OFFICE OF THE SECRETARY OF STATE

TOBIAS READ SECRETARY OF STATE

MICHAEL KAPLAN
DEPUTY SECRETARY OF STATE



ARCHIVES DIVISION

STEPHANIE CLARK DIRECTOR

800 SUMMER STREET NE SALEM, OR 97310 503-373-0701

NOTICE OF PROPOSED RULEMAKING

INCLUDING STATEMENT OF NEED & FISCAL IMPACT

CHAPTER 855

BOARD OF PHARMACY

FILED

07/08/2025 5:14 PM ARCHIVES DIVISION SECRETARY OF STATE

FILING CAPTION: Licensee and Registrant Fee Increase

LAST DAY AND TIME TO OFFER COMMENT TO AGENCY: 08/21/2025 4:30 PM

The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing negative economic impact of the rule on business.

CONTACT: Rachel Melvin

pharmacy.rulemaking@bop.oregon.gov

971-673-0001

800 NE Oregon St., Suite 150

Portland, OR 97232

Filed By:

Rachel Melvin

Rules Coordinator

HEARING(S)

Auxiliary aids for persons with disabilities are available upon advance request. Notify the contact listed above.

DATE: 08/21/2025 TIME: 9:30 AM

OFFICER: Rachel Melvin

REMOTE HEARING DETAILS

MEETING URL: Click here to join the meeting

PHONE NUMBER: 503-446-4951 CONFERENCE ID: 34024493 SPECIAL INSTRUCTIONS:

This hearing will be held virtually via Microsoft Teams.

If you wish to present oral testimony virtually during this hearing, sign up on our website at

www.oregon.gov/pharmacy/pages/

rulemaking-information or email your first and last name and email address to

pharmacy.rulemaking@bop.oregon.gov. Please indicate which

rule(s) you would like to comment on.

You must submit written comments before 4:30PM on August 21, 2025. Email written comments to pharmacy.rulemaking@bop.oregon.gov.

NEED FOR THE RULE(S)

Proposes to implement fee increases for Licensees and Registrants included in the Oregon Board of Pharmacy Legislatively Approved Budget for 2025-27.

DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE

HB 5028 OBOP DAS CFO Presentation

https://www.oregon.gov/pharmacy/Documents/HB5028_OBOP_DAS_CFO_Presentation_2.2025_289927.pdf

HB 5028 OBOP - Agency Presentation

https://www.oregon.gov/pharmacy/Documents/HB5028_OBOP_Agency_Presentation_289925.pdf HB 5028 OBOP – Agency Reference Materials

https://www.oregon.gov/pharmacy/Documents/HB5028_OBOP_Agency_Reference_Materials_2.2025_289926.pdf 2025 HB 5028 - Introduced https://www.oregon.gov/pharmacy/Documents/Introduced_2025_HB5028.pdf 2025 HB 5028 - Enrolled

https://olis.oregonlegislature.gov/liz/2025R1/Downloads/MeasureDocument/HB5028/Enrolled 2025-27 Agency Request Budget https://www.oregon.gov/pharmacy/Documents/85500-

Pharmacy_ARB_2025_2027.pdf

2025-27 Governor's Budget https://www.oregon.gov/pharmacy/Documents/OBOP_2025-

2027_Governors_Budget.pdf

STATEMENT IDENTIFYING HOW ADOPTION OF RULE(S) WILL AFFECT RACIAL EQUITY IN THIS STATE

It is anticipated that these amendments will not impact any group of people differently than others.

FISCAL AND ECONOMIC IMPACT:

The proposed amendments reflect fee increases for 32 facility categories and 4 individual categories to generate an estimated \$3,517,890 of additional revenue for a total of \$12,311,740 of Other Fund revenue as approved by the legislature. Without an increase in fees the board would face a budget shortfall. The Oregon Board of Pharmacy is supported by Other Fund revenue primarily generated from licensing and renewal, application fees charged to pharmacists, interns, Certified Oregon pharmacy technicians and pharmacy technicians and various types of drug outlets.

