HOUSE BILL 1422

State of Washington 69th Legislature 2025 Regular Session

By Representatives Peterson, Davis, Thai, Ormsby, Hill, Macri, and Timmons; by request of Department of Health

Read first time 01/20/25. Referred to Committee on Health Care & Wellness.

AN ACT Relating to modifying the drug take-back program by modifying fee and enforcement regulations and addressing program operator performance parity; amending RCW 69.48.100, 69.48.110, 69.48.120, 69.48.130, and 43.131.424; and adding a new section to chapter 69.48 RCW.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

7 Sec. 1. RCW 69.48.100 and 2018 c 196 s 10 are each amended to 8 read as follows:

9 (1) By July 1st after the first full year of implementation, and 10 each July 1st thereafter, a program operator must submit to the 11 department a report describing implementation of the drug take-back 12 program during the previous calendar year. The report must include:

(a) A list of covered manufacturers participating in the drugtake-back program;

(b) The amount, by weight, of covered drugs collected, includingthe amount by weight from each collection method used;

17 The following details regarding the program's collection (C) system: A list of collection sites with addresses; the number 18 of 19 mailers provided; locations where mailers provided, if were 20 applicable; dates and locations of collection events held, if

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1 applicable; and the transporters and disposal facility or facilities
2 used;

3 (d) Whether any safety or security problems occurred during 4 collection, transportation, or disposal of covered drugs, and if so, 5 completed and anticipated changes to policies, procedures, or 6 tracking mechanisms to address the problem and improve safety and 7 security;

8 (e) A description of the public education, outreach, and 9 evaluation activities implemented;

10 (f) A description of how collected packaging was recycled to the 11 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))

(h) <u>The program's collection and public awareness goals for the</u> <u>next year. Collection goals must be equal to, or exceed, the</u> <u>reporting year collection goals, and be equal to, or exceed, the</u> <u>lesser of:</u>

21 <u>(i) Collection goals of the other program operators for the</u> 22 <u>upcoming reporting year;</u>

23 <u>(ii) Actual collections of the other program operators for the</u> 24 <u>reporting year;</u>

25 <u>(i)</u> The program's annual expenditures, itemized by program 26 category; and

(j) An estimated budget for the next year, itemized by program category. If the estimated budget is less than 80 percent of the reporting period's budget, the report must explain why the lower budget will not result in less statewide access to the program or less weight collected.

32 (2) Within thirty days after each annual period of operation of 33 an approved drug take-back program, the program operator shall submit 34 an annual collection amount report to the department that provides 35 the total amount, by weight, of covered drugs collected from each 36 collection site during the prior year.

37 (3) The department shall make reports submitted under this
 38 section available to the public through the internet. <u>The department</u>
 39 <u>must include a description of the status of these reports, including</u>

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1 whether they have been approved by the department under subsection

2 (4) of this section.

3 <u>(4) The department shall evaluate reports submitted under this</u> 4 <u>section for compliance with this chapter, rules adopted under this</u> 5 <u>chapter, and the program operator's department-approved plan.</u>

6 <u>(a) The department shall either approve reports or request</u> 7 revisions to bring them into compliance with applicable law or the 8 program operator's department-approved plan. Revisions may include, 9 but are not limited to, requests to add an explanation for any 10 discrepancies between collected weight reported in collection reports 11 and weight collected at kiosks reported in annual reports.

12 (b) Program operators must submit any requested revisions to the 13 department within 30 days. The department may initiate enforcement 14 action as authorized in RCW 69.48.110 if the revisions submitted by 15 the program operator do not comply with the applicable law or the 16 program operator's department-approved plan.

17 Sec. 2. RCW 69.48.110 and 2018 c 196 s 11 are each amended to 18 read as follows:

19 (1) The department may audit or inspect the activities and 20 records of a drug take-back program to determine compliance with this 21 chapter, rules adopted under this chapter, or investigate a 22 complaint. Drug take-back programs must fully cooperate with the 23 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)) department's authority to assess a civil fine 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.

