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# Arizona Administrative REGISTER

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*Arizona Administrative Register*
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# *From the* Publisher

## ABOUT THIS PUBLICATION

The authenticated pdf of the *Administrative Register* (A.A.R.) posted on the Arizona Secretary of State's website is the official published version for rulemaking activity in the state of Arizona.

Rulemaking is defined in Arizona Revised Statutes known as the Arizona Administrative Procedure Act (APA), A.R.S. Title 41, Chapter 6, Articles 1 through 10.

The *Register* is cited by volume and page number. Volumes are published by calendar year with issues published weekly. Page numbering continues in each weekly issue.

In addition, the *Register* contains notices of rules terminated by the agency and rules that have expired.

## ABOUT RULES

Rules can be: made (all new text); amended (rules on file, changing text); repealed (removing text); or renumbered (moving rules to a different Section number). Rulemaking activity published in the *Register* includes: proposed, final, emergency, expedited, and exempt rules as defined in the APA, and other state statutes.

New rules in this publication (whether proposed or made) are denoted with underlining; repealed text is stricken.

## WHERE IS A "CLEAN" COPY OF THE FINAL OR EXEMPT RULE PUBLISHED IN THE *REGISTER*?

The *Arizona Administrative Code* (A.A.C) contains the codified text of rules. The A.A.C. contains rules promulgated and filed by state agencies that have been approved by the Attorney General or the Governor's Regulatory Review Council. The *Code* also contains rules exempt from the rulemaking process.

The authenticated pdf of *Code* Chapters posted on the Arizona Secretary of State's website are the official published version of rules in the A.A.C. The *Code* is posted online for free.

## LEGAL CITATIONS AND FILING NUMBERS

On the cover: Each agency is assigned a Chapter in the *Arizona Administrative Code* under a specific Title. Titles represent broad subject areas. The Title number is listed first; with the acronym A.A.C., which stands for the *Arizona Administrative Code*; following the Chapter number and Agency name, then program name. For example, the Secretary of State has rules on rulemaking in Title 1, Chapter 1 of the *Arizona Administrative Code*. The citation for this Chapter is 1 A.A.C. 1, Secretary of State, Rules and Rulemaking.very document filed in the office is assigned a file number. This number, enclosed in brackets, is located at the top right of the published documents in the *Register*. The original filed document is available for 10 cents a page.

Arizona Administrative REGISTER

February 14, 2025
Volume 31, Issue 7

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**ADMINISTRATIVE REGISTER**
This publication is available online for free at www.azsos.gov.

**ADMINISTRATIVE CODE**
The *Arizona Administrative Code* is available online at www.azsos.gov.

**PUBLICATION DEADLINES**
Publication dates are published in the back of the *Register.* These dates include file submittal dates with a three-week turnaround from filing to published document.

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The Office of the Secretary of State is an equal opportunity employer.

# Participate in the Process

### Look for the Agency Notice

Review (inspect) notices published in the *Arizona Administrative Register.* Many agencies maintain stakeholder lists and would be glad to inform you when they proposed changes to rules. Check an agency's website and its newsletters for news about notices and meetings.

Feel like a change should be made to a rule and an agency has not proposed changes? You can petition an agency to make, amend, or repeal a rule. The agency must respond to the petition. (See A.R.S. § 41-1033)

### Attend a public hearing/meeting

Attend a public meeting that is being conducted by the agency on a Notice of Proposed Rulemaking. Public meetings may be listed in the Preamble of a Notice of Proposed Rulemaking or they may be published separately in the *Register*. Be prepared to speak, attend the meeting, and make an oral comment.

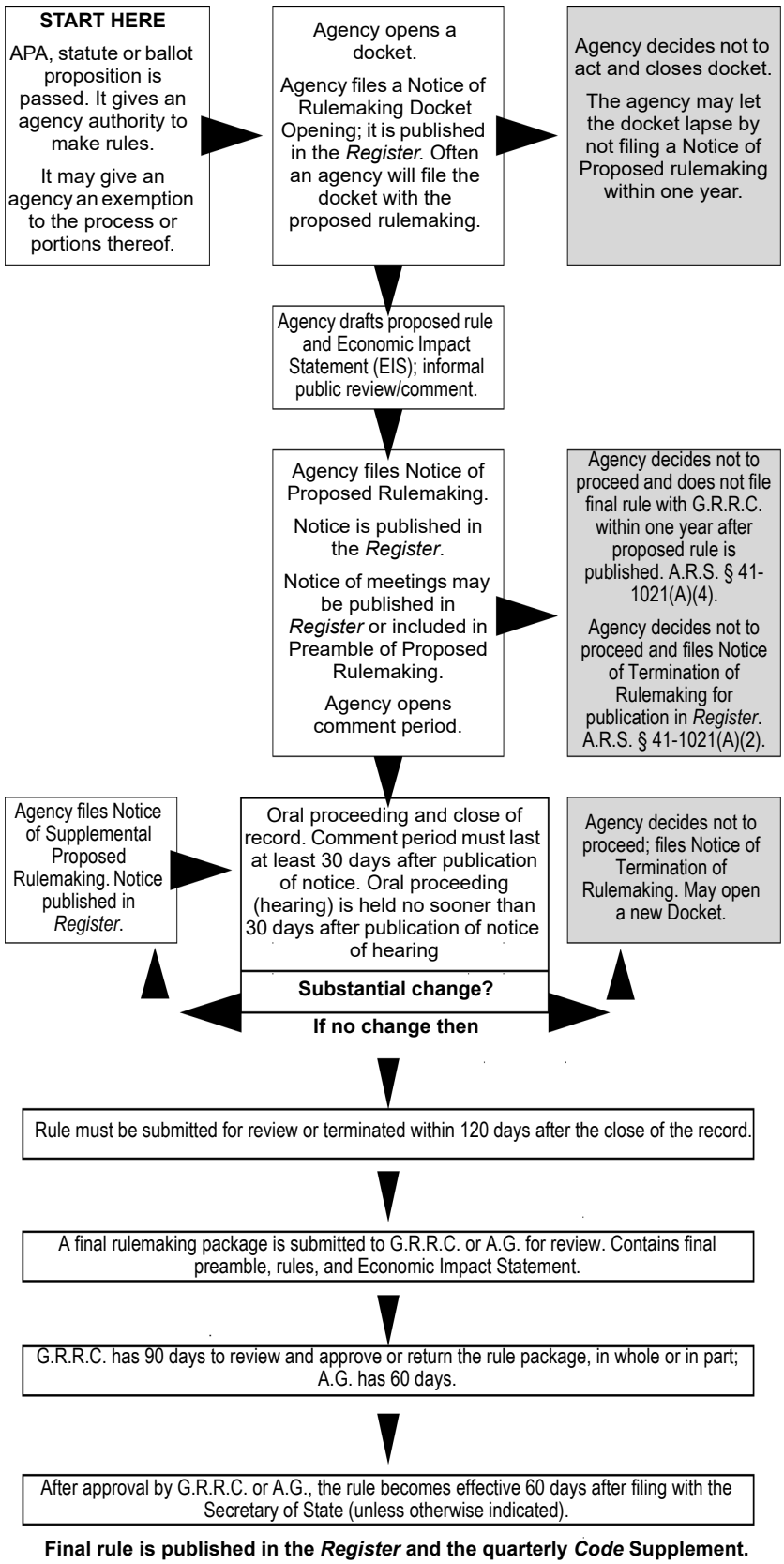
An agency may not have a public meeting scheduled on the Notice of Proposed Rulemaking. If not, you may request that the agency schedule a proceeding. This request must be put in writing within 30 days after the published Notice of Proposed Rulemaking.

### Write the agency

Put your comments in writing to the agency. In order for the agency to consider your comments, the agency must receive them by the close of record. The comment must be received within the 30-day comment timeframe following the *Register* publication of the Notice of Proposed Rulemaking.

