SECOND SUBSTITUTE HOUSE BILL 1422

State of Washington 69th Legislature 2025 Regular Session

By House Appropriations (originally sponsored by Representatives Peterson, Davis, Thai, Ormsby, Hill, Macri, and Timmons; by request of Department of Health)

READ FIRST TIME 02/28/25.

- AN ACT Relating to modifying the drug take-back program by modifying fee and enforcement regulations and addressing program operator performance parity; and amending RCW 69.48.100, 69.48.110,
- 4 69.48.120, and 43.131.424.

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- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 **Sec. 1.** RCW 69.48.100 and 2018 c 196 s 10 are each amended to read as follows:
 - (1) By July 1st after the first full year of implementation, and each July 1st thereafter, a program operator must submit to the department a report describing implementation of the drug take-back program during the previous calendar year. The report must include:
- 12 (a) A list of covered manufacturers participating in the drug 13 take-back program;
- 14 (b) The amount, by weight, of covered drugs collected, including 15 the amount by weight from each collection method used;
- 16 (c) The following details regarding the program's collection 17 system: A list of collection sites with addresses; the number 18 mailers provided; locations where mailers provided, if were 19 applicable; dates and locations of collection events held, 20 applicable; and the transporters and disposal facility or facilities 21 used;

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(d) Whether any safety or security problems occurred during collection, transportation, or disposal of covered drugs, and if so, completed and anticipated changes to policies, procedures, or tracking mechanisms to address the problem and improve safety and security;

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- (e) A description of the public education, outreach, and evaluation activities implemented;
- 8 (f) A description of how collected packaging was recycled to the 9 extent feasible;
 - (g) A summary of the program's goals for collection amounts and public awareness, the degree of success in meeting those goals, and if ((any)) the program's goals have not been met, ((what effort will be made to achieve those goals the following year)) an explanation on why the goals were not met; ((and))
- 15 (h) The program's collection and public awareness goals for the 16 next year;
- 17 <u>(i)</u> The program's annual expenditures, itemized by program 18 category; and
- 19 <u>(j) An estimated budget for the next year, itemized by program</u> 20 <u>category</u>.
 - (2) Within thirty days after each annual period of operation of an approved drug take-back program, the program operator shall submit an annual collection amount report to the department that provides the total amount, by weight, of covered drugs collected from each collection site during the prior year.
 - (3) The department shall make reports submitted under this section available to the public through the internet.
 - (4) The department shall evaluate reports submitted under this section for compliance with this chapter, rules adopted under this chapter, and the program operator's department-approved plan.
- 31 (a) The department shall either approve reports or request
 32 revisions to bring them into compliance with applicable law or the
 33 program operator's department-approved plan. Revisions may include,
 34 but are not limited to, requests to add an explanation for any
 35 discrepancies between collected weight reported in collection reports
 36 and weight collected at kiosks reported in annual reports.
- 37 <u>(b) Program operators must submit any requested revisions to the</u> 38 <u>department within 30 days.</u>

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Sec. 2. RCW 69.48.110 and 2018 c 196 s 11 are each amended to read as follows:

- (1) The department may audit or inspect the activities and records of a drug take-back program to determine compliance with this chapter, rules adopted under this chapter, or investigate a complaint. Drug take-back programs must fully cooperate with the department during an audit, inspection, or investigation.
- (2) (a) The department shall send a written notice to a covered manufacturer that fails to participate in a drug take-back program as required by this chapter. The notice must provide a warning regarding the penalties for violation of this chapter.
- (b) A covered manufacturer that receives a notice under this subsection (2) may be assessed a penalty if, sixty days after receipt of the notice, the covered manufacturer continues to sell a covered drug in or into the state without participating in a drug take-back program approved under this chapter.
- (3) (a) The department may send a program operator a written notice warning of the penalties for noncompliance with this chapter if it determines that the program operator's drug take-back program is in violation of this chapter or does not conform to the proposal approved by the department. The department may assess a penalty on the program operator and participating covered manufacturers if the program does not come into compliance by thirty days after receipt of the notice.
- (b) The department may immediately suspend operation of a drug take-back program and assess a penalty if it determines that the program is in violation of this chapter and the violation creates a condition that, in the judgment of the department, constitutes an immediate hazard to the public or the environment.
- (4)(a) The department shall send a written notice to a drug wholesaler or a retail pharmacy that fails to provide a list of drug manufacturers to the department as required by RCW 69.48.040. The notice must provide a warning regarding the penalties for violation of this chapter.
- (b) A drug wholesaler or retail pharmacy that receives a notice under this subsection may be assessed a penalty if, sixty days after receipt of the notice, the drug wholesaler or retail pharmacy fails to provide a list of drug manufacturers.
- 39 (5) In enforcing the requirements of this chapter, the 40 department:

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(a) May require an informal administrative conference;

- (b) May require a person or entity to engage in or refrain from engaging in certain activities pertaining to this chapter;
- (c) May, in accordance with RCW 43.70.095, assess a civil fine of up to two thousand dollars. Each day upon which a violation occurs or is permitted to continue constitutes a separate violation. In determining the appropriate amount of the fine, the department shall consider the extent of harm caused by the violation, the nature and persistence of the violation, the frequency of past violations, any action taken to mitigate the violation, and the financial burden to the entity in violation; and
- 12 (d) May not prohibit a covered manufacturer from selling a drug 13 in or into the state of Washington.
- **Sec. 3.** RCW 69.48.120 and 2021 c 155 s 5 are each amended to 15 read as follows:
 - (1) (a) The department shall((: Determine its costs for the administration, oversight, and enforcement of the requirements of this chapter, including, but not limited to, a fee for proposal review, and the survey required under RCW 69.48.200; pursuant to RCW 43.70.250,)) set fees including, but not limited to, an annual operating fee, a fee for proposal review, and the survey required under RCW 69.48.200, at a level sufficient to ((recover)) cover the costs associated with administration, oversight, and enforcement; and adopt rules establishing requirements for program operator proposals.
 - (b) The department shall not impose any fees in excess of its actual administrative, oversight, and enforcement costs. The fees collected from each program operator in calendar year 2020 and any subsequent year may not exceed ten percent of the ((program's annual expenditures)) highest annual expenditures from any single program operator as reported to the department in the annual report required by RCW 69.48.100 and determined by the department.
 - (c) ((Adjustments to the department's fees may be made annually and shall not exceed actual administration, oversight, and enforcement costs. Adjustments for inflation may not exceed the percentage change in the consumer price index for all urban consumers in the United States as calculated by the United States department of labor as averaged by city for the twelve-month period ending with June of the previous year.

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1 (d))) The annual fee set by the department shall be evenly split 2 amongst each approved program operator. ((+e))) (d) The department shall collect annual operating fees 3 from each program operator by October 1, 2019, and annually 4 thereafter. 5 6 ((f) Between July 25, 2021, and January 1, 2024, the department shall collect a nonrefundable one-time fee of \$157,000 for review of 7 proposals from each potential program operator applicant as provided 8 in RCW 69.48.050.)) 9 (2) All fees collected under this section must be deposited in 10 the secure drug take-back program account established in RCW 11 12 69.48.130. 13 Sec. 4. RCW 43.131.424 and 2021 c 155 s 7 are each amended to read as follows: 14 15 The following acts or parts of acts, as now existing or hereafter 16 amended, are each repealed, effective January 1, 2030: 17 (1) RCW 69.48.010 and 2021 c 155 s 1 & 2018 c 196 s 1; 18 (2) RCW 69.48.020 and 2018 c 196 s 2; (3) RCW 69.48.030 and 2018 c 196 s 3; 19 20 (4) RCW 69.48.040 and 2018 c 196 s 4; (5) RCW 69.48.050 and 2021 c 155 s 3 & 2018 c 196 s 5; 21 (6) RCW 69.48.060 and $((\frac{2021 \text{ c } 65 \text{ s } 64 \text{ &}}{\text{c}}))$ 2021 c 65 s 642 & 22 2018 c 196 s 6; 23 24 (7) RCW 69.48.070 and 2021 c 155 s 4 & 2018 c 196 s 7; 25 (8) RCW 69.48.080 and 2018 c 196 s 8; (9) RCW 69.48.090 and 2018 c 196 s 9; 26 27 (10) RCW 69.48.100 and 2025 c ... s 1 (section 1 of this act) & 28 2018 c 196 s 10; (11) RCW 69.48.110 and 2025 c ... s 2 (section 2 of this act) & 29 30 2018 c 196 s 11; (12) RCW 69.48.120 and 2025 c ... s 3 (section 3 of this act), 31 2021 c 155 s 5_L & 2018 c 196 s 12; 32 (13) RCW 69.48.130 and 2018 c 196 s 13; 33 (14) RCW 69.48.140 and 2018 c 196 s 14; 34 (15) RCW 69.48.150 and 2018 c 196 s 15; 35 (16) RCW 69.48.160 and 2018 c 196 s 16; 36 (17) RCW 69.48.170 and 2018 c 196 s 17; 37 (18) RCW 69.48.180 and 2018 c 196 s 18; 38

(19) RCW 69.48.190 and 2018 c 196 s 19; and

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