A bill for an act

relating to health professions; modifying pharmacy-related license and registration renewal and application procedures; modifying inspection requirements for pharmacy licensure; authorizing rulemaking; establishing fees; amending Minnesota Statutes 2024, sections 151.065, subdivisions 4a, 4b, by adding subdivisions; 151.14; 151.19, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 151; repealing Minnesota Statutes 2024, section 151.13; Minnesota Rules, parts 6800.0400; 6800.1150.

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

Section 1. **[151.064] APPLICATION EXPIRATION.**

Unless otherwise exempted by this chapter or the rules of the board, an application for initial license or registration, renewal, or reinstatement expires if an applicant, licensee, or registrant fails to complete the application within 12 months of the date the board received the application.

Sec. 2. Minnesota Statutes 2024, section 151.065, subdivision 4a, is amended to read:

Subd. 4a. **Application and fee; relocation.** A person who is registered with or licensed by the board must submit a new application to the board before relocating the physical location of the person's business. An application must be submitted for each affected license. The application must set forth the proposed change of location on a form established by the board. If the licensee or registrant remitted payment for the full amount during the state's fiscal year, the relocation application fee is the same as the application fee in subdivision 1, except that the fees in subdivision 1, clauses (6) to (9) and (11) to ~~(16)~~ (15), are reduced by $5,000 and the fee in subdivision 1, clause (16), is reduced by $55,000. If the application is made within ~~60~~ 90 days before the date of the original license or registration expiration,

the applicant must pay the full application fee provided in subdivision 1. Upon approval of an application for a relocation, the board shall issue a new license or registration.

Sec. 3. Minnesota Statutes 2024, section 151.065, subdivision 4b, is amended to read:

Subd. 4b. **Application and fee; change of ownership.** (a) A person who is registered with or licensed by the board must submit a new application to the board before changing the ownership of the licensee or registrant. An application must be submitted for each affected license. The application must set forth the proposed change of ownership on a form established by the board. If the licensee or registrant remitted payment for the full amount during the state's fiscal year, the application fee is the same as the application fee in subdivision 1, except that the fees in subdivision 1, clauses (6) to (9) and (11) to ~~(16)~~ (15), are reduced by $5,000 and the fee in subdivision 1, clause (16), is reduced by $55,000. If the application is made within ~~60~~ 90 days before the date of the original license or registration expiration, the applicant must pay the full application fee provided in subdivision 1. Upon approval of an application for a change of ownership, the board shall issue a new license or registration.

(b) The following constitute a change in ownership:

(1) the sale of all or substantially all of the assets of the licensee or registrant;

(2) the addition or removal of one or more partners in a partnership to which a license has been issued;

(3) the transfer of 20 percent or more of the issued voting stock of the licensee or registrant since the original issuance of the license or registration;

(4) the transfer of 20 percent or more ownership interest in the licensee or registrant since the original issuance of the license or registration;

(5) a change in business structure of an owner who possesses 20 percent or more of the issued voting stock of the licensee or registrant; and

(6) a change in business structure of an owner who possesses 20 percent or more ownership interest in the licensee or registrant.

(c) Paragraph (b), clauses (3) and (4), do not apply if the issued voting stock of the licensee or registrant is actively traded on any securities exchange or any over-the-counter market.

(d) "Change in business structure" means a change in the structure of a business between a sole proprietorship, partnership, limited liability company, or corporation.

Sec. 4. Minnesota Statutes 2024, section 151.065, is amended by adding a subdivision to read:

Subd. 4c. **Application and fee; change in business structure.** (a) A person who is registered with or licensed by the board must submit a new application to the board before changing the business structure of the licensee or registrant. A person must submit an application for each affected license. The application must set forth the proposed change of business structure on a form established by the board. If the licensee or registrant remitted payment for the full amount during the state's fiscal year, the application fee is the same as the application fee in subdivision 1, except that the fees in subdivision 1, clauses (6) to (9) and (11) to (15), are reduced by $5,000 and the fee in subdivision 1, clause (16), is reduced by $55,000. If the person submits the application within 90 days before the date of the original license or registration expiration, the applicant must pay the full application fee provided in subdivision 1. Upon approval of an application for a change in business structure, the board shall issue a new license or registration.

(b) "Changing the business structure" means a change in the structure of a business between a sole proprietorship, partnership, limited liability company, or corporation.

Sec. 5. Minnesota Statutes 2024, section 151.065, is amended by adding a subdivision to read:

Subd. 4d. **Temporary use of license or registration.** Unless otherwise exempted by this chapter or the rules of the board, if the physical location of a person's business, the ownership of the licensee or registrant, or the business structure of the licensee or registrant changes under subdivision 4a, 4b, or 4c, the original license or registration expires when the board issues a new license or registration or 30 days after the effective date of the change, whichever is earlier. An expired license or registration is void. A licensee or registrant must surrender an expired license or registration to the board.