34 (3) (a) The department may send a program operator a written 35 notice warning of the penalties for noncompliance with this chapter 36 if it determines that the program operator's drug take-back program 37 is in violation of this chapter or does not conform to the proposal 38 approved by the department. The department may assess a penalty on 39 the program operator and participating covered manufacturers if the 1 program does not come into compliance by thirty days after receipt of

2 the notice.

3 (b) The department may immediately suspend operation of a drug 4 take-back program and assess a penalty if it determines that the 5 program is in violation of this chapter and the violation creates a 6 condition that, in the judgment of the department, constitutes an 7 immediate hazard to the public or the environment.

8 (4)(a)) In accordance with RCW 43.70.095, the department may 9 assess a civil fine of up to \$2,000 if, 60 days after receipt of the 10 notice, the covered manufacturer continues to sell a covered drug in, 11 or into, the state without participating in a drug take-back program 12 approved under this chapter. Each day upon which a violation occurs, 13 or is permitted to continue, constitutes a separate violation.

14 <u>(3)(a)</u> The department shall send a written notice to a drug 15 wholesaler or a retail pharmacy that fails to provide a list of drug 16 manufacturers to the department as required by RCW 69.48.040. The 17 notice must provide a warning regarding the ((penalties)) 18 <u>department's authority to assess a civil fine</u> for violation of this 19 chapter.

(b) ((A drug wholesaler or retail pharmacy that receives a notice under this subsection may be assessed a penalty if, sixty)) In accordance with RCW 43.70.095, the department may assess a civil fine of up to \$2,000 if, 60 days after receipt of the notice, the drug wholesaler or retail pharmacy fails to provide a list of drug manufacturers.

26 (((5) In enforcing the requirements of this chapter, the 27 department:

28 (a) May require an informal administrative conference;

29 (b) May require a person or entity to engage in or refrain from 30 engaging in certain activities pertaining to this chapter;

31 (c) May, in)) Each day upon which a violation occurs, or is 32 permitted to continue, constitutes a separate violation.

33 (4) (a) Except as provided in subsection (5) of this section, the 34 department may send a program operator and participating covered 35 manufacturers a written notice warning of the department's authority, 36 including civil fine authority, if it determines that the program 37 operator's drug take-back program is in violation of this chapter, 38 rules adopted under this chapter, or violates the proposal approved 39 by the department. 1 (b) If the program operator's drug take-back program does not 2 come into compliance within 30 days after receipt of the written 3 notice warning, the department may do one, or a combination of the 4 following actions:

(i) In accordance with RCW 43.70.095, assess a civil fine on the 5 6 program operator and participating covered manufacturers of up to ((two thousand dollars)) \$2,000 per violation. Each day upon which a 7 violation occurs, or is permitted to continue, constitutes a separate 8 violation((. In determining the appropriate amount of the fine, the 9 10 department shall consider the extent of harm caused by the violation, the nature and persistence of the violation, the frequency of past 11 violations, any action taken to mitigate the violation, and the 12 13 financial burden to the entity in violation; and

14 (d) May not prohibit a covered manufacturer from selling a drug 15 in or into the state of Washington)); or

16 (ii) Suspend, restrict, or impose reasonable conditions on the 17 approval of a program operator's drug take-back program.

18 (5) If the department determines that a program operator's drug 19 take-back program is in violation of this chapter, the rules adopted 20 under this chapter, or violates the proposal approved by the 21 department, and the violation creates a condition that, in the 22 judgment of the department, constitutes an immediate hazard to the 23 public or the environment, the department may:

24 <u>(a) Immediately suspend operation of a drug take-back program;</u>
25 <u>and</u>

26 (b) In accordance with RCW 43.70.095, assess a civil fine of up 27 to \$2,000. Each day upon which a violation occurs, or is permitted to 28 continue, constitutes a separate violation.

