

SECOND REGULAR SESSION
SENATE COMMITTEE SUBSTITUTE FOR

HOUSE BILL NO. 2146

103RD GENERAL ASSEMBLY

5669S.03C

KRISTINA MARTIN, Secretary

AN ACT

To repeal sections 96.192, 96.196, 195.417, 206.110, and 579.060, RSMo, and to enact in lieu thereof seven new sections relating to health care providers, with penalty provisions.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 96.192, 96.196, 195.417, 206.110, and
2 579.060, RSMo, are repealed and seven new sections enacted in
3 lieu thereof, to be known as sections 96.192, 96.196, 195.417,
4 206.110, 206.158, 376.417, and 579.060, to read as follows:

96.192. 1. The board of trustees of any hospital
2 authorized under subsection 2 of this section, and
3 established and organized under the provisions of sections
4 96.150 to 96.229, may invest up to **[twenty-five] fifty**
5 percent of **[the hospital's] its** funds not required for
6 immediate disbursement in obligations or for the operation
7 of the hospital **[in any United States investment grade fixed**
8 **income funds or any diversified stock funds, or both] into:**

9 **(1) Any mutual funds that invest in stocks, bonds, or**
10 **real estate, or any combination thereof;**

11 **(2) Bonds that have:**

12 **(a) One of the five highest long-term ratings or the**
13 **highest short-term rating issued by a nationally recognized**
14 **rating agency; and**

15 **(b) A final maturity of ten years or less;**

16 **(3) Money-market investments; or**

EXPLANATION-Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

17 **(4) Any combination of investments described in**
18 **subdivisions (1) to (3) of this subsection.**

19 **The board shall invest the remaining percentage of funds not**
20 **required for immediate disbursement into any investment in**
21 **which the state treasurer is allowed to invest.**

22 2. The provisions of this section shall only apply if
23 the hospital:

24 (1) Receives less than **[one]** **three** percent of its
25 annual revenues from municipal, county, or state taxes; and

26 (2) Receives less than **[one]** **three** percent of its
27 annual revenue from appropriated funds from the municipality
28 in which such hospital is located.

 96.196. 1. A hospital organized under this chapter
2 may purchase, operate or lease, as lessor or lessee, related
3 facilities or engage in health care activities, except in
4 counties of the third or fourth classification (other than
5 the county in which the hospital is located) where there
6 already exists a hospital organized pursuant to this chapter
7 **[and chapter 205 or 206]**; provided, however, that this
8 exception shall not prohibit the continuation of existing
9 activities otherwise allowed by law.

10 2. If a hospital organized pursuant to this chapter
11 accepts appropriated funds from the city during the twelve
12 months immediately preceding the date that the hospital
13 purchases, operates or leases its first related facility
14 outside the city boundaries or engages in its first health
15 care activity outside the city boundaries, the governing
16 body of the city shall approve the hospital's plan for such
17 purchase, operation or lease prior to implementation of the
18 plan.

195.417. 1. The limits specified in this section
2 shall not apply to any quantity of such product, mixture, or
3 preparation which must be dispensed, sold, or distributed in
4 a pharmacy pursuant to a valid prescription.

5 2. Within any thirty-day period, no person shall sell,
6 dispense, or otherwise provide to the same individual, and
7 no person shall purchase, receive, or otherwise acquire more
8 than the following amount: any number of packages of any
9 drug product containing any detectable amount of ephedrine,
10 phenylpropanolamine, or pseudoephedrine, or any of their
11 salts or optical isomers, or salts of optical isomers,
12 either as:

13 (1) The sole active ingredient; or

14 (2) One of the active ingredients of a combination
15 drug; or

16 (3) A combination of any of the products specified in
17 subdivisions (1) and (2) of this subsection;

18 in any total amount greater than seven and two-tenths grams,
19 without regard to the number of transactions.