You can also submit to the Governor's Regulatory Review Council written comments that are relevant to the Council's power to review a given rule (A.R.S. § 41-1052). The Council reviews the rule at the end of the rulemaking process and before the rules are filed with the Secretary of State.

## Arizona Regular Rulemaking Process



## Definitions

***Arizona Administrative Code* (A.A.C.):** Official rules codified and published by the Secretary of State's Office. Available online at www.azsos.gov.

***Arizona Administrative Register* (A.A.R.):** The official publication that includes filed documents pertaining to Arizona rulemaking. Available online at www.azsos.gov.

**Administrative Procedure Act (APA):** A.R.S. Title 41, Chapter 6, Articles 1 through 10. Available online at www.azleg.gov.

**Arizona Revised Statutes (A.R.S.):** The statutes are made by the Arizona State Legislature during a legislative session. They are complied by Legislative Council, with the official publication codified by Thomson West. Citations to statutes include Titles which represent broad subject areas. The Title number is followed by the Section number. For example, A.R.S. § 41-1001 is the definitions Section of Title 41 of the Arizona Administrative Procedures Act. The "§" symbol simply means "section." Available online at www.azleg.gov.

**Chapter:** A division in the codification of the *Code* designating a state agency or, for a large agency, a major program.

**Close of Record:** The close of the public record for a proposed rulemaking is the date an agency chooses as the last date it will accept public comments, either written or oral.

**Code of Federal Regulations (CFR):** The *Code of Federal Regulations* is a codification of the general and permanent rules published in the *Federal Register* by the executive departments and agencies of the federal government.

**Docket:** A public file for each rulemaking containing materials related to the proceedings of that rulemaking. The docket file is established and maintained by an agency from the time it begins to consider making a rule until the rulemaking is finished. The agency provides public notice of the docket by filing a Notice of Rulemaking Docket Opening with the Office for publication in the *Register*.

**Economic, Small Business, and Consumer Impact Statement (EIS):** The EIS identifies the impact of the rule on private and public employment, on small businesses, and on consumers. It includes an analysis of the probable costs and benefits of the rule. An agency includes a brief summary of the EIS in its preamble. The EIS is not published in the *Register* but is available from the agency promulgating the rule. The EIS is also filed with the rulemaking package.

**Governor's Regulatory Review (G.R.R.C.):** Reviews and approves rules to ensure that they are necessary and to avoid unnecessary duplication and adverse impact on the public. G.R.R.C. also assesses whether the rules are clear, concise, understandable, legal, consistent with legislative intent, and whether the benefits of a rule outweigh the cost.

**Incorporated by Reference:** An agency may incorporate by reference standards or other publications. These standards are available from the state agency with references on where to order the standard or review it online.

**Federal Register (FR):** The *Federal Register* is a legal newspaper published every business day by the National Archives and Records Administration (NARA). It contains federal agency regulations; proposed rules and notices; and executive orders, proclamations, and other presidential documents.

**Session Laws or "Laws":** When an agency references a law that has not yet been codified into the Arizona Revised Statutes, use the word "Laws" is followed by the year the law was passed by the Legislature, followed by the Chapter number using the abbreviation "Ch.", and the specific Section number using the Section symbol (§). For example, Laws 1995, Ch. 6, § 2. Session laws are available at www.azleg.gov.

**United States Code (U.S.C.):** The Code is a consolidation and codification by subject matter of the general and permanent laws of the United States. The Code does not include regulations issued by executive branch agencies, decisions of the federal courts, treaties, or laws enacted by state or local governments.

## Acronyms

A.A.C. – *Arizona Administrative Code*

A.A.R. – *Arizona Administrative Register*

APA – Administrative Procedure Act

A.R.S. – Arizona Revised Statutes

CFR – *Code of Federal Regulations*

EIS – Economic, Small Business, and Consumer Impact Statement

FR – *Federal Register*

G.R.R.C. – Governor's Regulatory Review Council

U.S.C. – *United States Code*

## About Preambles

The Preamble is the part of a rulemaking package that contains information about the rulemaking and provides agency justification and regulatory intent.

It includes reference to the specific statutes authorizing the agency to make the rule, an explanation of the rule, reasons for proposing the rule, and the preliminary Economic Impact Statement.

The information in the Preamble differs between rulemaking notices used and the stage of the rulemaking.

# NOTICES OF PROPOSED RULEMAKING

This section of the *Arizona Administrative Register* contains Notices of Proposed Rulemaking.

A proposed rulemaking is filed by an agency upon completion and submittal of a Notice of Rulemaking Docket Opening. Often these two documents are filed at the same time and published in the same *Register* issue.

When an agency files a Notice of Proposed Rulemaking under the Administrative Procedure Act (APA), the notice is published in the *Register* within three weeks of filing. See the publication schedule in the back of each issue of the *Register* for more information.

Under the APA, an agency must allow at least 30 days to elapse after the publication of the Notice of Proposed Rulemaking in the *Register* before beginning any proceedings for making, amending, or repealing any rule (A.R.S. §§ 41-1013 and 41-1022).

The Office of the Secretary of State is the filing office and publisher of these rules. Questions about the interpretation of the proposed rules should be addressed to the agency that promulgated the rules. Refer to item #4 below to contact the person charged with the rulemaking and item #10 for the close of record and information related to public hearings and oral comments.

## NOTICE OF PROPOSED RULEMAKING

### TITLE 4. PROFESSIONS AND OCCUPATIONS

### CHAPTER 23. BOARD OF PHARMACY

[R25-09]

### PREAMBLE

**1. Permission to proceed with this proposed rulemaking was granted under A.R.S. § 41-1039 by the governor on:**

December 30, 2024

**2. Article, Part, or Section Affected (as applicable)** — **Rulemaking Action**

| | |
|---|---|
| R4-23-110 | Amend |
| R4-23-602 | Amend |
| R4-23-603 | Repeal |
| R4-23-607 | Amend |
| R4-23-693 | Amend |
| R4-23-802 | Amend |

**3. Citations to the agency's statutory rulemaking authority to include the authorizing statute (general) and the implementing statute (specific):**

Authorizing statute: A.R.S. § 32-1904(A)

Implementing statute: A.R.S. §§ 32-1901, 32-1930, and 32-1931

**4. Citations to all related notices published in the *Register* that pertain to the current record of the proposed rule:**

Notice of Rulemaking Docket Opening: 31 A.A.R. 544, February 14, 2025 (*in this issue*); File number: R25-11

**5. The agency's contact person who can answer questions about the rulemaking:**

| | |
|---|---|
| Name: | Kamlesh Gandhi |
| Title: | Executive Director |
| Address: | 1110 W. Washington St., Suite 260<br>Phoenix, AZ 85007 |
| Telephone: | (602) 771-2727 |
| Email: | kgandhi@azpharmacy.gov |
| Website: | www.azpharmacy.gov |

**6. An agency's justification and reason why a rule should be made, amended, repealed or renumbered, to include an explanation about the rulemaking:**

Under Laws 2019, Chapter 83, the legislature amended A.R.S. §§ 32-1930 and 32-1931 to deregulate non-prescription retailers. As a result, the Board is repealing language related to non-prescription retailers including references to a permit.

Under Laws 2024, Chapter 234, the legislature added a definition of virtual manufacturer to A.R.S. § 32-1901. As a result, the Board is repealing the Board's definition at R4-23-110.

The Board is also amending R4-23-602 to make it easier for a permit applicant to obtain additional time in which to submit information needed to complete an application.

