drug Administration;

41 (4) Drugs that are used for animal medicines, including but not limited to parasiticide  
42 drugs for animals;

43 (5) Drugs administered in a clinical setting; or

44 (6) Dialysis concentrates and solutions used for kidney dialysis in a patient's home.

45 **SECTION 22. Interagency agreements.** The Department of Environmental Quality may

1 enter into agreements with other state agencies for purposes including covering costs in-  
2 curred in the administration of sections 1 to 23 of this 2019 Act.

3 **SECTION 23. Rulemaking.** The Environmental Quality Commission shall adopt any rules  
4 necessary for the effective administration of sections 1 to 23 of this 2019 Act. Upon request,  
5 the State Board of Pharmacy shall assist the commission in adopting rules under this sec-  
6 tion.

7 **SECTION 24. Report to the Legislative Assembly.** Not later than July 1, 2023, the De-  
8 partment of Environmental Quality shall submit a report to the Legislative Assembly, in the  
9 manner provided by ORS 192.245, describing the administration of sections 1 to 23 of this 2019  
10 Act. The report must include:

11 (1) An evaluation of whether the collection of covered drugs by drug take-back programs  
12 that are operational in this state is safe and secure; and

13 (2) A comprehensive review of the strategies employed by drug take-back programs to  
14 achieve the requirements of sections 1 to 23 of this 2019 Act.

15 **SECTION 25. Sunsets.** (1) Sections 1 to 23 of this 2019 Act are repealed on September 15,  
16 2031.

17 (2) Section 24 of this 2019 Act is repealed on December 31, 2023.

18 **SECTION 26. Required date for initial participation.** (1) On or before November 1, 2020,  
19 each program operator, as defined in section 1 of this 2019 Act, shall submit to the Depart-  
20 ment of Environmental Quality a plan for participating in a drug take-back program as re-  
21 quired by section 4 (1) of this 2019 Act.

22 (2) Each drug take-back program must be operational by July 1, 2021.

23 (3) A manufacturer that becomes a covered manufacturer after January 1, 2020, shall,  
24 not more than six months after the date on which the manufacturer becomes a covered  
25 manufacturer, participate in a drug take-back program in compliance with section 2 of this  
26 2019 Act.

27 **SECTION 27. Operative date.** (1) Sections 1 to 23 of this 2019 Act become operative on  
28 January 1, 2020.

29 (2) The Department of Environmental Quality, the Environmental Quality Commission  
30 and the State Board of Pharmacy may take any action before the operative date specified in  
31 subsection (1) of this section that is necessary to enable the department, commission or  
32 board to exercise, on and after the operative date specified in subsection (1) of this section,  
33 all the duties, powers and functions conferred on the department, commission or board by  
34 sections 1 to 23 of this 2019 Act.

35 **SECTION 28. Captions.** The section captions used in this 2019 Act are provided only for  
36 the convenience of the reader and do not become part of the statutory law of this state or  
37 express any legislative intent in the enactment of this 2019 Act.

38 **SECTION 29.** This 2019 Act takes effect on the 91st day after the date on which the 2019  
39 regular session of the Eightieth Legislative Assembly adjourns sine die.

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