29 (6) Except as otherwise provided, RCW 43.70.115 governs notice of 30 actions taken by the department under this section and provides the right to an adjudicative proceeding. Adjudicative proceedings and 31 32 hearings are governed by the administrative procedure act, chapter 34.05 RCW. The application for an adjudicative proceeding must be in 33 34 writing, state the basis for contesting the adverse action, include a 35 copy of the department's notice, be served on and received by the department within 28 days of the person's receipt of the adverse 36 notice, and be served in a manner that shows proof of receipt. 37

38 (7) In determining the appropriate amount of the civil fine to 39 assess under subsections (2), (3), (4), and (5) of this section, the 40 department shall consider the extent of harm caused by the violation, 1 the nature and persistence of the violation, the frequency of past 2 violations, any action taken to mitigate the violation, and the 3 financial burden to the entity in violation.

4 (8) In enforcing the requirements of this chapter, the department 5 may:

6 (a) Require an informal administrative conference;

7 (b) Require a person or entity to engage in or refrain from 8 engaging in certain activities pertaining to this chapter; and

9 <u>(c) Not prohibit a covered manufacturer from selling a drug in or</u> 10 <u>into the state of Washington</u>.

11 Sec. 3. RCW 69.48.120 and 2021 c 155 s 5 are each amended to 12 read as follows:

The department shall((: Determine its costs for the 13 (1) (a) administration, oversight, and enforcement of the requirements of 14 this chapter, including, but not limited to, a fee for proposal 15 16 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 17 operating fee, a fee for proposal review, and the survey required 18 under RCW 69.48.200, at a level sufficient to ((recover)) cover the 19 20 costs associated with administration, oversight, and enforcement; and adopt rules establishing requirements for program operator proposals. 21

(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 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.

35 (d)) The annual <u>operating</u> fee set by the department shall be 36 evenly split amongst each approved program operator.

37 (((-))) <u>(c)</u> The department shall collect annual operating fees 38 from each program operator by October 1, 2019, and annually 39 thereafter. 1 (((f) Between July 25, 2021, and January 1, 2024, the department 2 shall collect a nonrefundable one-time fee of \$157,000 for review of 3 proposals from each potential program operator applicant as provided 4 in RCW 69.48.050.))

5 (2) All fees collected under this section must be deposited in 6 the secure drug take-back program account established in RCW 7 69.48.130.

8 Sec. 4. RCW 69.48.130 and 2018 c 196 s 13 are each amended to 9 read as follows:

10 The secure drug take-back program account is created in the state treasury. All receipts received by the department under this chapter 11 must be deposited in the account. Moneys in the account may be spent 12 13 only after appropriation. Expenditures from the account may be used by the department only for administering and enforcing this chapter, 14 15 except that civil fines and payments made under section 5 of this act 16 that are deposited into this account may also be used by the 17 department to support department programs that:

18 (1) Further the legislative findings in RCW 69.48.010;

19 (2) Prevent opioid and other drug misuse;

20 (3) Identify and treat drug misuse and stimulant use disorder;

21 (4) Ensure and improve the health and wellness of people who use 22 opioids and other drugs;

(5) Use data and information to detect opioid misuse or abuse,
 monitor illness, injury, and death, and evaluate interventions; and
 (6) Support individuals in recovery.

26 <u>NEW SECTION.</u> Sec. 5. A new section is added to chapter 69.48

27 RCW to read as follows:

(1) Program operators' drug take-back programs must meet all the requirements of this chapter, rules adopted under this chapter, and any department-approved plan, independent of any other drug take-back programs. Program operators must each successfully implement their drug take-back program each year.

33 (2) For each program operator, the weight of covered drugs, in 34 pounds, collected by a drug take-back program should be roughly 35 equivalent to the weight of covered drugs, in pounds, collected by 36 the other program operators as reported in the respective program 37 operators' most recent annual report required by RCW 69.48.100. 1 (3) For each individual program operator, the weight of covered 2 drugs, in pounds, collected by the drug take-back program should be 3 equal to or greater than the weight of covered drugs collected by 4 that program operator as reported in the program operator's most 5 recent annual report required by RCW 69.48.100.