**7. A reference to any study relevant to the rule that the agency reviewed and proposes either to rely on or not to rely on in its evaluation of or justification for the rule, where the public may obtain or review each study, all data underlying each study, and any analysis of each study and other supporting material:**

Not applicable

**8. A showing of good cause why the rulemaking is necessary to promote a statewide interest if the rulemaking will diminish a previous grant of authority of a political subdivision of this state:**

Not applicable

**9. The preliminary summary of the economic, small business, and consumer impact:**

The Board determined the only economic impact is the Board's costs associated with this rulemaking. The rulemaking simply makes the rules consistent with statute. The amendment of R4-23-602 simplifies a regulatory burden for permit applicants.

**10. The agency's contact person who can answer questions about the economic, small business and consumer impact statement:**

Name: Kamlesh Gandhi
Title: Executive Director
Address: 1110 W. Washington St., Suite 260
Phoenix, AZ 85007
Telephone: (602) 771-2727
Email: kgandhi@azpharmacy.gov
Website: www.azpharmacy.gov

**11. The time, place, and nature of the proceedings to make, amend, repeal, or renumber the rule, or if no proceeding is scheduled, where, when, and how persons may request an oral proceeding on the proposed rule:**

Written comments about this proposed rulemaking will be accepted in person at the address provided under item #5, Monday through Friday from 8 a.m. to 5 p.m., except for state holidays. Comments will also be accepted via email at the email address provided under item #5.

An oral proceeding is scheduled on this proposed rulemaking as follows:

Date: Tuesday, March 25, 2025
Time: 10:00 a.m.
Location: 1110 W. Washington St., Suite 255
Phoenix, AZ 85007
Nature: Public meeting

**12. All agencies shall list other matters prescribed by statute applicable to the specific agency or to any specific rule or class of rules. Additionally, an agency subject to Council review under A.R.S. §§ 41-1052 and 41-1055 shall respond to the following questions:**

None

**a. Whether the rule requires a permit, whether a general permit is used and if not, the reasons why a general permit is not used:**

The Board issues licenses and permits. However, none of the rules in this rulemaking requires a permit.

**b. Whether a federal law is applicable to the subject of the rule, whether the rule is more stringent than federal law and if so, citation to the statutory authority to exceed the requirements of federal law:**

No federal law is directly applicable to this subject of this rulemaking.

**c. Whether a person submitted an analysis to the agency that compares the rule's impact of the competitiveness of business in this state to the impact on business in other states:**

Not applicable

**13. A list of any incorporated by reference material as specified in A.R.S. § 41-1028 and its location in the rules:**

None

**14. The full text of the rules follows:**

## TITLE 4. PROFESSIONS AND OCCUPATIONS

## CHAPTER 23. BOARD OF PHARMACY

### ARTICLE 1. ADMINISTRATIVE

Section
R4-23-110. Definitions

### ARTICLE 6. PERMITS AND DISTRIBUTION OF DRUGS

Section
R4-23-602. Permit Application Process and Time ~~frames~~ Frames
R4-23-603. ~~Resident Nonprescription Drugs, Retail~~ Repealed
R4-23-607. Nonresident Permits
R4-23-693. Durable Medical Equipment (DME) and Compressed Medical Gas (CMG) Supplier - Resident or Nonresident

## ARTICLE 8. DRUG CLASSIFICATION

Section
R4-23-802. Veterinary

## ARTICLE 1. ADMINISTRATIVE

**R4-23-110. Definitions**

In addition to definitions in A.R.S. § 32-1901, the following definitions apply to this Chapter:

"Active ingredient" means any component that furnishes pharmacological activity or other direct effect in the diagnosis, cure, mitigation, treatment, or prevention of disease or that affects the structure or any function of the body of man or other animals. The term includes those components that may undergo chemical change in the manufacture of the drug, that are present in the finished drug product in a modified form, and that furnish the specified activity or effect.

"AHCCCS" means the Arizona Health Care Cost Containment System.

"Annual family income" means the combined yearly gross earned income and unearned income of all adult individuals within a family unit.

"Approved course in pharmacy law" means a continuing education activity that addresses practice issues related to state or federal pharmacy statutes, rules, or regulations.

"Approved Provider" means an individual, institution, organization, association, corporation, or agency that is approved by the Accreditation Council for Pharmacy Education (ACPE) in accordance with ACPE's policy and procedures or by the Board as meeting criteria indicative of the ability to provide quality continuing education.

"Assisted living facility" means a residential care institution as defined in A.R.S. § 36-401.

"Authentication of product history" means identifying the purchasing source, the ultimate fate, and any intermediate handling of any component of a radiopharmaceutical or other drug.

"Automated dispensing system" means a mechanical system in a long-term care facility that performs operations or activities, other than compounding or administration, relative to the storage, packaging, counting, labeling, and dispensing of medications, and which collects, controls, and maintains all transaction information.

"Automated storage and distribution system" means a mechanical system that performs operations or activities other than counting, compounding, or administration, relative to the storage, packaging, or distributing of drugs or devices and that collects, controls, and maintains all transaction information.

"Batch" means a specific quantity of drug that has uniform character and quality, within specified limits, and is produced according to a single manufacturing order during the same cycle of manufacture.

"Beyond-use date" means:

A date determined by a pharmacist and placed on a prescription label at the time of dispensing to indicate a time beyond which the contents of the prescription are not recommended to be used; or

A date determined by a pharmacist and placed on a compounded pharmaceutical product's label at the time of preparation as specified in R4-23-410(B)(3)(d), R4-23-410(I)(6)(e), or R4-23-410(J)(1)(d) to indicate a time beyond which the compounded pharmaceutical product is not recommended to be used.

"Biological safety cabinet" means a containment unit suitable for the preparation of low to moderate risk agents when there is a need for protection of the product, personnel, and environment, consistent with National Sanitation Foundation (NSF) standards, published in the National Sanitation Foundation Standard 49, Class II (Laminar Flow) Biohazard Cabinetry, NSF International P. O. Box 130140, Ann Arbor, MI, revised June 1987 edition, (and no future amendments or editions), incorporated by reference and on file with the Board.

"Care-giver" means a person who cares for someone who is sick or disabled or an adult who cares for an infant or child and includes a patient's husband, wife, son, daughter, mother, father, sister, brother, legal guardian, nurse, or medical practitioner.

"Change of ownership," as used in A.R.S. § 32-1901.01(A), means a change of at least 30 percent in voting stock or vested interest that has direct operational oversight.

"Community pharmacy" means any place under the direct supervision of a pharmacist where the practice of pharmacy occurs or where prescription orders are compounded and dispensed other than a hospital pharmacy or a limited service pharmacy.

"Component" means any ingredient used in compounding or manufacturing drugs in dosage form, including an ingredient that may not appear in the finished product.

"Compounding and dispensing counter" means a pharmacy counter working area defined in this Section where a pharmacist, intern, pharmacy technician, or pharmacy technician trainee under the supervision of a pharmacist compounds, mixes, combines, counts, pours, or prepares and packages a prescription medication to dispense an individual prescription order or prepackages a drug for future dispensing.

"Computer system" means an automated data-processing system that uses a programmable electronic device to store, retrieve, and process data.

"Computer system audit" means an accounting method, involving multiple single-drug usage reports and audits, used to determine a computer system's ability to store, retrieve, and process original and refill prescription dispensing information.

"Contact hour" means 50 minutes of participation in a continuing education activity sponsored by an Approved Provider.

"Container" means:

A receptacle, as described in the official compendium or the federal act, that is used in manufacturing or compounding a drug or in distributing, supplying, or dispensing the finished dosage form of a drug; or

A metal receptacle designed to contain liquefied or vaporized compressed medical gas and used in manufacturing, transfilling, distributing, supplying, or dispensing a compressed medical gas.

"Continuing education" means a structured learning process required of a licensee to maintain licensure that includes study in the general areas of socio-economic and legal aspects of health care; the properties and actions of drugs and dosage forms; etiology, characteristics and therapeutics of disease status; or pharmacy practice.

"Continuing education activity" means continuing education obtained through an institute, seminar, lecture, conference, workshop, mediated instruction, programmed learning course, or postgraduate study in an accredited college or school of pharmacy.

