Amendment No. 154

Senate Amendment to S	(BDR 54-50)						
Proposed by: Senate Committee on Commerce and Labor							
Amends: Summary: No	Title: Yes Preamble: No	Joint Sponsorship: No	Digest: Yes				

ASSEMBLY	'AC'	TION	Initial and Date		SENATE ACTIO	ΟN	Initial and Date
Adopted		Lost			Adopted	Lost	
Concurred In		Not		I	Concurred In	Not	
Receded		Not		1	Receded	Not	

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) variations of <u>green bold underlining</u> is language proposed to be added in this amendment; (3) <u>red strikethrough</u> is deleted language in the original bill; (4) <u>purple double strikethrough</u> is language proposed to be deleted in this amendment; (5) <u>orange double underlining</u> is deleted language in the original bill proposed to be retained in this amendment.

DAN/EWR Date: 4/16/2023

S.B. No. 203—Prohibits certain gifts by a manufacturer or wholesaler of drugs or medical devices to a practitioner. (BDR 54-50)



SENATE BILL NO. 203-SENATOR DONATE

MARCH 2, 2023

Referred to Committee on Commerce and Labor

SUMMARY—Prohibits certain gifts by a manufacturer or wholesaler of drugs or medical devices to a practitioner. (BDR 54-50)

FISCAL NOTE: Effect on Local Government: Increases or Newly Provides for Term of Imprisonment in County or City Jail or Detention Facility.

Effect on the State: No.

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EXPLANATION - Matter in **bolded italics** is new; matter between brackets [formitted material] is material to be omitted.

AN ACT relating to pharmacy; prohibiting a wholesaler or manufacturer of drugs, medicines, chemicals or medical devices or appliances from offering or giving a gift to a practitioner; requiring [such a wholesaler or] the State Board of Pharmacy to provide a link on its Internet website to certain information concerning gifts provided by a manufacturer [to submit a report concerning certain compensation and items provided] to a practitioner; providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law defines the term "practitioner" to refer to persons who are authorized to prescribe and dispense prescription drugs in this State. (NRS 639.0125) Section 2 of this bill prohibits a wholesaler or manufacturer of certain drugs, medicines, chemicals, devices or appliances or an agent of such a wholesaler or manufacturer from offering or giving a gift to a practitioner or otherwise directly or indirectly arranging, facilitating or serving as a conduit for such a gift. Section 2 provides that certain items and expenditures, including certain expenditures for education, medical or scientific purposes or purposes relating to policy, do not constitute gifts for that purpose. A person who violates the provisions of section 2 is subject to disciplinary action and guilty of a misdemeanor. (NRS 639.210, 639.310) Section 3 of this bill requires [a wholesaler or manufacturer to submit an annual report to] the State Board of Pharmacy [about certain compensation or items given to a practitioner that do not constitute gifts for the purposes of section 2. Sections 3 and 4 of this bill prohibit the public disclosure of proprietary or confidential business information in such a report.] to post on its Internet website a link to publicly available information concerning any gift provided to a practitioner by a manufacturer that is required to be reported pursuant to federal law. (42 U.S.C. § 1320a-7h)