6 (4) Upon evaluation of a program operator's annual program report 7 required by RCW 69.48.100, the department, in accordance with RCW 8 43.70.095, may calculate and assess civil fines against the program 9 operator based on the following:

(a) If the weight, in pounds, of covered drugs collected by a drug take-back program is less than 80 percent of the highest weight, in pounds, of covered drugs collected by another program operator, as reported on the annual program report for the same year, then the department will determine the civil fine to be assessed by:

(i) Calculating the difference in pounds between the program operator and the highest amount collected by a program operator, as reported on the program operator's annual report; and

18 (ii) Then multiply the difference in collection weight, in 19 pounds, by the average collection cost per pound of all program 20 operators combined. The average collection cost per pound of all 21 program operators combined must be determined by reference to the 22 program operators' annual reports.

(b) If the weight, in pounds, of covered drugs collected by a drug take-back program as reported on the annual program report is less than 90 percent of the collection weight goal established by the program operator in the previous year's annual program report, then the department must determine the civil fine to be assessed by:

(i) Calculating the difference in pounds between the program
 operator's collection weight for the reporting period and the goal
 collection weight for the reporting period listed in the previous
 year's annual program report; and

(ii) Multiplying the difference in collection weight, in pounds, by the average collection cost per pound of all program operators combined. The average collection cost per pound of all program operators combined must be determined by reference to the program operators' annual reports.

37 (5) For the purposes of this section, "roughly equivalent" means 38 that the weight, in pounds, of covered drugs collected by a drug 39 take-back program, as reported in the program's annual program 40 report, is at least 80 percent or more of the heaviest weight, in

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pounds, of covered drugs collected by any program operator as
 reported in that program's annual program report.

3 (6) Any civil fines paid by a program operator under subsection 4 (4) of this section must be considered part of the drug take-back 5 program's overall costs, and be included as an independent 6 expenditure category in the annual report required by RCW 7 69.48.100(1).

Sec. 6. RCW 43.131.424 and 2021 c 155 s 7 are each amended to 8 read as follows: 9 10 The following acts or parts of acts, as now existing or hereafter amended, are each repealed, effective January 1, 2030: 11 (1) RCW 69.48.010 and 2021 c 155 s 1 & 2018 c 196 s 1; 12 13 (2) RCW 69.48.020 and 2018 c 196 s 2; (3) RCW 69.48.030 and 2018 c 196 s 3; 14 15 (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; 16 17 (6) RCW 69.48.060 and $\left(\frac{12021 \text{ c} 65 \text{ s} 64 \text{ k}}{1}\right)$ 2021 c 65 s 642 & 18 2018 c 196 s 6; 19 (7) RCW 69.48.070 and 2021 c 155 s 4 & 2018 c 196 s 7; 20 (8) RCW 69.48.080 and 2018 c 196 s 8; 21 (9) RCW 69.48.090 and 2018 c 196 s 9; 22 (10) RCW 69.48.100 and 2025 c ... s 1 (section 1 of this act) & 2018 c 196 s 10; 23 24 (11) RCW 69.48.110 and 2025 c ... s 2 (section 2 of this act) & 25 2018 c 196 s 11; 26 (12) RCW 69.48.120 and 2025 c ... s 3 (section 3 of this act), 27 2021 c 155 s 5₁ & 2018 c 196 s 12; 28 (13) RCW 69.48.130 and 2025 c ... s 4 (section 4 of this act) & 29 2018 c 196 s 13; 30 (14) RCW 69.48.140 and 2018 c 196 s 14; 31 (15) RCW 69.48.150 and 2018 c 196 s 15; 32 (16) RCW 69.48.160 and 2018 c 196 s 16; (17) RCW 69.48.170 and 2018 c 196 s 17; 33 (18) RCW 69.48.180 and 2018 c 196 s 18; 34 (19) RCW 69.48.190 and 2018 c 196 s 19; ((and)) 35 (20) RCW 69.48.200 and 2018 c 196 s 20; and 36 37 (21) RCW 69.48.--- and 2025 c ... s 5 (section 5 of this act).

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