"Continuing education unit" or "CEU" means 10 contact hours of participation in a continuing education activity sponsored by an Approved Provider.

"Continuous quality assurance program" or "CQA program" means a planned process designed by a pharmacy permittee to identify, evaluate, and prevent medication errors.

"Correctional facility" has the same meaning as in A.R.S. §§ 13-2501 and 31-341.

"CRT" means a cathode ray tube or other mechanism used to view information produced or stored by a computer system.

"CSPMP" means the Controlled Substances Prescription Monitoring Program established under A.R.S. Title 36, Chapter 28.

"Current good compounding practices" means the minimum standards for methods used in, and facilities or controls used for, compounding a drug to ensure that the drug has the identity and strength and meets the quality and purity characteristics it is represented to possess.

"Current good manufacturing practice" means the minimum standard for methods used in, and facilities or controls used for manufacturing, processing, packing, or holding a drug to ensure that the drug meets the requirements of the federal act as to safety, and has the identity and strength and meets the quality and purity characteristics it is represented to possess.

"Cytotoxic" means a pharmaceutical that is capable of killing living cells.

"Day" means a calendar day unless otherwise specified.

"DEA" means the Drug Enforcement Administration as defined in A.R.S. § 32-1901.

"Declared disaster areas" means areas designated by the governor or by a county, city, or town under A.R.S. § 32-1910 as those areas that have been adversely affected by a natural disaster or terrorist attack and require extraordinary measures to provide adequate, safe, and effective health care for the affected population.

"Delinquent license" means a pharmacist, intern, or pharmacy technician license the Board suspends for failure to renew or pay all required fees on or before the date the renewal is due.

"Dietary supplement or food supplement," as used in A.R.S. § 32-1904(B), means a product (other than tobacco) that:

Is intended to supplement the diet that contains one or more of the following dietary ingredients: a vitamin, mineral, herb or other botanical, amino acid, dietary substance for use by humans to supplement the diet by increasing the total daily intake, or concentrate, metabolite, constituent, extract, or combinations of these ingredients;

Is intended for ingestion in pill, capsule, tablet, or liquid form;

Is not represented for use as a conventional food or as the sole item of a meal or diet; and

Is labeled as a "dietary supplement" or "food supplement."

"Digital signature" has the same meaning as in A.R.S. § 41-132(E).

"Dispensing pharmacist" means a pharmacist who, in the process of dispensing a prescription medication after the complete preparation of the prescription medication and before delivery of the prescription medication to a patient or patient's agent, verifies, checks, and initials the prescription medication label, as required in R4-23-402(A).

"Drug sample" means a unit of a prescription drug that a manufacturer provides free of charge to promote the sale of the drug.

"Durable medical equipment" or "DME" means technologically sophisticated medical equipment that may be used by a patient or consumer in a home or residence. DME may be prescription-only devices as defined in A.R.S. § 32-1901. DME includes:

Air-fluidized beds,

Apnea monitors,

Blood glucose monitors and diabetic testing strips,

Continuous Positive Airway Pressure (CPAP) machines,

Electronic and computerized wheelchairs and seating systems,

Feeding pumps,

Home phototherapy devices,

Hospital beds,

Infusion pumps,

Medical oxygen and oxygen delivery systems excluding compressed medical gases,

Nebulizers,

Respiratory disease management devices,

Sequential compression devices,

Transcutaneous electrical nerve stimulation (TENS) unit, and

Ventilators.

"Earned income" means monetary payments received by an individual as a result of work performed or rental property owned or leased by the individual, including:

Wages,

Commissions and fees,

Salaries and tips,

Profit from self-employment,

Profit from rent received from a tenant or boarder, and

Any other monetary payments received by an individual for work performed or rental of property.

"Electronic signature" has the same meaning as in A.R.S. § 44-7002.

"Eligible patient" means a patient who a pharmacist determines is eligible to receive an immunization using professional judgment after consulting with the patient regarding the patient's current health condition, recent health condition, and allergies.

"Emergency drug supply unit" means those drugs that may be required to meet the immediate and emergency therapeutic needs of long-term care facility residents and hospice inpatient facility patients, and which are not available from any other authorized source in sufficient time to prevent risk of harm to residents or patients.

"Extreme emergency" means the occurrence of a fire, water leak, electrical failure, public disaster, or other catastrophe constituting an imminent threat of physical harm to pharmacy personnel or patrons.

"Family unit" means:

A group of individuals residing together who are related by birth, marriage, or adoption; or

An individual who:

Does not reside with another individual; or

Resides only with another individual or group of individuals to whom the individual is unrelated by birth, marriage, or adoption.

"FDA" means the Food and Drug Administration, a federal agency within the United States Department of Health and Human Services, established to set safety and quality standards for foods, drugs, cosmetics, and other consumer products.

"Health care decision maker" has the same meaning as in A.R.S. § 12-2291.

"Health care institution" has the same meaning as in A.R.S. § 36-401.

"Hospice inpatient facility" means a health care institution licensed under A.R.S. § 36-401 and Article 8 that provides hospice services to a patient requiring inpatient services.

"Immediate notice" means a required notice sent by mail, fax, or electronic mail to the Board Office within 24 hours.

"Immunizations training program" means an immunization training program for pharmacists and interns that meets the requirements of R4-23-411(E).

"Inactive ingredient" means any component other than an "active ingredient" present in a drug.

"Internal test assessment" means performing quality assurance or other procedures necessary to ensure the integrity of a test.

"ISO Class 5 environment" means an atmospheric environment that complies with the ISO/TC209 International Cleanroom Standards, specifically ANSI/IEST/ISO-14644-1:1999: Cleanrooms and associated controlled environments--Part 1: Classification of air cleanliness, first edition dated May 1, 1999, (and no future amendments or editions), incorporated by reference and on file in the Board office.

"ISO Class 7 environment" means an atmospheric environment that complies with the ISO/TC209 International Cleanroom Standards, specifically ANSI/IEST/ISO-14644-1:1999: Cleanrooms and associated controlled environments--Part 1: Classification of air cleanliness, first edition dated May 1, 1999, (and no future amendments or editions), incorporated by reference and on file in the Board office.

"Licensed health care professional" means an individual who is licensed and regulated under A.R.S. Title 32, Chapter 7, 11, 13, 14, 15, 16, 17, 18, 25, 29, or 35.

"Limited-service correctional pharmacy" means a limited-service pharmacy, as defined in A.R.S. § 32-1901, that:

Holds a current Board permit under A.R.S. § 32-1931;

Is located in a correctional facility; and

Uses pharmacists, interns, and support personnel to compound, produce, dispense, and distribute drugs.

"Limited-service long-term care pharmacy" means a limited-service pharmacy, as defined in A.R.S. § 32-1901, that holds a current Board-issued permit and dispenses prescription medication or prescription-only devices to patients in long-term care facilities.

"Limited-service mail-order pharmacy" means a limited-service pharmacy, as defined in A.R.S. § 32-1901, that holds a current Board permit under A.R.S. § 32-1931 and dispenses a majority of its prescription medication or prescription-only devices by mailing or delivering the prescription medication or prescription-only device to an individual by the United States mail, a common or contract carrier, or a delivery service.

"Limited-service nuclear pharmacy" means a limited-service pharmacy, as defined in A.R.S. § 32-1901, that holds a current Board permit under A.R.S. § 32-1931 and provides radiopharmaceutical services.

"Limited-service pharmacy permittee" means a person who holds a current limited-service pharmacy permit in compliance with A.R.S. §§ 32-1929, 32-1930, 32-1931, and A.A.C. R4-23-606.

"Limited-service sterile pharmaceutical products pharmacy" means a limited-service pharmacy, as defined in A.R.S. § 32-1901, that holds a current Board permit under A.R.S. § 32-1931 and dispenses a majority of its prescription medication or prescription-only devices as sterile pharmaceutical products.