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

- **Section 1.** Chapter 639 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this act.
- Sec. 2. 1. A wholesaler or manufacturer or any agent of a wholesaler or manufacturer shall not offer or give any gift to a practitioner or otherwise directly or indirectly arrange, facilitate or serve as a conduit for such a gift.
- 2. As used in this section, "gift" means any payment, conveyance, transfer, distribution, deposit, advance, loan, forbearance, subscription, pledge or rendering of money, services or anything else of value, unless consideration of equal or greater value is received. The term does not include:
- (a) A sample of a drug, medical device or appliance, medical food or infant formula provided to a practitioner for distribution to a patient at no cost;
- (b) A medical device or appliance loaned to a practitioner for a trial period of less than 120 days for the purpose of allowing the practitioner to evaluate the medical device or appliance;
- (c) Where the evaluation of a medical device or appliance pursuant to paragraph (b) requires the use or administration of a drug, a sample of such a drug provided to a practitioner who is evaluating the medical device or appliance;
- (d) A payment to the sponsor of an educational, medical, scientific or policy conference or seminar, if the payment is:
 - (1) Not made directly to a practitioner; and
 - (2) Used solely for a bona fide educational purpose;
- (e) A reasonable honorarium and payment of the reasonable expenses of a practitioner who serves on the faculty at an educational, medical, scientific or policy conference or seminar;
- (f) A scholarship or grant for a practitioner who is a resident or fellow to attend an educational, medical, scientific or policy conference or seminar if the recipient of the scholarship or grant is selected by the person organizing the conference or seminar;
- (g) A salary paid to a practitioner who is participating in a fellowship that is funded by a grant from a manufacturer or wholesaler if:
 - (1) The grant is applied for by the entity that employs the fellow;
- (2) The entity selects the fellow without considering the interests of the wholesaler or manufacturer; and
- (3) The name of the manufacturer or wholesaler is not included or referenced in the title of the fellowship or grant;
- (h) The provision of feoffee, snacks, refreshments or other items with a combined retail value in any calendar year of less than \$50;] or payment for modest meals and refreshments in connection with an educational presentation to inform a practitioner about the benefits, risks and appropriate uses of a prescription drug or medical device or other information concerning medicine or science, if the presentation:
- (1) Is made in a venue and manner conducive to such an informational presentation; and
 - (2) Is not a program of continuing education for the practitioner;
- (i) Compensation for the professional or consulting services of a practitioner in connection with a bona fide clinical trial or research project;
- (j) The provision, distribution or dissemination to a practitioner of peerreviewed academic, scientific or clinical articles or journals or other items that serve an educational function;

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(k) A royalty or licensing fee paid to a practitioner by a wholesaler or manufacturer for the right to use or purchase a patent or other intellectual property owned by the practitioner:

(l) A rebate or discount for a product provided in the normal course of business:

(m) A drug or medical device or appliance distributed free of charge or at a discounted price as part of a patient assistance program that is sponsored or funded by a manufacturer or wholesaler:

(n) Anything of value received as part of bona fide employment by or service as an independent contractor of a manufacturer or wholesaler or otherwise paid for or reimbursed as part of bona fide employment by or service as an independent contractor of a manufacturer or wholesaler; or

(o) Anything of value received from a person who is:

- (1) Related to the practitioner, or to the spouse or domestic partner of the practitioner, by blood, adoption, marriage or domestic partnership within the third degree of consanguinity or affinity; or
 - (2) A member of the household of the practitioner.
- Sec. 3. [1. On or before March 1 of each year, a wholesaler and manufacturer shall submit to the Board on the form prescribed by the Board a report concerning each payment, honorarium, reimbursement or other compensation or item described in paragraphs (d) to (k), inclusive, of section 2 of this act given by the manufacturer or wholesaler to a practitioner in this State during the immediately preceding calendar year. Such a report must provide, for each payment, honorarium, reimbursement or other compensation or item:
- (a) The value of the payment, honorarium, reimbursement or other compensation or item;
- (b) A description of the purpose of the payment, honorarium, reimbursement or other compensation or item;
- (c) The name and business address of the practitioner that received the payment, honorarium, reimbursement or other compensation or item: and
- (d) The name of any business entity with which the practitioner is associated. 2.1 The Board 1:
- (a) Shall shall post on its Internet website a link to information made available to the public pursuant to 42 U.S.C. § 1320a-7h concerning [each payment, honorarium, reimbursement or other compensation or item described in a report submitted pursuant to subsection 1: and
- (b) Shall not disclose any proprietary or confidential business information of a wholesaler, manufacturer or practitioner contained in such a report.] any gift provided to a practitioner by a manufacturer.