Increasing Costs - Internal and External:

The Oregon Board of Pharmacy is facing increases in cost driven by factors largely outside of agency control. The 2025-27 Current Service Level budget for BOP is \$12.6 million, which is a 10.5 percent increase on the 2023-25 LAB (\$11.4 million). This increase of \$1.2 million consists largely of:

Increases to Personal Services Costs, Yearly Step Increases, Cost of Living Adjustments (COLA) – 13.5 percent over 2 years.

Increases to State Government Service Charges - Professional Services, Financial, Human Resources, and Payroll Services, Risk and Liability Charges, Attorney General Rate.

The remaining costs are driven mostly by the policy packages. None of the packages add new programs or services, but instead account for rising costs not captured in the CSL. Package 102 provides funding to replace a licensing software system essential to OBOP operations, Package 103 is due to increasing HPSP vendor costs, and Package 104 reclassifies an existing position to reflect the duties they already hold at the agency.

Oregon Board of Pharmacy Current Fiscal Position:

The Governor's Recommended Budget (GRB) assumes a beginning balance of \$3.8 million for the 2025-27 biennium. This is equivalent to approximately 6.5 months of operating balance in 2025-27. With the fee increase and including all policy packages in the GRB, OBOP projects to end the 2025-27 biennium with \$3.1 million. This is equivalent to 5.4 months of operating balance. Without the fee increase and including all other policy packages in the GRB, OBOP projects to end the 2025-27 biennium with -\$0.3 million. The agency should project to end the biennium with more than 3 months of reserves.

OBOP is projecting to finish the 2023-25 biennium with \$4.5 million in operating reserves, which equates to approximately 10 months of operating reserves. This is approximately two months of reserves higher than the

projections made last summer for the Agency Request Budget and Governor's Recommended Budget. The estimated ending balances above do not account for this additional revenue and should be considered conservative.

The last meaningful fee increase occurred in 2001. In 2011, the board increased a number of fees, however most were reverted back to the 2001 fees in 2013 due to an unexpected surplus of funds. The agency analyzed current licensing and registration fee trends and determined that the increase of 40% is necessary at this time.

COST OF COMPLIANCE:

(1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s). (2) Effect on Small Businesses: (a) Estimate the number and type of small businesses subject to the rule(s); (b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s); (c) Estimate the cost of professional services, equipment supplies, labor and increased administration required to comply with the rule(s).

Fee increases for various drug outlet registrations and personnel licensure including County Health Departments, Correctional Facilities and state owned or operated institutional facilities.

There are currently 3006 registrants that identify as a small business.

The proposed amendments do not generate new or additional reporting, recordkeeping or other administrative requirements for small businesses.

DESCRIBE HOW SMALL BUSINESSES WERE INVOLVED IN THE DEVELOPMENT OF THESE RULE(S):

Small businesses were not involved in determining to amend the rule. A notice of rulemaking hearing will be sent to interested parties, some of whom may identify as a small business and will have an opportunity to provide public comment on the proposed rule amendments.

WAS AN ADMINISTRATIVE RULE ADVISORY COMMITTEE CONSULTED? NO IF NOT, WHY NOT?

The Board's proposed fee increases must be approved by the Governor and Legislature and adopted by rule.

RULES PROPOSED:

855-110-0005, 855-110-0006, 855-110-0007, 855-110-0010

AMEND: 855-110-0005

RULE SUMMARY: Proposes increasing licensing fees by 40% for Pharmacist, Intern, Certified Oregon Pharmacy Technician and Pharmacy Technician to address the lack of operational resources to fund the agency.