"Long-term care consultant pharmacist" means a pharmacist providing consulting services to a long-term care facility.

"Long-term care facility" or "LTCF" means a nursing care institution as defined in A.R.S. § 36-401.

"Lot" means a batch or any portion of a batch of a drug, or if a drug produced by a continuous process, an amount of drug produced in a unit of time or quantity in a manner that assures its uniformity. In either case, a lot is identified by a distinctive lot number and has uniform character and quality with specified limits.

"Lot number" or "control number" means any distinctive combination of letters or numbers, or both, from which the complete history of the compounding or manufacturing, control, packaging, and distribution of a batch or lot of a drug can be determined.

"Low-income subsidy" means Medicare-provided assistance that may partially or fully cover the costs of drugs and is based on the income of an individual and, if applicable, the individual's spouse.

"Materials approval unit" means any organizational element having the authority and responsibility to approve or reject components, in-process materials, packaging components, and final products.

"Mechanical counting device for a drug in solid, oral dosage form" means a mechanical device that counts drugs in solid, oral dosage forms for dispensing and includes an electronic balance when used to count drugs.

"Mechanical storage and counting device for a drug in solid, oral dosage form" means a mechanical device that stores and counts and may package or label drugs in solid, oral dosage forms for dispensing.

"Mediated instruction" means information transmitted via intermediate mechanisms such as audio or video tape or telephone transmission.

"Medical practitioner-patient relationship" means that before prescribing, dispensing, or administering a prescription-only drug, prescription-only device, or controlled substance to a person, a medical practitioner, as defined in A.R.S. § 32-1901, shall first conduct a physical examination of that person or have previously conducted a physical examination. This subdivision does not apply to:

A medical practitioner who provides temporary patient supervision on behalf of the patient's regular treating medical practitioner;

Emergency medical situations as defined in A.R.S. § 41-1831;

Prescriptions written to prepare a patient for a medical examination; or

Prescriptions written, prescription-only drugs, prescription-only devices, or controlled substances issued for use by a county or tribal public health department for immunization programs, emergency treatment, in response to an infectious disease investigation, public health emergency, infectious disease outbreak or act of bioterrorism. For purposes of this subsection, "bioterrorism" has the same meaning as in A.R.S. § 36-781.

"Medicare" means a federal health insurance program established under Title XVIII of the Social Security Act.

"Medication error" means any unintended variation from a prescription or medication order. Medication error does not include any variation that is corrected before the medication is dispensed to the patient or patient's care-giver, or any variation allowed by law.

"Mobile pharmacy" means a pharmacy that is self-propelled or movable by another vehicle that is self-propelled.

"MPJE" means Multistate Pharmacy Jurisprudence Examination, a Board-approved national pharmacy law examination written and administered in cooperation with NABP.

"NABP" means National Association of Boards of Pharmacy.

"NABPLEX" means National Association of Boards of Pharmacy Licensure Examination.

"NAPLEX" means North American Pharmacist Licensure Examination.

"Order" means either of the following:

A prescription order as defined in A.R.S. § 32-1901; or

A medication order as defined in A.A.C. R4-23-651.

"Other designated personnel" means a non-pharmacist individual who is permitted in the pharmacy area, for a limited time, under the direct supervision of a pharmacist, to perform non-pharmacy related duties, such as trash removal, floor maintenance, and telephone or computer repair.

"Outpatient" means an individual who is not a residential patient in a health care institution.

"Outpatient setting" means a location that provides medical treatment to an outpatient.

"Patient profile" means a readily retrievable, centrally located information record that contains patient demographics, allergies, and medication profile.

"Pharmaceutical patient care services" means the provision of drug selection, drug utilization review, drug administration, drug therapy monitoring, and other drug-related patient care services intended to achieve outcomes related to curing or preventing a disease, eliminating or reducing a patient's symptoms, or arresting or slowing a disease process, by identifying and resolving or preventing potential and actual drug-related problems.

"Pharmaceutical product" means a medicinal drug.

"Pharmacy counter working area" means a clear and continuous working area that contains no major obstacles such as a desktop computer, computer monitor, computer keyboard, external computer drive device, printer, fax machine, pharmacy balance, typewriter, or pill-counting machine, but may contain individual documents or prescription labels, pens, prescription blanks, refill log, pill-counting tray, spatula, stapler, or other similar items necessary for the prescription-filling process.

"Pharmacy law continuing education" means a continuing education activity that addresses practice issues related to state or federal pharmacy statutes, rules, or regulations, offered by an Approved Provider.

"Pharmacy permittee" means a person who holds a current pharmacy permit that complies with A.R.S. §§ 32-1929, 32-1930, 32-1931, 32-1934, and R4-23-606 and R4-23-652.

"Physician" means a medical practitioner licensed under A.R.S. Title 32, Chapter 13 or 17.

"Physician-in-charge" means a physician who is responsible to the Board for all aspects of a prescription medication donation program required in A.R.S. § 32-1909 and operated in the physician's office or in a health care institution.

"Poverty level" means the annual family income for a family unit of a particular size, as specified in the poverty guidelines updated annually in the *Federal Register* by the U.S. Department of Health and Human Services.

"Precursor chemical" means a precursor chemical I as defined in A.R.S. § 13-3401(26) and a precursor chemical II as defined in A.R.S. § 13-3401(27).

"Prepackaged drug" means a drug that is packaged in a frequently prescribed quantity, labeled in compliance with A.R.S. §§ 32-1967 and 32-1968, stored, and subsequently dispensed by a pharmacist or intern under the supervision of a pharmacist, who verifies at the time of dispensing that the drug container is properly labeled, in compliance with A.R.S. § 32-1968, for the patient.

"Prep area" means a specified area either within an ISO class 7 environment or adjacent to but outside an ISO class 7 environment that:

Allows the assembling of necessary drugs, supplies, and equipment for compounding sterile pharmaceutical products, but does not allow the use of paper products such as boxes or bulk drug storage;

Allows personnel to don personnel protective clothing, such as gown, gloves, head cover, and booties before entering the clean compounding area; and

Is a room or a specified area within a room, such as an area specified by a line on the floor.

"Primary care provider" means the medical practitioner who is treating an individual for a disease or medical condition.

"Proprietor" means the owner of a business permitted by the Board under A.R.S. §§ 32-1929, 32-1930, 32-1931, and 32-1934.

"Provider pharmacy" means a pharmacy that contracts with a long-term care facility to supply prescription medication or other services for residents of a long-term care facility.

"Radiopharmaceutical" means any drug that emits ionizing radiation and includes:

Any nonradioactive reagent kit, nuclide generator, or ancillary drug intended to be used in the preparation of a radiopharmaceutical, but does not include drugs such as carbon-containing compounds or potassium-containing salts, that contain trace quantities of naturally occurring radionuclides; and

Any biological product that is labeled with a radionuclide or intended to be labeled with a radionuclide.

"Radiopharmaceutical quality assurance" means performing and interpreting appropriate chemical, biological, and physical tests on radiopharmaceuticals to determine the suitability of the radiopharmaceutical for use in humans and animals. Radiopharmaceutical quality assurance includes internal test assessment, authentication of product history, and appropriate record retention.

"Radiopharmaceutical services" means procuring, storing, handling, compounding, preparing, labeling, quality assurance testing, dispensing, distributing, transferring, recordkeeping, and disposing of radiochemicals, radiopharmaceuticals, and ancillary drugs. Radiopharmaceutical services include quality assurance procedures, radiological health and safety procedures, consulting activities associated with the use of radiopharmaceuticals, and any other activities required for the provision of pharmaceutical care.

"Red C stamp" means a device used with red ink to imprint an invoice with a red letter C at least one inch high, to make an invoice of a Schedule III through IV controlled substance, as defined in A.R.S. § 36-2501, readily retrievable, as required by state and federal rules.