20 3. Within any twenty-four-hour period, no pharmacist,
21 intern pharmacist, or registered pharmacy technician shall
22 sell, dispense, or otherwise provide to the same individual,
23 and no person shall purchase, receive, or otherwise acquire
24 more than the following amount: any number of packages of
25 any drug product containing any detectable amount of
26 ephedrine, phenylpropanolamine, or pseudoephedrine, or any
27 of their salts or optical isomers, or salts of optical
28 isomers, either as:

29 (1) The sole active ingredient; or

30 (2) One of the active ingredients of a combination
31 drug; or

32 (3) A combination of any of the products specified in
33 subdivisions (1) and (2) of this subsection;

34 in any total amount greater than three and six-tenths grams
35 without regard to the number of transactions.

36 4. Within any twelve-month period, no person shall
37 sell, dispense, or otherwise provide to the same individual,
38 and no person shall purchase, receive, or otherwise acquire
39 more than the following amount: any number of packages of
40 any drug product containing any detectable amount of
41 ephedrine, phenylpropanolamine, or pseudoephedrine, or any
42 of their salts or optical isomers, or salts of optical
43 isomers, either as:

44 (1) The sole active ingredient; or

45 (2) One of the active ingredients of a combination
46 drug; or

47 (3) A combination of any of the products specified in
48 subdivisions (1) and (2) of this subsection;

49 in any total amount greater than [~~forty-three~~] **sixty-one** and
50 two-tenths grams, without regard to the number of
51 transactions.

52 5. All packages of any compound, mixture, or
53 preparation containing any detectable quantity of ephedrine,
54 phenylpropanolamine, or pseudoephedrine, or any of their
55 salts or optical isomers, or salts of optical isomers,
56 except those that are excluded from Schedule V in subsection
57 17 or 18 of section 195.017, shall be offered for sale only
58 from behind a pharmacy counter where the public is not
59 permitted, and only by a registered pharmacist or registered
60 pharmacy technician under section 195.017.

61 6. Each pharmacy shall submit information regarding
62 sales of any compound, mixture, or preparation as specified
63 in this section in accordance with transmission methods and
64 frequency established by the department by regulation.

65 7. (1) **As used in this subsection, "administrator of**
66 **the real-time electronic pseudoephedrine tracking system"**
67 **means the entity responsible for developing, implementing,**
68 **and maintaining the data collection system described in 19**
69 **CSR 30-1.074 or any successor regulation.**

70 (2) **Beginning October 1, 2026, and continuing**
71 **thereafter, any manufacturer of any compound, mixture, or**
72 **preparation specified in this section that is sold in or**
73 **into the state shall, on a monthly basis, pay fees to the**
74 **administrator of the real-time electronic pseudoephedrine**
75 **tracking system.**

76 (3) **The administrator of the real-time electronic**
77 **pseudoephedrine tracking system shall be responsible for**
78 **setting the fee levels required under this subsection.**

79 (4) **Upon the request of the department of health and**
80 **senior services, any manufacturer required to pay fees under**
81 **this subsection shall provide written documentation**
82 **demonstrating that the manufacturer has paid such fees.**

83 (5) **The fees required under this subsection shall be**
84 **assessed against each manufacturer solely on the basis of**
85 **sales transactions involving that manufacturer's own**
86 **compounds, mixtures, or preparations sold in or into the**
87 **state. No manufacturer shall be assessed fees based upon**
88 **transactions attributable to the compounds, mixtures, or**
89 **preparations of any other manufacturer.**

90 8. **No prescription shall be required for the**
91 **dispensation, sale, or distribution of any drug product**
92 **containing any detectable amount of ephedrine,**

93 phenylpropanolamine, or pseudoephedrine, or any of their
94 salts or optical isomers, or salts of optical isomers, in an
95 amount within the limits described in subsections 2, 3, and
96 4 of this section. The superintendent of the Missouri state
97 highway patrol shall report to the revisor of statutes and
98 the general assembly by February first when the statewide
99 number of methamphetamine laboratory seizure incidents
100 exceeds three hundred incidents in the previous calendar
101 year. The provisions of this subsection shall expire on
102 April first of the calendar year in which the revisor of
103 statutes receives such notification.

104 [8.] 9. This section shall supersede and preempt any
105 local ordinances or regulations, including any ordinances or
106 regulations enacted by any political subdivision of the
107 state. This section shall not apply to the sale of any
108 animal feed products containing ephedrine or any naturally
109 occurring or herbal ephedra or extract of ephedra.

