AN ACT relating to the safe disposal of prescription medications.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS 217.905 TO 217.919 IS CREATED TO READ AS FOLLOWS:

(1) A pharmacist who is licensed under KRS Chapter 315 or a pharmacist's designee shall inform persons who receive a prescription for a legend drug about the importance of proper and safe disposal of unused, unwanted, or expired prescription drugs with the use of medical disposal pouches and onsite medical disposal receptacles or kiosk by one (1) of the following methods:

(a) Verbally;

(b) In writing; or

(c) Posted signage.

(2) Upon dispensing of any prescription that contains a legend drug, a pharmacist who is licensed under KRS Chapter 315 or a pharmacist's designee shall:

(a) Make available at no charge and distribute, a nontoxic composition for the sequestration, deactivation, destruction, and disposal of any unused, unwanted, or expired prescription; or

(b) Provide an on-site, safe, and secure medicine disposal receptacle or kiosk for the safe disposal of any unused, unwanted, or expired prescription.

(3) A manufacturer or distributor of nontoxic compositions for the sequestration, deactivation, or destruction and disposal of legend drugs shall enter into a consignment-reimbursement contract with a pharmacy in order for a pharmacy to expand its inventory of the nontoxic compositions.

(4) A practitioner, as defined in KRS 218A.010, who dispenses a legend drug shall:

(a) Inform all persons who receive a prescription for a legend drug about the importance of proper and safe disposal of unused, unwanted, or expired prescription drugs; and
(b) Make available at no cost and distribute, a nontoxic composition for the
sequestration, deactivation, or destruction and disposal of unused, unwanted, or expired legend drugs.

(5) The manufacturer that provides any legend drug dispensed pursuant to
subsections (2) and (4) of this section shall be required to pay for the cost of the
nontoxic composition required by those subsections.

(6) The Kentucky Medicaid program shall not be required to provide payment for the
provisions established in subsections (2) and (4) of this section.

(7) Any person who violates subsection (2) or (4) of this section shall be subject to a
fine of five thousand dollars ($5,000) for the first violation, a fine of ten thousand
dollars ($10,000) for the second violation, and a fine of fifteen thousand dollars
($15,000) for each subsequent violation.

Section 2. KRS 218A.170 is amended to read as follows:

(1) A duly licensed manufacturer, distributor, or wholesaler may sell or distribute
controlled substances, other than samples, to any of the following persons:

(a) To a manufacturer, wholesaler, or pharmacy;
(b) To a practitioner;
(c) To the administrator in charge of a hospital, but only for use by or in that
    hospital;
(d) To a person in charge of a laboratory, but only for use in that laboratory for
    scientific and medical research purposes;
(e) To a person registered pursuant to the federal controlled substances laws.

(2) A pharmacist may sell or distribute a controlled substance:

(a) Pursuant to a prescription that conforms to the requirements of this chapter; or
(b) To a person registered pursuant to the federal controlled substances laws.

(3) A pharmacist who is licensed under KRS Chapter 315 or a pharmacist's designee
    shall inform persons who receive a prescription for a controlled substance [that
contains any salt, compound, derivative, or preparation of an opioid, benzodiazepine, a barbiturate, codeine, or an amphetamine, about the importance of proper and safe disposal of unused, unwanted, or expired prescription drugs with the use of medical disposal pouches and onsite medical disposal receptacles or kiosk by one (1) of the following methods:

(a) Verbally;
(b) In writing; or
(c) Posted signage.

(4) Upon dispensing of any prescription that contains a controlled substance any salt, compound, derivative, or preparation of an opioid, benzodiazepine, a barbiturate, codeine, or an amphetamine, a pharmacist who is licensed under KRS Chapter 315 or a pharmacist's designee shall:

(a) Make available for purchase, or at no charge and distribute, a nontoxic composition for the sequestration, deactivation, destruction, and disposal of any unused, unwanted, or expired prescription; or
(b) Provide an on-site, safe, and secure medicine disposal receptacle or kiosk for the safe disposal of any unused, unwanted, or expired prescription.

(5) A manufacturer or distributor of nontoxic compositions for the sequestration, deactivation, or destruction and disposal of controlled substances shall is strongly encouraged to enter into a consignment-reimbursement contract with a pharmacy in order for a pharmacy to expand its inventory of the nontoxic compositions.

(6) A practitioner may:

(a) Administer, dispense, or prescribe a controlled substance only for a legitimate medical purpose and in the course of professional practice; or
(b) Distribute a controlled substance to a person registered pursuant to the federal controlled substance laws.

(7) A practitioner who dispenses a controlled substance that contains any salt,
compound, derivative, or preparation of an opioid, benzodiazepine, a barbiturate, codeine, or an amphetamine shall:

(a) Inform all persons who receive a prescription for a controlled substance about the importance of proper and safe disposal of unused, unwanted, or expired prescription drugs; and

(b) Make available [for purchase, or ] at no cost and distribute, a nontoxic composition for the sequestration, deactivation, or destruction and disposal of unused, unwanted, or expired controlled substances.

(8) All sales and distributions shall be in accordance with KRS 218A.200 and the federal controlled substances laws, including the requirements governing the use of order forms.

(9) Possession of or control of controlled substances obtained as authorized by this section shall be lawful if in the regular course of business, occupation, profession, employment, or duty of the possessor.

(10) The manufacturer that provides any legend drug dispensed pursuant to subsections (4) and (7) of this section shall be required to pay for the cost of the nontoxic composition required by those subsections [Subsections (3), (4), (7), and (12) of this section shall not apply to veterinarians].

(11) The Kentucky Medicaid program shall not be required to provide payment for the provisions established in subsections (4) and (7) of this section.

(12) Any person who violates subsection (3) or (7) of this section shall be subject to a fine of five thousand [$5,000] dollars for the first violation, a fine of ten thousand [$10,000] dollars for the second violation, and a fine of fifteen thousand [$15,000] dollars for each subsequent violation.