"Refill" means other than the original dispensing of the prescription order, dispensing a prescription order in the same quantity originally ordered or in multiples of the originally ordered quantity when specifically authorized by the prescriber, if the refill is authorized by the prescriber:

In the original prescription order;

By an electronically transmitted refill order that the pharmacist promptly documents and files; or

By an oral refill order that the pharmacist promptly documents and files.

"Regulated chemical" means the same as in A.R.S. § 13-3401(30).

"Remodel" means to alter structurally the pharmacy area or location.

"Remote drug storage area" means an area that is outside the premises of the pharmacy, used for the storage of drugs, locked to deny access by unauthorized persons, and secured against the use of force.

"Resident" means:

An individual admitted to and living in a long-term care facility or an assisted living facility,

An individual who has a place of habitation in Arizona and lives in Arizona as other than a tourist, or

A person that owns or operates a place of business in Arizona.

"Responsible person" means the owner, manager, or other employee who is responsible to the Board for a permitted establishment's compliance with the laws and administrative rules of this state and of the federal government pertaining to distribution of drugs, devices, precursor chemicals, and regulated chemicals. Nothing in this definition relieves other individuals from the responsibility to comply with state and federal laws and administrative rules.

"Score transfer" means the process that enables an applicant to take the NAPLEX in a jurisdiction and be eligible for licensure by examination in other jurisdictions.

"Security features" means attributes incorporated into the paper of a prescription order, referenced in A.R.S. § 32-1968(A)(4), that are approved by the Board or its staff and include one or more of the following designed to prevent duplication or aid the authentication of a paper document: laid lines, enhanced laid lines, thermochromic ink, artificial watermark, fluorescent ink, chemical void, persistent void, penetrating numbers, high-resolution border, high-resolution latent images, micro-printing, prismatic printing, embossed images, abrasion ink, holograms, and foil stamping.

"Shared order filling" means the following:

Preparing, packaging, compounding, or labeling an order, or any combination of these functions, that are performed by:

A person with a current Arizona Board license, located at an Arizona pharmacy, on behalf of and at the request of another resident or nonresident pharmacy; or

A person, located at a nonresident pharmacy, on behalf of and at the request of an Arizona pharmacy; and

Returning the filled order to the requesting pharmacy for delivery to the patient or patient's care-giver or, at the request of this pharmacy, directly delivering the filled order to the patient.

"Shared order processing" means the following:

Interpreting the order, performing order entry verification, drug utilization review, drug compatibility and drug allergy review, final order verification, and when necessary, therapeutic intervention, or any combination of these order processing functions, that are performed by:

A pharmacist or intern, under pharmacist supervision, with a current Arizona Board license, located at an Arizona pharmacy, on behalf of and at the request of another resident or nonresident pharmacy: or

A pharmacist or intern, under pharmacist supervision, located at a nonresident pharmacy, on behalf of and at the request of an Arizona pharmacy; and

After order processing is completed, returning the processed order to the requesting pharmacy for order filling and delivery to the patient or patient's care-giver or, at the request of this pharmacy, returning the processed order to another pharmacy for order filling and delivery to the patient or patient's care-giver.

"Shared services" means shared order filling or shared order processing, or both.

"Sight-readable" means that an authorized individual is able to examine a record and read its information from a CRT, microfiche, microfilm, printout, or other method acceptable to the Board or its designee.

"Single-drug audit" means an accounting method that determines the numerical and percentage difference between a drug's beginning inventory plus purchases and ending inventory plus sales.

"Single-drug usage report" means a computer system printout of original and refill prescription order usage information for a single drug.

"Standard-risk sterile pharmaceutical product" means a sterile pharmaceutical product compounded from sterile commercial drugs using sterile commercial devices or a sterile pharmaceutical optic or ophthalmic product compounded from non-sterile ingredients.

"State of emergency" means a governmental declaration issued under A.R.S. § 32-1910 as a result of a natural disaster or terrorist attack that results in individuals being unable to refill existing prescriptions.

"Sterile pharmaceutical product" means a medicinal drug free from living biological organisms.

"Strength" means:

The concentration of the drug substance (for example, weight/weight, weight/volume, or unit dose/volume basis); or

The potency, that is, the therapeutic activity of a drug substance as indicated by bioavailability tests or by controlled clinical data (expressed, for example, in terms of unity by reference to a standard).

"Substantial-risk sterile pharmaceutical product" means a sterile pharmaceutical product compounded as a parenteral or injectable dosage form from non-sterile ingredients.

"Supervision" means a pharmacist is present, assumes legal responsibility, and has direct oversight of activities relating to acquiring, preparing, distributing, administering, and selling prescription medications by interns, pharmacy technicians, or pharmacy technician trainees and when used in connection with the intern training requirements means that, in a pharmacy where intern training occurs, an intern preceptor assumes the primary responsibility of teaching the intern during the entire period of the training.

"Supplying" means selling, transferring, or delivering to a patient or a patient's agent one or more doses of:

A nonprescription drug in the manufacturer's original container for subsequent use by the patient, or

A compressed medical gas in the manufacturer's or compressed medical gas distributor's original container for subsequent use by the patient.

"Support personnel" means an individual, working under the supervision of a pharmacist, trained to perform clerical duties associated with the practice of pharmacy, including cashiering, bookkeeping, pricing, stocking, delivering, answering non-professional telephone inquiries, and documenting third-party reimbursement. Support personnel shall not perform the tasks of a pharmacist, intern, pharmacy technician, or pharmacy technician trainee.

"Temporary pharmacy facility" means a facility established as a result of a declared state of emergency to temporarily provide pharmacy services within or adjacent to declared disaster areas.

"Tourist" means an individual who is living in Arizona but maintains a place of habitation outside of Arizona and lives outside of Arizona for more than six months during a calendar year.

"Transfill" means a manufacturing process by which one or more compressed medical gases are transferred from a bulk container to a properly labeled container for subsequent distribution or supply.

"Unearned income" means monetary payment received by an individual that is not compensation for work performed or rental of property owned or leased by the individual, including:

Unemployment insurance,

Workers' compensation,

Disability payments,

Payments from the Social Security Administration,

Payments from public assistance,

Periodic insurance or annuity payments,

Retirement or pension payments,

Strike benefits from union funds,

Training stipends,

Child support payments,

Alimony payments,

Military family allotments,

Regular support payments from a relative or other individual not residing in the household,

Investment income,

Royalty payments,

Periodic payments from estates or trusts, and

Any other monetary payments received by an individual that are not:

As a result of work performed or rental of property owned by the individual,

Gifts,

Lump-sum capital gains payments,

Lump-sum inheritance payments,

Lump-sum insurance payments, or

Payments made to compensate for personal injury.

"Verified signature" or "signature verifying" means in relation to a Board license or permit application or report, form, or agreement, the hand-written or electronic signature of an individual who, by placing a hand-written or electronic signature on a hard-copy or electronic license or permit application or report, form, or agreement agrees with and verifies that the statements and information within or attached to the license or permit application or report, form, or agreement are true in every respect and that inaccurate reporting can result in denial or loss of a license or permit or report, form, or agreement.

"Veteran" means an individual who has served in the United States Armed Forces.