110 [9.] 10. Any local ordinances or regulations enacted
111 by any political subdivision of the state prior to August
112 28, 2020, requiring a prescription for the dispensation,
113 sale, or distribution of any drug product containing any
114 detectable amount of ephedrine, phenylpropanolamine, or
115 pseudoephedrine, or any of their salts or optical isomers,
116 or salts of optical isomers, in an amount within the limits
117 described in subsections 2, 3, and 4 of this section shall
118 be void and of no effect and no such political subdivision
119 shall maintain or enforce such ordinance or regulation.

120 [10.] 11. All logs, records, documents, and electronic
121 information maintained for the dispensing of these products
122 shall be open for inspection and copying by municipal,
123 county, and state or federal law enforcement officers whose

124 duty it is to enforce the controlled substances laws of this
125 state or the United States.

126 [11.] 12. All persons who dispense or offer for sale
127 pseudoephedrine and ephedrine products, except those that
128 are excluded from Schedule V in subsection 17 or 18 of
129 section 195.017, shall ensure that all such products are
130 located only behind a pharmacy counter where the public is
131 not permitted.

132 [12.] 13. The penalty for a knowing or reckless
133 violation of this section is found in section 579.060.

206.110. 1. A hospital district, both within and
2 outside such district, except in counties of the third or
3 fourth classification (other than within the district
4 boundaries) where there already exists a hospital organized
5 pursuant to [chapters 96, 205 or] this chapter; provided,
6 however, that this exception shall not prohibit the
7 continuation or expansion of existing activities otherwise
8 allowed by law, shall have and exercise the following
9 governmental powers, and all other powers incidental,
10 necessary, convenient or desirable to carry out and
11 effectuate the express powers:

12 (1) To establish and maintain a hospital or hospitals
13 and hospital facilities, and to construct, acquire, develop,
14 expand, extend and improve any such hospital or hospital
15 facility including medical office buildings to provide
16 offices for rental to physicians and dentists on the
17 district hospital's medical or dental staff, and the
18 providing of sites therefor, including offstreet parking
19 space for motor vehicles;

20 (2) To acquire land in fee simple, rights in land and
21 easements upon, over or across land and leasehold interest
22 in land and tangible and intangible personal property used

23 or useful for the location, establishment, maintenance,
24 development, expansion, extension or improvement of any
25 hospital or hospital facility. The acquisition may be by
26 dedication, purchase, gift, agreement, lease, use or adverse
27 possession or by condemnation;

28 (3) To operate, maintain and manage a hospital and
29 hospital facilities, and to make and enter into contracts,
30 for the use, operation or management of a hospital or
31 hospital facilities; to engage in health care activities;
32 and to make and enter into leases of equipment and real
33 property, a hospital or hospital facilities, as lessor or
34 lessee, regardless of the duration of such lease; and to
35 provide rules and regulations for the operation, management
36 or use of a hospital or hospital facilities. Any agreement
37 entered into pursuant to this subsection pertaining to the
38 lease of the hospital shall have a definite termination date
39 as negotiated by the parties, but this shall not preclude
40 the trustees from entering into a renewal of the agreement
41 with the same or other parties pertaining to the same or
42 other subjects upon such terms and conditions as the parties
43 may agree;

44 (4) To fix, charge and collect reasonable fees and
45 compensation for the use or occupancy of the hospital or any
46 part thereof, or any hospital facility, and for nursing
47 care, medicine, attendance, or other services furnished by
48 the hospital or hospital facilities, according to the rules
49 and regulations prescribed by the board from time to time;

50 (5) To borrow money and to issue bonds, notes,
51 certificates, or other evidences of indebtedness for the
52 purpose of accomplishing any of its corporate purposes,
53 subject to compliance with any condition or limitation set

54 forth in this chapter or otherwise provided by the
55 Constitution of the state of Missouri;

56 (6) To employ or enter into contracts for the
57 employment of any person, firm, or corporation, and for
58 professional services, necessary or desirable for the
59 accomplishment of the corporate objects of the district or
60 the proper administration, management, protection or control
61 of its property;