 Sec. 4. [NRS 239.010 is hereby amended to read as follows:
- 1. Except as otherwise provided in this section and NRS 1.4683, 1 4687 1A 110 3 2203 41.0397. 41.071. 49.095, 49.293, 62D.420, 62D.440, 62E.516. 62E.620. 62H.025. 62H.030. 62H.170. 62H.220. 62H.320. 75A.100. 75. 150. 76.160. 78.152. 80.113. 81.850. 82.183. 86.246. 86.54615. 87.515. 87.5413. 87A.200. 87A.580. 87A.640. 88.3355. 88.5027. 88.6067. 88A.345. 88A.7345, 89.045, 89.251, 90.730, 91.160, 116.757, 116A.270, 116B.880, 118B.026, 119.260, 119.265, 119.267, 119.280, 119A.280, 119A.653, 119A.677, 119B.370, 119B.382, 120A.640, 120A.690, 125.130, 125B.140, 126.141, 126.161, 126.163, 126.730, 127.007, 127.057, 127.130, 127.140, 127.2817, 128.090, 130.312. 130.712. 136.050. 159.044. 159A.044. 172.075. 172.245. 176.015. 176.0625. 176.00129. 176.156. 176A.630. 178.30801. 178.4715. 178.5601. 179.495, 179A.070, 179A.165, 179D.160, 200.3771, 200.3772, 200.5095, 200.604, 202.3662, 205.4651, 209.302, 209.3023, 209.3025, 209.419, 209.429, 209.521

211A.140, 213.010, 213.040, 213.095, 213.131, 217.105, 218E.625 218F.150, 218G.130, 218G.240 2 3 4 222 1260 222 100 227 200 220 0105 220 0112 220 014 220P 026 239B.040. 239B.050. 239C.140. 239C.210, 239C.230, 239C.250, 5 6 240.007, 241.020, 241.030, 241.039, 242.105, 244.264 7 247.550, 247.560, 250.087, 250.130, 250.140, 250.150 8 268.490, 268.910, 269.174, 271A.105, 281.195, 281.805, 281A.350, 9 281A.685, 281A.750, 281A.755, 281A.780, 284.4068, 10 286 110 286 118 287 0428 280 025 280 080 287 280 830 202 4955 11 293.504. 293.558. 293.5757 293.870. 293.906 293.010. 293B.135. 293D.510. 331.110. 332.061. 12 38.1379. 338.1593. 338.1725. 338.1727. 13 248 420 349.597 353.205, 353A.049, 353A.085, 353A.100, 353C.240, 360.240, 360.247, 360.255, 14 15 361.044. 361.2242. 361.610. 365.138. 366.160. 368A.180. 327, 372A,080, 378,200, 378,300, 379,0075, 379,008, 379,1495, 385A,830 16 385B.100, 387.626, 387.631, 388.1455, 388.259, 388.501, 388.503 17 388.750. 388A.247. 388A.249. 301.033. 301.035. 301.0365. 301.120. 301.025 18 392.029, 392.147, 392.264, 392.271, 392.315, 392.317, 392.325, 392.327, 392.335 19 20 392.850. 393.045. 394.167. 394.16975. 394.1698. 394.447. 394.460. 394.465 21 396.1415, 396.1425, 396.143, 396.159, 396.3295, 396.405, 396.525, 308 A. 115, 408 3885, 408 3886, 408 3888, 408 5484, 412 153 22 23 416.070, 422.2749, 422.305, 422A,342, 422A,350, 425.400, 427A,1236 432B,280 432B.200 24 432B.560, 432B.5902, 432C.140, 432C.150, 433.534 25 26 430,4041, 430,4088, 430,840, 430,014, 430A,116, 430A,124, 430B,420, 430B,754 439B.760, 439B.845, 440.170, 441A.105, 441A.220, 441A.230, 442.330, 442.395 27 .735, 442.774, 445A.665, 445B.570, 445B.7773, 447.345, 449.209, 449.245 28 29 449A.112, 450.140, 450B.188, 450B.805 453.164, 453.720, 458.055 450 050 450 3866 450 555 450 7056 450 846 463 120 30 31 463.3407, 463.790, 467.1005, 480.535, 480.545 32 180 040 481.001. 481.003 482.170. 482.368. 183 800 1844 160 184B 830 184B 833 33 522.040, 534A.031, 561.285 34 35 877, 508,0064, 508,008, 508A,110, 508A,420, 500B,000, 603,070, 603A 612.265 616B.012 616B.015 36 37 618.341, 618.425, 622.238, 622.310, 623.131, 623.1.137, 624.110 38 625.425, 625A.185, 628.418, 628B.230, 628B.760, 629.047, 630 2671 630 2672 630,2673 630 30665 630 336 630 A 39 631.332, 631.368, 632.121, 632.125, 632.3415, 632.3423, 632.405 40 41 283, 633,301, 633,4715, 633,4716, 633,4717, 633,524, 634,055 634A.169, 634A.185, 635.111, 635.158, 636.262, 42 7.145, 637B.192, 637B.288, 638.087, 638.089, 639.183, 639.2485, 639.570. 43 640A.220. 640B.405. 640B.730 44 640A.185 640C.745, 640C.760. 640D.135 640D 100 45 46 340, 641,090, 641,221, 641,2215, 641,325, 641 A, 191, 641 A, 217, 641 A 641B.170. 641B.281. 641B.282. 641C.455, 641C.760, 641D.260, 47 642.524, 643.189, 644A.870, 645.180, 645.625, 645A.050, 645A.082, 645B.060, 48 645B.092, 645C.220, 645C.225, 645D.130, 645D.135, 645G.510, 645H.320, 49 645H.330, 647,0945, 647,0947, 648,033, 648,197, 649,065, 649,067, 652,126, 50 . 653.900, 654.110, 656.105, 657A.510, 661.115, 665.130, 665.133, 51 669.285, 669A.310, 671.170, 673.450, 673.480, 675.380, 676A 52 676A.370. 677.243. 678A.470. 678C.710. 678C.800. 679B.122. 679B.124 53