~~"Virtual manufacturer" means an entity that contracts for the manufacture of a drug or device for which the entity:~~

~~Owns the New Drug Application or Abbreviated New Drug Application number, as defined by the FDA, for a drug;~~

~~Owns the Unique Device Identification number, as defined by the FDA, for a prescription device;~~

~~Is not involved in the physical manufacture of the drug or device; and~~

~~Contracts with an Arizona-permitted manufacturing entity for the physical manufacture of the drug or device; or~~

~~If the contracted manufacturing entity is in a location not included in the definition at A.R.S. 32-1901 of other jurisdiction, the virtual manufacturer ensures the facility is inspected every time the virtual manufacturer submits an initial or renewal application and determined to comply with current good manufacturing practices as defined by the federal act and the official compendium.~~

~~Virtual manufacturer includes an entity that may be identified as an own-label distributor, which contracts with a manufacturer to produce a drug or device and with another entity to package and label the drug or device, which is then sold under the distributor's name or another name.~~

"Virtual wholesaler" means an entity that engages in the wholesale distribution of a drug or device in, into, or out of Arizona but does not take physical possession of the drug or device. A virtual wholesaler distributes a drug or device only from a Board-permitted facility to:

A Board-permitted pharmacy, drug manufacturer, full-service drug wholesaler, or non-prescription drug wholesaler; or

A medical practitioner licensed under A.R.S. Title 32; and

Virtual wholesaler includes an entity that may be identified as a broker that buys and sells goods for others or a person that facilitates distribution of a drug, chemical, or device regulated by the Board.

"Wholesale distribution" means distribution of a drug to a person other than a consumer or patient, but does not include:

Selling, purchasing, or trading a drug or offering to sell, purchase, or trade a drug for emergency medical reasons. For purposes of this Section, "emergency medical reasons" includes transferring a prescription drug by a community or hospital pharmacy to another community or hospital pharmacy to alleviate a temporary shortage;

Selling, purchasing, or trading a drug, offering to sell, purchase, or trade a drug, or dispensing a drug as specified in a prescription;

Distributing a drug sample by a manufacturers' or distributors' representative; or

Selling, purchasing, or trading blood or blood components intended for transfusion.

"Wholesale distributor" means any person engaged in wholesale distribution of drugs, including: manufacturers; repackers; own-label distributors; private-label distributors; jobbers; brokers; warehouses, including manufacturers' and distributors' warehouses, chain drug warehouses, and wholesale drug warehouses; independent wholesale drug traders; and retail pharmacies that conduct wholesale distributions in the amount of at least 5% of gross sales.

## ARTICLE 6. PERMITS AND DISTRIBUTION OF DRUGS

**R4-23-602. Permit Application Process and Time ~~frames~~ Frames**

**A.** A person applying for a permit shall:
1. Submit a completed application for the desired permit electronically or manually on a form furnished by the Board, and
2. Submit with the application form:
   a. The documents specified in the application form, and
   b. The permit fee specified in R4-23-205.

**B.** The Board office shall deem an application form received on the date the Board office electronically or manually date-stamps the form.

**C.** Time frames for permits.
1. The Board office shall finish an administrative completeness review within 60 days from the date the application form is received.
   a. The Board office shall issue a written notice of administrative completeness to the applicant if no deficiencies are found in the application form.
   b. If the application form is incomplete, the Board office shall provide the applicant with a written notice that includes a comprehensive list of the missing information. The 60-day time frame for the Board office to finish the administrative completeness review is suspended from the date the notice of incompleteness is served until the applicant provides the Board office with all missing information.
   c. If the Board office does not provide the applicant with written notice regarding administrative completeness, the application form shall be deemed complete 60 days after receipt by the Board office.
2. An applicant with an incomplete application form shall submit to the Board office all of the missing information within 90 days of service of the notice of incompleteness.
   ~~a.~~ If an applicant cannot submit all missing information within 90 days of service of the notice of incompleteness, the applicant may send a written ~~request for an~~ notice of a 30-day extension to the Board office postmarked or delivered no later than 90 days from service of the notice of incompleteness~~;~~
   ~~b. The written request for an extension shall document the reasons the applicant is unable to meet the 90-day deadline; and~~
   ~~c. The Board office shall review the request for an extension of the 90-day deadline and grant the request if the Board office determines an extension of the 90-day deadline will enable the applicant to assemble and submit the missing information. An extension shall be for no more than 30 days. The Board office shall notify the applicant in writing of its decision to grant or deny the request for an extension~~.
3. If an applicant fails to submit a complete application form within the time allowed under subsection (C)(2), the Board office shall close the applicant's file. An applicant whose file is closed and who later wishes to obtain a permit shall submit a new application and fee as specified in subsection (A).
4. For ~~a nonprescription drug permit applicant,~~ a compressed medical gas distributor permit applicant~~,~~ and a durable medical equipment and compressed medical gas supplier permit applicant, the Board office shall issue a permit on the day the Board office determines an administratively complete application form is received.
5. Except as described in subsection (C)(4), from the date on which the administrative completeness review of an application form is finished, the Board office shall complete a substantive review of the applicant's qualifications in no more than 120 days.
   a. If an applicant is found to be ineligible, the Board office shall issue a written notice of denial to the applicant.
   b. If an applicant is found to be eligible, the Board office shall recommend to the Board that the applicant be issued a permit. Upon receipt of the Board office's recommendation, the Board shall either issue a permit to the applicant or if the Board determines the applicant does not meet eligibility requirements, return the matter to the Board office.
   c. If the Board office finds deficiencies during the substantive review of the application form, the Board office shall issue a written request to the applicant for additional documentation.
   d. The 120-day time frame for a substantive review for the issuance or denial of a permit is suspended from the date of the written request for additional documentation until the date all documentation is received. The applicant shall submit the additional documentation according to subsection (C)(2).
   e. If the applicant and the Board office mutually agree in writing, the 120-day substantive review time frame may be extended once for no more than 45 days.
6. For the purpose of A.R.S. § 41-1072 et seq., the Board establishes the following time frames for permits:
   a. Administrative completeness review time frame: 60 days.
   b. Substantive review time frame:
      i. ~~Nonprescription drug permit, compressed~~ Compressed medical gas distributor permit~~,~~ and durable medical equipment and compressed medical gas supplier permit: none.
      ii. Except as described in subsection (C)(6)(b)(i): 120 days.
   c. Overall time frame:
      i. ~~Nonprescription drug permit, compressed~~ Compressed medical gas distributor permit~~,~~ and durable medical equipment and compressed medical gas supplier permit: 60 days.
      ii. Except as described in subsection (C)(6)(c)(i): 180 days.

**D.** Permit renewal.
1. To renew a permit, a permittee shall submit a completed application for permit renewal electronically or manually on a form furnished by the Board with the biennial renewal fee specified in R4-23-205.
2. If the biennial renewal fee is not paid by November 1 of the renewal year specified in A.R.S. § 32-1931, the permit is suspended. The permittee shall pay a penalty as provided in A.R.S. § 32-1931 and R4-23-205 to vacate the suspension.
3. Time frames for permit renewals. The Board office shall follow the time frames established in subsection (C).