62 (7) To maintain the hospital for the benefit of the
63 inhabitants of the area comprising the district who are
64 sick, injured, or maimed regardless of race, creed or color,
65 and to adopt such reasonable rules and regulations as may be
66 necessary to render the use of the hospital of the greatest
67 benefit to the greatest number; to exclude from the use of
68 the hospital all persons who willfully disregard any of the
69 rules and regulations so established; to extend the
70 privileges and use of the hospital to persons residing
71 outside the area of the district upon such terms and
72 conditions as the board of directors prescribes by its rules
73 and regulations;

74 (8) To police its property and to exercise police
75 powers in respect thereto or in respect to the enforcement
76 of any rule or regulation provided by the ordinances of the
77 district and to employ and commission police officers and
78 other qualified persons to enforce the same;

79 (9) To lease to or allow for any institution of higher
80 education to use or occupy the hospital, any real estate or
81 facility owned or leased by the district or any part thereof
82 for the purpose of health care-related and general education
83 or training.

84 2. The use of any hospital or hospital facility of a
85 district shall be subject to the reasonable regulation and

86 control of the district and upon such reasonable terms and
87 conditions as shall be established by its board of directors.

88 3. A regulatory ordinance of a district adopted under
89 any provision of this section may provide for a suspension
90 or revocation of any rights or privileges within the control
91 of the district for a violation of any such regulatory
92 ordinance.

93 4. Nothing in this section or in other provisions of
94 this chapter shall be construed to authorize the district or
95 board to establish or enforce any regulation or rule in
96 respect to hospitalization or the operation or maintenance
97 of such hospital or any hospital facilities within its
98 jurisdiction which is in conflict with any federal or state
99 law or regulation applicable to the same subject matter.

**206.158. 1. The board of trustees of any hospital
2 authorized under subsection 2 of this section, and
3 established and organized under the provisions of sections
4 206.010 to 206.160, may invest up to fifty percent of its
5 funds not required for immediate disbursement in obligations
6 or for the operation of the hospital into:**

7 (1) Any mutual funds that invest in stocks, bonds, or
8 real estate, or any combination thereof;

9 (2) Bonds that have:

10 (a) One of the five highest long-term ratings or the
11 highest short-term rating issued by a nationally recognized
12 rating agency; and

13 (b) A final maturity of ten years or less;

14 (3) Money-market investments; or

15 (4) Any combination of investments described in
16 subdivisions (1) to (3) of this subsection.

17 The board shall invest the remaining percentage of funds not
18 required for immediate disbursement into any investment in
19 which the state treasurer is allowed to invest.

20 2. The provisions of this section shall only apply if
21 the hospital district receives less than three percent of
22 its annual revenues from hospital district or state taxes.

376.417. 1. As used in this section, the following
2 terms mean:

3 (1) "340B drug", the same meaning given to the term in
4 section 376.414;

5 (2) "Covered entity", any entity described in
6 subparagraphs (A) to (K) of subsection (a)(4) of Section
7 340B of the Public Health Service Act, 42 U.S.C. Section
8 256b, including any pharmacy with which such entity has
9 contracted to dispense 340B drugs on behalf of the entity;

10 (3) "Health carrier", the same meaning given to the
11 term in section 376.1350;

12 (4) "Pharmacy", an entity licensed under chapter 338;

13 (5) "Pharmacy benefits manager", the same meaning
14 given to the term in section 376.388.

15 2. A health carrier, a pharmacy benefits manager, or
16 an agent or affiliate of such health carrier or pharmacy
17 benefits manager shall not discriminate against a covered
18 entity including, but not limited to, by doing any of the
19 following:

20 (1) Reimbursing a covered entity for a quantity of a
21 340B drug in an amount less than it would pay any other
22 similarly situated pharmacy or entity that is not a covered
23 entity for such quantity of such drug on the basis that the
24 covered entity is a covered entity or that the covered
25 entity dispenses 340B drugs. The director of the department
26 of commerce and insurance shall specify by rule the

27 circumstances under which a pharmacy or entity shall be
28 deemed a "similarly situated pharmacy or entity" for
29 purposes of this subdivision;

