

ASSEMBLY BILL NO. 307—ASSEMBLYMEN LESLIE, GIUNCHIGLIANI,
CONKLIN, MCCLAIN, KOIVISTO, ANDERSON, ATKINSON,
CHOWNING, COLLINS, HORNE, MORTENSON AND PARKS

MARCH 13, 2003

JOINT SPONSOR: SENATOR WIENER

Referred to Concurrent Committees on Elections,
Procedures, and Ethics and Ways and Means

SUMMARY—Creates Silver State Commission on Prescription
Drugs. (BDR 17-165)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Yes.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to health care; creating the Silver State
Commission on Prescription Drugs; prescribing the
membership and duties of the Commission; providing for
the payment of compensation, per diem allowances and
travel expenses for certain members of the Commission;
and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- 1 **Section 1.** Chapter 218 of NRS is hereby amended by adding
- 2 thereto the provisions set forth as sections 2 to 8, inclusive, of this
- 3 act.
- 4 **Sec. 2.** *As used in sections 2 to 8, inclusive, of this act,*
- 5 *“Commission” means the Silver State Commission on Prescription*
- 6 *Drugs created pursuant to section 3 of this act.*
- 7 **Sec. 3. 1.** *The Silver State Commission on Prescription*
- 8 *Drugs is hereby created. The membership of the Commission*
- 9 *consists of:*
- 10 (a) *The following voting members:*



- 1 (1) *The Chairman of the Senate Standing Committee on*
2 *Human Resources and Facilities during the immediately*
3 *preceding session of the Legislature, or a member of that*
4 *Committee during the immediately preceding session of the*
5 *Legislature appointed by the Chairman.*
- 6 (2) *The Chairman of the Assembly Standing Committee on*
7 *Health and Human Services during the immediately preceding*
8 *session of the Legislature, or a member of that Committee during*
9 *the immediately preceding session of the Legislature appointed by*
10 *the Chairman.*
- 11 (3) *Three members appointed by the Governor as follows:*
 - 12 (I) *A representative of the Nevada Hospital Association;*
 - 13 (II) *A representative of the Nevada State Medical*
14 *Association; and*
 - 15 (III) *A member of the general public.*
- 16 (4) *Three members appointed by the Speaker of the*
17 *Assembly as follows:*
 - 18 (I) *A representative of the Nevada State Office of the*
19 *American Association of Retired Persons;*
 - 20 (II) *A representative of the Nevada Health Care Reform*
21 *Project; and*
 - 22 (III) *A representative of the Hotel Employees and*
23 *Restaurant Employees International Union Welfare Fund.*
- 24 (5) *Three members appointed by the Majority Leader of the*
25 *Senate as follows:*
 - 26 (I) *A representative of the Nevada Association of Health*
27 *Plans;*
 - 28 (II) *A representative of the Retail Association of*
29 *Nevada; and*
 - 30 (III) *A representative of the Pharmaceutical Research*
31 *and Manufacturers of America.*
- 32 (b) *The following nonvoting members:*
 - 33 (1) *The Director, or his designee, of the Department of*
34 *Human Resources;*
 - 35 (2) *The Chief, or his designee, of the Purchasing Division*
36 *of the Department of Administration;*
 - 37 (3) *The Executive Officer of the Public Employees'*
38 *Benefits Program or a representative appointed by the Board of*
39 *the Public Employees' Benefits Program;*
 - 40 (4) *The Director, or his designee, of the Department of*
41 *Corrections; and*
 - 42 (5) *The Secretary, or his designee, of the State Board of*
43 *Pharmacy.*
- 44 2. *The Speaker of the Assembly shall select the initial*
45 *Chairman of the Commission. After the initial selection,*



1 *chairmanship of the Commission shall alternate each biennium*
2 *between the houses of the Legislature, with the Speaker of the*
3 *Assembly and the Majority Leader of the Senate alternating*
4 *the selection of the Chairman. If a vacancy occurs in the*
5 *chairmanship, the vacancy must be filled in the same manner as*
6 *the original selection for the remainder of the unexpired term.*

7 3. *Each voting member of the Commission who is not a*
8 *Legislator serves a term of 2 years commencing on July 1 of each*
9 *odd-numbered year.*

10 4. *A member of the Commission who is not a candidate for*
11 *reelection or who is defeated for reelection continues to serve until*
12 *the convening of the next regular session of the Legislature.*

13 5. *A vacancy on the Commission must be filled in the same*
14 *manner as the original appointment.*

15 **Sec. 4.** 1. *The members of the Commission shall meet*
16 *throughout the year at the times and places specified by a call of*
17 *the Chairman or a majority of the members of the Commission.*
18 *The Director of the Legislative Counsel Bureau or his designee*
19 *shall serve as the nonvoting Recording Secretary of the*
20 *Commission. Six members of the Commission constitute a*
21 *quorum, and a quorum may exercise all the power and authority*
22 *conferred on the Commission.*

23 2. *The Commission shall prescribe regulations for its own*
24 *management and government.*

25 3. *Except during a regular or special session of the*
26 *Legislature, for each day or portion of a day during which a*
27 *member of the Commission who is a Legislator attends a meeting*
28 *of the Commission or is otherwise engaged in the work of the*
29 *Commission, he is entitled to receive the:*

30 (a) *Compensation provided for a majority of the members of*
31 *the Legislature during the first 60 days of the preceding regular*
32 *session;*