CHANGES TO RULE:

855-110-0005 Licensing Fees ¶

- (1) Pharmacist initial license NAPLEX examination (NAPLEX) fee \$50.¶
- (2) Pharmacist jurisprudence (MPJE) re-examination board processing fee \$250.¶
- (32) Pharmacist licensing by reciprocity fee \$100. ¶
- (43) Pharmacist licensing by score transfer fee \$50. ¶
- (54) Intern license fee. Expires November 30 every two years \$1040.¶
- (65) Pharmacist:¶
- (a) Biennial license fee.: ¶
- (a) Expires June 30 each odd numbered year. The biennial license fee is \$2350. Late renewal fee (received after

June 30) - \$50.¶

- (b) Electronic Prescription Monitoring Fund fee. Due by June 30 biennially \$70. (This is a mandatory fee, required by ORS 431A.880 that must be paid with the pharmacist license renewal fee).¶
- (c) Workforce Data Collection fee. Due by June 30 biennially \$4. (This is a mandatory fee as required by OAR 409-026-0130 that must be paid with the Pharmacist license renewal fee.)¶
- (76) Certification of approved provider of continuing education course fee, none at this time. ¶
- (87) Pharmacy Technician license fee:¶
- (a) Expires June 30 each even numbered year. The biennial license fee is $$10\underline{4}$ 0. Late renewal fee (received after June 30) \$20. For Pharmacy Technician licenses that expire on June 30, 2023, a late renewal fee will not be assessed. ¶
- (b) Workforce Data Collection fee. Due by June 30 biennially 4. (This is a mandatory fee as required by OAR 409-026-0130 that must be paid with the Pharmacy Technician license renewal fee.)
- (98) Certified Oregon Pharmacy Technician: ¶
- (a) Biennial license fee:: ¶
- (a) Expires June 30 each even numbered year. The biennial license fee is -\$1040. Late renewal fee (received after June 30) -\$20.¶
- (b) Workforce Data Collection fee. Due by June 30 biennially \$4. (This is a mandatory fee as required by OAR 409-026-0130 that must be paid with the Certified Oregon Pharmacy Technician license renewal fee.) Statutory/Other Authority: ORS 689.205, ORS 291.055, ORS 183.705 Statutes/Other Implemented: ORS 689.135, ORS 676.410, ORS 431A.880

ADOPT: 855-110-0006

RULE SUMMARY: Proposes adding new rule to clarify pharmacist examination fees to be paid to NABP as required in ORS 689.135(5)(a).

CHANGES TO RULE:

855-110-0006

Pharmacist Examination Fees Paid to NABP

(1) Pharmacist examination fees to be paid to the National Association of Boards of Pharmacy (NABP) for NAPLEX exam:¶

(a) NAPLEX Examination fee - \$520¶

(b) NAPLEX Reexamination fee - \$520 ¶

(c) All other associated fees see NABP website.¶

(2) Pharmacist jurisprudence examination fees to be paid to NABP for MPJE exam: ¶

(a) MPJE Examination fee - \$170 ¶

(b) MPJE Reexamination fee - \$170¶

(c) All other associated fees see NABP website.

Statutory/Other Authority: ORS 689.205

Statutes/Other Implemented: ORS 689.135

AMEND: 855-110-0007

RULE SUMMARY: Proposes increasing Drug Outlet registration fees by 40% for Drug Distribution Agent, Drug Room, Manufacturer, Nonprescription Drug Outlet, Prophylactic/Contraceptive, Retail & Institutional Drug Outlet, Charitable Pharmacy, Community Health Clinic, Dispensing Practitioner Drug Outlet, Pharmacy Prescription Kiosk, Pharmacy Prescription Locker, Remote Dispensing Machine, Remote Distribution Facility and Wholesaler to address the lack of operational resources to fund the agency.

CHANGES TO RULE:

855-110-0007

Fees for Registration, Renewal, and Reinspection of Drug Outlets ¶

- (1) Drug Distribution Agent. Expires September 30 annually $$40\underline{56}$ 0. Late renewal fee (received after September 30) \$100.¶
- (2) Drug Room (including Correctional Facility). Expires March 31 annually \$1040. Late renewal fee (received after March 31) \$75.¶
- (3) Manufacturer (including Manufacturer Class I, Manufacturer Class II and Manufacturer Class III). Expires September 30 annually \$52735. Late renewal fee (received after September 30) \$100.¶
- (4) Nonprescription Drug Outlet. Expires January 31 annually $\$7\underline{10}5$. Late renewal fee (received after January 31) $\$25.\P$
- (a) This includes the following categories of registration: ¶
- (A) Nonprescription Class A.¶
- (B) Nonprescription Class B.¶
- (C) Medical Device, Equipment & Gas Class C.¶
- (b) Other nonprescription Drug Outlet registration category fees are as follows: ¶
- (A) Nonprescription Class D. Expires January 31 annually \$1040. Late renewal fee (received after January 31) \$25.¶
- (B) Nonprescription Class E. Expires January 31 annually \$0. Late renewal fee (received after January 31) \$0.¶
- (5) Prophylactic and/or Contraceptive Wholesaler and/or Manufacturer \$570. Expires December 31 annually.¶
- (6) Re-inspection fee \$100. Applies to any re-inspection of a drug outlet occasioned to verify corrections of violations found in an initial inspection.¶
- (7) Retail or Institutional Drug Outlet Pharmacy. Expires March 31 annually \$22315. Late renewal fee (received after March 31) \$75.¶
- (a) This includes the following categories of registration: ¶
- (A) Home Dialysis Retail Drug Outlet Pharmacy¶
- (B) Institutional Drug Outlet Pharmacy¶
- (C) Remote Dispensing Site Retail Drug Outlet Pharmacy¶
- (D) Retail Drug Outlet Pharmacy¶
- (b) Other Retail/Institutional Drug Outlet registration category fees are as follows: ¶
- (A) Charitable Retail Drug Outlet Pharmacy. Expires March 31 annually $$7\underline{10}5$. Late renewal fee (received after March 31) \$25.¶
- (B) Community Health Clinic (CHC) Retail Drug Outlet Pharmacy. Expires March 31 annually 1040. Late renewal fee (received after March 31) 25.
- (C) Dispensing Practitioner Drug Outlet (DPDO) Retail Drug Outlet Pharmacy. Expires March 31 annually 1040. Late renewal fee (received after March 31) 25.
- (D) Prescription Kiosk Retail Drug Outlet Pharmacy. Expires March 31 annually \$12068. Due by March 31 annually.¶
- (E) Prescription Locker Retail Drug Outlet Pharmacy. Expires March 31 annually \$12068. Due by March 31 annually.¶
- (F) Remote Dispensing Machine Institutional Drug Outlet Pharmacy. Expires March 31 annually 12068. Due by March 31 annually.
- (G) Remote Distribution Facility Institutional Drug Outlet Pharmacy. Expires March 31 annually \$12068. Due by March 31 annually.¶
- (8) Wholesaler (including Wholesaler Class I, Wholesaler Class II and Wholesaler Class III). Expires September 30 annually \$52735. Late renewal fee (received after September 30) \$100.

Statutory/Other Authority: ORS 689.205, ORS 291.055

Statutes/Other Implemented: ORS 689.135, ORS 689.774, ORS 689.305

AMEND: 855-110-0010

RULE SUMMARY: Proposes increasing Controlled Substances registration fees by 40% for Animal Euthanasia, Drug Distribution Agent, Drug Room, Manufacturer, Retail or Institutional Drug Outlet, Schedule II Precursor, Wholesaler and Remote Distribution Facility to address the lack of operational resources to fund the agency.

CHANGES TO RULE:

855-110-0010

Fees for Registration for Controlled Substances \P

- (1) Animal Euthanasia controlled substance registration fee \$7105 annually.¶
- (2) Drug Distribution Agent controlled substance registration fee \$1040 annually.
- (3) Drug Room (including Correctional Facility) controlled substance registration fee \$1040 annually. ¶
- (4) Manufacturer controlled substance registration fee \$1040 annually. \P
- (5) Retail or Institutional Drug Outlet controlled substance registration fee \$1040 annually. ¶
- (6) Schedule II Precursor registration fee \$7105 annually. ¶
- (7) Wholesaler controlled substance registration fee \$1040 annually. \P
- (8) Remote Distribution Facility controlled substance registration fee \$1040 annually.

Statutory/Other Authority: ORS 689.205, ORS 291.055, ORS 475.095

Statutes/Other Implemented: ORS 689.135