30 (2) Imposing any terms or conditions on covered
31 entities that differ from such terms or conditions applied
32 to other similarly situated entities or pharmacies that are
33 not covered entities on the basis that the covered entity is
34 a covered entity or that the covered entity dispenses 340B
35 drugs including, but not limited to, terms or conditions
36 with respect to any of the following:

37 (a) Fees, chargebacks, clawbacks, adjustments, or
38 other assessments;

39 (b) Professional dispensing fees;

40 (c) Restrictions or requirements regarding
41 participation in standard or preferred pharmacy networks;

42 (d) Requirements relating to the frequency or scope of
43 audits or to inventory management systems using generally
44 accepted accounting principles; and

45 (e) Any other restrictions, conditions, practices, or
46 policies that, as specified by the director of the
47 department of commerce and insurance, interfere with the
48 ability of a covered entity to maximize the value of
49 discounts provided under 42 U.S.C. Section 256b;

50 (3) Discriminating in reimbursement to a covered
51 entity based on the determination or indication a drug is a
52 340B drug;

53 (4) Requiring a covered entity to identify, either
54 directly or through a third party, a 340B drug;

55 (5) Refusing to cover drugs purchased under the 340B
56 drug-pricing program; or

57 (6) Requiring a covered entity to reverse, resubmit,
58 or clarify a 340B drug-pricing claim after the initial
59 adjudication unless these actions are:

60 (a) In the normal course of pharmacy business and not
61 related to 340B drug pricing; or

62 (b) Required by federal law.

63 3. The director of the department of commerce and
64 insurance shall impose a civil penalty on any health
65 carrier, pharmacy benefits manager, or agent or affiliate of
66 such health carrier or pharmacy benefits manager that
67 violates the requirements of this section. Such penalty
68 shall not exceed five thousand dollars per violation per day.

69 4. The director of the department of commerce and
70 insurance shall promulgate rules to implement the provisions
71 of this section. Any rule or portion of a rule, as that
72 term is defined in section 536.010, that is created under
73 the authority delegated in this section shall become
74 effective only if it complies with and is subject to all of
75 the provisions of chapter 536 and, if applicable, section
76 536.028. This section and chapter 536 are nonseverable and
77 if any of the powers vested with the general assembly
78 pursuant to chapter 536 to review, to delay the effective
79 date, or to disapprove and annul a rule are subsequently
80 held unconstitutional, then the grant of rulemaking
81 authority and any rule proposed or adopted after August 28,
82 2026, shall be invalid and void.

579.060. 1. A person commits the offense of unlawful
2 sale, distribution, or purchase of over-the-counter
3 methamphetamine precursor drugs if he or she knowingly:

4 (1) Sells, distributes, dispenses, or otherwise
5 provides any number of packages of any drug product
6 containing detectable amounts of ephedrine,

7 phenylpropanolamine, or pseudoephedrine, or any of their
8 salts, optical isomers, or salts of optical isomers, in a
9 total amount greater than seven and two-tenths grams to the
10 same individual within a thirty-day period, unless the
11 amount is dispensed, sold, or distributed pursuant to a
12 valid prescription; or

13 (2) Purchases, receives, or otherwise acquires within
14 a thirty-day period any number of packages of any drug
15 product containing any detectable amount of ephedrine,
16 phenylpropanolamine, or pseudoephedrine, or any of their
17 salts or optical isomers, or salts of optical isomers in a
18 total amount greater than seven and two-tenths grams,
19 without regard to the number of transactions, unless the
20 amount is purchased, received, or acquired pursuant to a
21 valid prescription; or

22 (3) Purchases, receives, or otherwise acquires within
23 a twenty-four-hour period any number of packages of any drug
24 product containing any detectable amount of ephedrine,
25 phenylpropanolamine, or pseudoephedrine, or any of their
26 salts or optical isomers, or salts of optical isomers in a
27 total amount greater than three and six-tenths grams,
28 without regard to the number of transactions, unless the
29 amount is purchased, received, or acquired pursuant to a
30 valid prescription; or