Sec. 6. **[151.099] POSTING REQUIREMENT.**

A licensee or registrant must post the license or registration most recently issued by the board in a conspicuous place within or adjacent to the licensed or registered facility at which the licensee or registrant is employed.

Sec. 7. **[151.125] LICENSE AND REGISTRATION EXPIRATION AND RENEWAL.**

Subdivision 1. **License expiration and renewal.** (a) A pharmacist license expires on the last day of February each year. A pharmacist must renew the license annually by filing

an application for license renewal and submitting the fee established in section 151.065 on or before February 1 each year. A pharmacist license renewal application received after February 1 is subject to the late filing fee in section 151.065.

(b) A pharmacy license expires June 30 each year. A pharmacy must renew the license annually by filing an application for license renewal and submitting the fee established in section 151.065 on or before June 1 each year. A pharmacy license renewal application received after June 1 is subject to the late filing fee in section 151.065.

(c) A manufacturer license expires May 31 each year. A manufacturer must renew the license annually by filing an application for license renewal and submitting the fee established in section 151.065 on or before May 1 each year. A manufacturer license renewal application received after May 1 is subject to the late filing fee in section 151.065.

(d) A wholesale distributor license expires May 31 each year. A wholesale distributor must renew the license annually by filing an application for license renewal and submitting the fee established in section 151.065 on or before May 1 each year. A wholesale distributor license renewal application received after May 1 is subject to the late filing fee in section 151.065.

(e) A third-party logistics provider license expires October 31 each year. A third-party logistics provider must renew the license annually by filing an application for license renewal and submitting the fee established in section 151.065 on or before October 1 each year. A third-party logistics provider license renewal application received after October 1 is subject to the late filing fee in section 151.065.

Subd. 2. **Registration and permit expiration and renewal.** (a) A pharmacy technician registration expires December 31 each year. A pharmacy technician must renew the registration annually by filing an application for registration renewal and submitting the fee established in section 151.065 on or before December 1 each year. A technician registration renewal application received after December 1 is subject to the late filing fee in section 151.065.

(b) A controlled substance researcher permit expires May 31 each year. A controlled substance researcher must renew the permit annually by filing an application for permit renewal and submitting the fee established in section 151.065 on or before May 1 each year. A controlled substance researcher renewal application received after May 1 is subject to the late filing fee in section 151.065.

(c) A medical gas dispenser registration expires November 30 each year. A medical gas dispenser must renew the registration annually by filing an application for registration

renewal and submitting the fee established in section 151.065 on or before November 1 each year. A medical gas dispenser registration renewal application received after November 1 is subject to the late filing fee in section 151.065.

Subd. 3. **Time limit for renewal.** (a) Unless otherwise exempted in this chapter or by the rules of the board, a pharmacist or pharmacy technician must not pursue renewal under this section if a license or registration has been expired for more than 24 months and must instead pursue reinstatement under section 151.14. A pharmacist may apply for renewal within 24 months of expiration without examination.

(b) Unless otherwise exempted by this chapter or by the rules of the board, a licensee or registrant not subject to paragraph (a) must not pursue renewal under this section if a license or registration has been expired for more than 12 months and must instead pursue reinstatement under section 151.14.

Subd. 4. **Prohibition on practice.** A licensee or registrant whose license or registration has expired must not practice using that license or registration until the license or registration is either renewed under this section or reinstated under section 151.14.

Sec. 8. Minnesota Statutes 2024, section 151.14, is amended to read:

151.14 REINSTATEMENTS.

(a) Any ~~person~~ pharmacist or pharmacy technician who has been licensed or registered by the board and has defaulted in the payment of the renewal fee may ~~be reinstated within two years~~ apply for reinstatement after 24 months of such default ~~without examination~~, upon payment of ~~the~~ any fees and late fees in arrears and upon compliance with the ~~provisions of section 151.13, subdivision 2~~ continuing education requirements under this chapter and the rules of the board.

(b) Unless otherwise exempted in this chapter or by the rules of the board, a licensee or registrant not subject to paragraph (a) may apply for reinstatement of an expired license or registration after 12 months from the expiration by paying all late and renewal fees and all arrears in section 151.065.

Sec. 9. **[151.145] EXTENSION AND PRORATION OF INITIAL, LATE RENEWAL, AND REINSTATEMENT APPLICATIONS.**

If the board receives an initial, late renewal, or reinstatement application within 90 days before the applicable license or registration type expires under section 151.125, subdivision

1 or 2, the board may extend the license or registration date for that applicant to the subsequent calendar year and prorate the application fee accordingly.