679B.152, 679B.159, 679B.190, 679B.285, 679B.690, 680A.270, 681A.440, 681B.260, 681B.410, 681B.540, 683A.0873, 685A.077, 686A.289, 686B.170, 2 3 686C.306, 687A.060, 687A.115, 687B.404, 687C.010, 688C.230, 688C.480, 688C.490, 689A.696, 692A.117, 692C.190, 692C.3507, 692C.3536, 692C.3538, 4 692C.354, 692C.420, 693A.480, 693A.615, 696B.550, 696C.120, 703.196, 704B.325, 706.1725, 706A.230, 710.159, 711.600, and section 3 of this act, 5 6 7 sections 35, 38 and 41 of chapter 478, Statutes of Nevada 2011 and section 2 of chapter 391, Statutes of Nevada 2013 and unless otherwise declared by law to be 8 9 confidential, all public books and public records of a governmental entity must be 10 open at all times during office hours to inspection by any person, and may be fully 11 copied or an abstract or memorandum may be prepared from those public books 12 and public records. Any such copies, abstracts or memoranda may be used to 13 supply the general public with copies, abstracts or memoranda of the records or 14 may be used in any other way to the advantage of the governmental entity or of the general public. This section does not supersede or in any manner affect the federal 15 16 laws governing copyrights or enlarge, diminish or affect in any other manner the 17 rights of a person in any written book or record which is copyrighted pursuant to 18 federal law. 19

- 2. A governmental entity may not reject a book or record which is copyrighted solely because it is copyrighted.
- 3. A governmental entity that has legal custody or control of a public book or record shall not deny a request made pursuant to subsection 1 to inspect or copy or receive a copy of a public book or record on the basis that the requested public book or record contains information that is confidential if the governmental entity can redact, delete, conceal or separate, including, without limitation, electronically, the confidential information from the information included in the public book or record that is not otherwise confidential.
- 1. If requested, a governmental entity shall provide a copy of a public record in an electronic format by means of an electronic medium. Nothing in this subsection requires a governmental entity to provide a copy of a public record in an electronic format or by means of an electronic medium if:
- 32 (a) The public record:

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- (1) Was not created or propared in an electronic format; and
- (2) Is not available in an electronic format; or
- (b) Providing the public record in an electronic format or by means of an electronic medium would:
 - (1) Give access to proprietary software; or
- (2) Require the production of information that is confidential and that cannot be redacted, deleted, concealed or separated from information that is not otherwise confidential.
- 5. An officer, employee or agent of a governmental entity who has legal custody or control of a public record:
- (a) Shall not refuse to provide a copy of that public record in the medium that is requested because the officer, employee or agent has already prepared or would prefer to provide the copy in a different medium.
- (b) Except as otherwise provided in NRS 239.030, shall, upon request, prepare the copy of the public record and shall not require the person who has requested the copy to prepare the copy himself or herself.] (Deleted by amendment.)
 - Sec. 5. This act becomes effective on July 1, 2023.