31 (4) Sells, distributes, dispenses, or otherwise
32 provides any number of packages of any drug product
33 containing detectable amounts of ephedrine,
34 phenylpropanolamine, or pseudoephedrine, or any of their
35 salts, optical isomers, or salts of optical isomers, in a
36 total amount greater than [forty-three] **sixty-one** and two-
37 tenths grams to the same individual within a twelve-month

38 period, unless the amount is dispensed, sold, or distributed
39 pursuant to a valid prescription; or

40 (5) Purchases, receives, or otherwise acquires within
41 a twelve-month period any number of packages of any drug
42 product containing any detectable amount of ephedrine,
43 phenylpropanolamine, or pseudoephedrine, or any of their
44 salts or optical isomers, or salts of optical isomers in a
45 total amount greater than ~~[forty-three]~~ **sixty-one** and two-
46 tenths grams, without regard to the number of transactions,
47 unless the amount is purchased, received, or acquired
48 pursuant to a valid prescription; or

49 (6) Dispenses or offers drug products that are not
50 excluded from Schedule V in subsection 17 or 18 of section
51 195.017 and that contain detectable amounts of ephedrine,
52 phenylpropanolamine, or pseudoephedrine, or any of their
53 salts, optical isomers, or salts of optical isomers, without
54 ensuring that such products are located behind a pharmacy
55 counter where the public is not permitted and that such
56 products are dispensed by a registered pharmacist or
57 pharmacy technician under subsection 11 of section 195.017;
58 or

59 (7) Holds a retail sales license issued under chapter
60 144 and knowingly sells or dispenses packages that do not
61 conform to the packaging requirements of section 195.418.

62 2. A pharmacist, intern pharmacist, or registered
63 pharmacy technician commits the offense of unlawful sale,
64 distribution, or purchase of over-the-counter
65 methamphetamine precursor drugs if he or she knowingly:

66 (1) Sells, distributes, dispenses, or otherwise
67 provides any number of packages of any drug product
68 containing detectable amounts of ephedrine,
69 phenylpropanolamine, or pseudoephedrine, or any of their

70 salts or optical isomers, or salts of optical isomers, in a
71 total amount greater than three and six-tenth grams to the
72 same individual within a twenty-four hour period, unless the
73 amount is dispensed, sold, or distributed pursuant to a
74 valid prescription; or

75 (2) Fails to submit information under subsection 13 of
76 section 195.017 and subsection 6 of section 195.417 about
77 the sales of any compound, mixture, or preparation of
78 products containing detectable amounts of ephedrine,
79 phenylpropanolamine, or pseudoephedrine, or any of their
80 salts, optical isomers, or salts of optical isomers, in
81 accordance with transmission methods and frequency
82 established by the department of health and senior services;
83 or

84 (3) Fails to implement and maintain an electronic log,
85 as required by subsection 12 of section 195.017, of each
86 transaction involving any detectable quantity of
87 pseudoephedrine, its salts, isomers, or salts of optical
88 isomers or ephedrine, its salts, optical isomers, or salts
89 of optical isomers; or

90 (4) Sells, distributes, dispenses or otherwise
91 provides to an individual under eighteen years of age
92 without a valid prescription any number of packages of any
93 drug product containing any detectable quantity of
94 pseudoephedrine, its salts, isomers, or salts of optical
95 isomers, or ephedrine, its salts or optical isomers, or
96 salts of optical isomers.

97 3. Any person who violates the packaging requirements
98 of section 195.418 and is considered the general owner or
99 operator of the outlet where ephedrine, pseudoephedrine, or
100 phenylpropanolamine products are available for sale shall
101 not be penalized if he or she documents that an employee

102 training program was in place to provide the employee who
103 made the unlawful retail sale with information on the state
104 and federal regulations regarding ephedrine,
105 pseudoephedrine, or phenylpropanolamine.

106 4. **A manufacturer commits the offense of unlawful**
107 **sale, distribution, or purchase of over-the-counter**
108 **methamphetamine precursor drugs if he or she knowingly fails**
109 **to pay the fees required under subsection 7 of section**
110 **195.417.**

111 5. The offense of unlawful sale, distribution, or
112 purchase of over-the-counter methamphetamine precursor drugs
113 is a class A misdemeanor.

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