33 (b) *Per diem allowance provided for state officers and*
34 *employees generally; and*

35 (c) *Travel expenses provided pursuant to NRS 218.2207.*

36 4. *Each voting member of the Commission who is not a*
37 *Legislator serves without salary, except that he is entitled to*
38 *receive the per diem allowance and travel expenses provided for*
39 *state officers and employees generally for each day or portion of a*
40 *day during which he attends a meeting of the Commission or is*
41 *otherwise engaged in the work of the Commission.*

42 5. *The compensation, per diem allowances and travel*
43 *expenses of the voting members of the Commission must be paid*
44 *from the Legislative Fund.*



1 **Sec. 5. 1.** *The Commission shall analyze, compile, review,*
2 *recommend and report on issues related to:*

3 *(a) Pharmaceutical programs that are designed to reduce the*
4 *price of prescription drugs for:*

5 *(1) Persons of low income in this state;*

6 *(2) Enrollees in this state's health benefits plan; and*

7 *(3) Participants in programs administered by this state that*
8 *make available or provide prescription drugs;*

9 *(b) Prescription drug buying clubs that are used in other states*
10 *and the potential for such clubs to assist the residents of this state*
11 *in reducing their expenses for prescription drugs;*

12 *(c) Methods to access manufacturer rebates for prescription*
13 *drugs to assist the residents of this state in reducing their expenses*
14 *for prescription drugs;*

15 *(d) Interagency bulk purchasing and interstate buying of*
16 *prescription drugs to reduce the prices of prescription drugs for*
17 *this state's programs and health benefits plan;*

18 *(e) Methods to negotiate for lower prices on prescription drugs*
19 *and a plan to carry out the methods; and*

20 *(f) Methods to control the prices of prescription drugs for this*
21 *state's programs that provide pharmaceutical assistance to*
22 *persons of low income in this state and for enrollees in this state's*
23 *health benefits plan.*

24 **2.** *The Commission may conduct investigations and hold*
25 *hearings in connection with its duties pursuant to this section.*

26 **Sec. 6.** *On or before July 1 of each even-numbered year, the*
27 *Commission shall submit a report of its activities and any*
28 *recommendations for legislation to the:*

29 **1.** *Governor;*

30 **2.** *Director of the Legislative Counsel Bureau for*
31 *transmission to the Legislative Commission;*

32 **3.** *Research Division of the Legislative Counsel Bureau for*
33 *transmission to the Legislative Committee on Health Care;*

34 **4.** *Fiscal Analysis Division of the Legislative Counsel Bureau*
35 *for transmission to the Interim Finance Committee; and*

36 **5.** *The Director of the Department of Human Resources.*

37 **Sec. 7. 1.** *If the Commission conducts investigations or*
38 *holds hearings pursuant to section 5 of this act:*

39 *(a) The Secretary of the Commission or, in his absence, a*
40 *member designated by the Chairman of the Commission may*
41 *administer oaths.*

42 *(b) The Secretary or Chairman of the Commission may cause*
43 *the deposition of witnesses, residing either within or outside of this*
44 *state, to be taken in the manner prescribed by rule of court for*
45 *taking depositions in civil actions in the district courts.*



1 (c) *The Chairman of the Commission may issue subpoenas to*
2 *compel the attendance of witnesses and the production of books*
3 *and papers.*

4 2. *If a witness refuses to attend or testify or produce books or*
5 *papers as required by the subpoena, the Chairman of the*
6 *Commission may report to the district court by a petition which*
7 *sets forth that:*

8 (a) *Due notice has been given of the time and place of*
9 *attendance of the witness or the production of the books or papers;*

10 (b) *The witness has been subpoenaed by the Commission*
11 *pursuant to this section; and*

12 (c) *The witness has failed or refused to attend or produce the*
13 *books or papers required by the subpoena before the Commission*
14 *that is named in the subpoena, or has refused to answer questions*
15 *propounded to him.*

16 *The petition may request an order of the court compelling the*
17 *witness to attend and testify or produce the books and papers*
18 *before the Commission.*

19 3. *Upon such a petition, the court shall enter an order*
20 *directing the witness to appear before the court at a time and place*
21 *to be fixed by the court in its order, the time to be not more than*
22 *10 days after the date of the order, and to show cause why he has*
23 *not attended or testified or produced the books or papers before*
24 *the Commission. A certified copy of the order must be served upon*
25 *the witness.*

26 4. *If it appears to the court that the subpoena was regularly*
27 *issued by the Commission, the court shall enter an order that the*
28 *witness appear before the Commission at the time and place fixed*
29 *in the order and testify or produce the required books or papers.*
30 *Failure to obey the order constitutes contempt of court.*

31 **Sec. 8.** *Each witness who appears before the Commission by*
32 *its order, except a state officer or employee, is entitled to receive*
33 *for his attendance the fees and mileage provided for witnesses in*
34 *civil cases in the courts of record of this state. The fees and*
35 *mileage must be audited and paid upon the presentation of proper*
36 *claims sworn to by the witness and approved by the Secretary and*
37 *Chairman of the Commission.*

38 **Sec. 9.** *As soon as practicable before July 1, 2003, the*
39 *Governor, the Speaker of the Assembly and the Majority Leader of*
40 *the Senate shall make appointments to the Silver State Commission*
41 *on Prescription Drugs pursuant to section 3 of this act.*

42 **Sec. 10.** *This act becomes effective upon passage and*
43 *approval.*