Sec. 10. Minnesota Statutes 2024, section 151.19, subdivision 1, is amended to read:

Subdivision 1. **Pharmacy licensure requirements.** (a) No person shall operate a pharmacy without first obtaining a license from the board and paying any applicable fee specified in section 151.065. The license shall be displayed in a conspicuous place in the pharmacy for which it is issued and expires on June 30 following the date of issue. It is unlawful for any person to operate a pharmacy unless ~~the~~ a license has been issued to the person by the board.

(b) Application for a pharmacy license under this section shall be made in a manner specified by the board.

(c) No license shall be issued or renewed for a pharmacy located within the state unless the applicant agrees to operate the pharmacy in a manner prescribed by federal and state law and according to rules adopted by the board. No license shall be issued or renewed for a pharmacy located outside of the state unless the applicant agrees to operate the pharmacy in a manner prescribed by federal law and, when dispensing medications for residents of this state, the laws of this state, and Minnesota Rules.

(d) No license shall be issued or renewed for a pharmacy that is required to be licensed or registered by the state in which it is physically located unless the applicant supplies the board with proof of such licensure or registration.

(e) The board shall require a separate license for each pharmacy located within the state and for each pharmacy located outside of the state at which any portion of the dispensing process occurs for drugs dispensed to residents of this state.

(f) Prior to the issuance of an initial or renewed license for a pharmacy, the board may require the pharmacy to pass an inspection conducted by an authorized representative of the board. In the case of a pharmacy located outside of the state, ~~the board may require the applicant to pay the cost of the inspection, in addition to the license fee in section 151.065, unless~~ the applicant ~~furnishes~~ must furnish the board with a report, issued by the appropriate regulatory agency of the state in which the facility is located, of an inspection that has occurred within the 24 months immediately preceding receipt of the license application by the board. The board may ~~deny licensure~~ refuse to issue or renew any license or may deny a category of license under Minnesota Rules, part 6800.0350, unless the applicant submits

documentation satisfactory to the board that any deficiencies noted in an inspection report have been corrected.

(g) The board shall not issue an initial or renewed license for a pharmacy located outside of the state unless the applicant discloses and certifies:

(1) the location, names, and titles of all principal corporate officers and all pharmacists who are involved in dispensing drugs to residents of this state;

(2) that it maintains its records of drugs dispensed to residents of this state so that the records are readily retrievable from the records of other drugs dispensed;

(3) that it agrees to cooperate with, and provide information to, the board concerning matters related to dispensing drugs to residents of this state;

(4) that, during its regular hours of operation, but no less than six days per week, for a minimum of 40 hours per week, a toll-free telephone service is provided to facilitate communication between patients in this state and a pharmacist at the pharmacy who has access to the patients' records; the toll-free number must be disclosed on the label affixed to each container of drugs dispensed to residents of this state; and

(5) that, upon request of a resident of a long-term care facility located in this state, the resident's authorized representative, or a contract pharmacy or licensed health care facility acting on behalf of the resident, the pharmacy will dispense medications prescribed for the resident in unit-dose packaging or, alternatively, comply with section 151.415, subdivision 5.

(h) This subdivision does not apply to a manufacturer licensed under section 151.252, subdivision 1, a wholesale drug distributor licensed under section 151.47, or a third-party logistics provider, to the extent the manufacturer, wholesale drug distributor, or third-party logistics provider is engaged in the distribution of dialysate or devices necessary to perform home peritoneal dialysis on patients with end-stage renal disease, if:

(1) the manufacturer or its agent leases or owns the licensed manufacturing or wholesaling facility from which the dialysate or devices will be delivered;

(2) the dialysate is comprised of dextrose or icodextrin and has been approved by the United States Food and Drug Administration;

(3) the dialysate is stored and delivered in its original, sealed, and unopened manufacturer's packaging;

(4) the dialysate or devices are delivered only upon:

(i) receipt of a physician's order by a Minnesota licensed pharmacy; and

(ii) the review and processing of the prescription by a pharmacist licensed by the state in which the pharmacy is located, who is employed by or under contract to the pharmacy;

(5) prescriptions, policies, procedures, and records of delivery are maintained by the manufacturer for a minimum of three years and are made available to the board upon request; and

(6) the manufacturer or the manufacturer's agent delivers the dialysate or devices directly to:

(i) a patient with end-stage renal disease for whom the prescription was written or the patient's designee, for the patient's self-administration of the dialysis therapy; or

(ii) a health care provider or institution, for administration or delivery of the dialysis therapy to a patient with end-stage renal disease for whom the prescription was written.

Sec. 11. **REPEALER.**

(a) Minnesota Statutes 2024, section 151.13, is repealed.

(b) Minnesota Rules, parts 6800.0400; and 6800.1150, are repealed.