**E.** Display of permit. A permittee shall conspicuously display the permit in the location to which it applies.

**R4-23-603. ~~Resident Nonprescription Drugs, Retail~~ Repealed**

~~**A.** Permit. A person, including the following, shall not sell or distribute a nonprescription drug without a current Board-issued permit:~~
~~1. A grocer;~~
~~2. Other non-pharmacy retail outlet; or~~
~~3. Mobile or non-fixed location retailer, such as a swap-meet vendor.~~
~~**B.** A medical practitioner licensed under A.R.S. Title 32 is exempt from the requirements of subsection (A).~~
~~**C.** Application. To obtain a permit to sell a nonprescription drug, a person shall submit:~~
~~1. A completed application form and fee as specified in R4-23-602; and~~
~~2. Documentation of compliance with local zoning laws, if required by the Board.~~
~~**D.** Drug sales. A nonprescription drug permittee:~~
~~1. Shall sell a drug only in the original container packaged and labeled by the manufacturer; and~~
~~2. Shall not package, repackage, label, or relabel any drug.~~
~~**E.** Inspection. A nonprescription drug permittee shall consent to inspection during business hours by a Board compliance officer or other authorized officer of the law as defined in A.R.S. § 32-1901.~~
~~**F.** Quality control. A nonprescription drug permittee shall:~~
~~1. Ensure that all drugs stocked, sold, or offered for sale are:~~
~~a. Kept clean;~~
~~b. Protected from contamination, excessive heat, cold, sunlight, and other deteriorating factors;~~
~~c. In compliance with federal law; and~~
~~d. Received from a supplier with a current Board-issued permit as specified in R4-23-601(A).~~
~~2. Develop and implement a program to ensure that:~~
~~a. Any expiration-dated drug is reviewed regularly;~~
~~b. Any drug, that exceeds its expiration date, is deteriorated or damaged, or does not comply with federal law, is moved to a quarantine area and not sold or distributed; and~~
~~c. Any quarantined drug is destroyed or returned to its source of supply.~~
~~**G.** Notification. A nonprescription drug permittee shall submit using the permittee's online profile or provide written notice by mail, fax, or e-mail to the Board office within 10 days of changes involving the telephone or fax number, e-mail or mailing address, or business name.~~
~~**H.** Change of ownership. A nonprescription drug permittee shall comply with R4-23-601(F).~~
~~**I.** Relocation. No less than 30 days before an existing nonprescription drug permittee relocates, the permittee shall submit a completed application for relocation electronically or manually on a form furnished by the Board, and the documentation required in subsection (C).~~
~~**J.** Records. A nonprescription drug permittee shall:~~
~~1. Retain records of the receipt and disposal of nonprescription drugs as required in R4-23-601(D), and~~
~~2. Comply with the requirements of A.R.S. § 32-1977 and federal law for the retail sale of methamphetamine precursors.~~
~~**K.** Permit renewal. To renew a nonprescription drug permit, the permittee shall comply with R4-23-602(D).~~
~~**L.** Nonprescription drug vending machine outlet. In addition to the requirements of R4-23-601, R4-23-602, and subsections (A) through (K), a person selling or distributing a nonprescription drug in a vending machine shall comply with the following requirements:~~
~~1. Each individual vending machine is considered an outlet and shall have a Board-issued nonprescription drug permit;~~
~~2. Each nonprescription-drug-permitted vending machine shall display in public view an identification seal, furnished by the Board, containing the permit number, vending machine's serial number, owner's name, and telephone contact number;~~
~~3. Each nonprescription-drug-permitted vending machine is assigned a specific location that is within a weather-tight structure, protected from direct sunlight, and maintained at a temperature not less than 59° F and not greater than 86° F;~~
~~4. Each nonprescription drug sold in a vending machine is packaged and labeled in the manufacturer's original FDA-approved container;~~
~~5. A nonprescription-drug-permitted vending machine is subject to inspection by a Board compliance officer or other authorized officer of the law as defined in A.R.S. § 32-1901 as follows:~~
~~a. The owner, manager, or other staff of the nonprescription drug permittee shall provide access to the contents of the vending machine within 24 hours of a request from a Board compliance officer or other authorized officer of the law; or~~
~~b. The Board compliance staff shall have independent access to the vending machine;~~
~~6. Before relocating or retiring a nonprescription-drug-permitted vending machine, the owner or manager shall notify the Board in writing. The notice shall include:~~
~~a. Permit number;~~
~~b. Vending machine's serial number;~~
~~c. Action planned (relocate or retire); and~~
~~d. If retiring a vending machine, the disposition of the nonprescription drug contents of the vending machine;~~
~~7. The sale or distribution of a precursor chemical or regulated chemical in a vending machine is prohibited; and~~
~~8. Under no circumstance may expired drugs be sold or distributed.~~

**R4-23-607. Nonresident Permits**

**A.** Permit. A person that is not a resident of Arizona shall not sell or distribute any narcotic or other controlled substance, prescription-only drug or device, nonprescription drug, precursor chemical, or regulated chemical into Arizona without possessing both:
1. A current Board-issued nonresident pharmacy permit, nonresident manufacturer permit, or nonresident full-service or nonprescription drug wholesale permit~~, or nonresident nonprescription drug permit~~; and
2. A current equivalent license or permit issued by the licensing authority in the jurisdiction where the person resides.

**B.** Application. To obtain a nonresident pharmacy, nonresident manufacturer, or nonresident full-service or nonprescription drug wholesale, ~~or nonprescription drug permit,~~ a person shall submit a completed application, on a form furnished by the Board, and the fee specified in R4-23-205.

**C.** Notification. A permittee shall submit notification of any change required in this subsection using the permittee's online profile or as a written notice by mail, fax, or e-mail to the Board office within 10 days of the change.

1. Nonresident pharmacy. A nonresident pharmacy permittee shall notify the Board of changes involving the type of pharmacy operated, address, telephone number, business name, or pharmacist-in-charge.
2. Nonresident manufacturer. A nonresident manufacturer permittee shall notify the Board of changes involving listed drugs, address, telephone number, business name, or manager, including manager's telephone number.
3. Nonresident drug wholesaler. A nonresident full-service or nonprescription drug wholesale permittee shall notify the Board of changes involving the types of drugs sold or distributed, address, telephone number, business name, or manager or designated representative, including the manager's or designated representative's telephone number. For a change of designated representative, a nonresident full-service drug wholesale permittee shall submit the documentation, fingerprints, and fee required with the application under subsection (B).
4. ~~Nonresident nonprescription drug retailer. A nonresident nonprescription drug permittee shall notify the Board of changes involving permit category, address, telephone number, business name, or manager, including manager's telephone number.~~

**D.** Change of ownership. A nonresident permittee shall comply with R4-23-601(F).

**E.** Drug sales.

1. Nonresident pharmacy. A nonresident pharmacy permittee shall:
   a. Not sell, distribute, give away, or dispose of any narcotic or other controlled substance or prescription-only drug or device to anyone in Arizona except:
      i. A pharmacy, drug manufacturer, or full-service drug wholesaler currently permitted by the Board;
      ii. A medical practitioner currently licensed under A.R.S. Title 32; or
      iii. An Arizona resident upon receipt of a valid prescription order for the resident;
   b. Not sell, distribute, give away, or dispose of any nonprescription drug, precursor chemical, or regulated chemical to anyone in Arizona except:
      i. A pharmacy, drug manufacturer, or full-service or nonprescription drug wholesaler~~, or nonprescription drug retailer~~ currently permitted by the Board;
      ii. A medical practitioner currently licensed under A.R.S. Title 32; or
      iii. An Arizona resident either upon receipt of a valid prescription order for the resident or in the original container packaged and labeled by the manufacturer;
   c. Except for a drug sale that results from the receipt and dispensing of a valid prescription order for an Arizona resident, maintain a copy of the current permit or license of each person in Arizona that buys, receives, or disposes of any narcotic or other controlled substance, prescription-only drug or device, nonprescription drug, precursor chemical, or regulated chemical; and
   d. Provide permit and license records upon request, if immediately available, or in no fewer than two business days from the date of the request of a Board compliance officer or other authorized officer of the law as defined in A.R.S. § 32-1901.
2. Nonresident manufacturer. A nonresident manufacturer permittee shall:
   a. Not sell, distribute, give away, or dispose of any narcotic or other controlled substance or prescription-only drug or device to anyone in Arizona except a pharmacy, drug manufacturer, or full-service drug wholesaler currently permitted by the Board or a medical practitioner currently licensed under A.R.S. Title 32;
   b. Not sell, distribute, give away, or dispose of any nonprescription drug, precursor chemical, or regulated chemical to anyone in Arizona except a pharmacy, drug manufacturer, or full-service or nonprescription drug wholesaler~~, or nonprescription drug retailer~~ currently permitted by the Board or a medical practitioner currently licensed under A.R.S. Title 32;
   c. Maintain a copy of the current permit or license of each person in Arizona that buys, receives, or disposes of any narcotic or other controlled substance, prescription-only drug or device, nonprescription drug, precursor chemical, or regulated chemical; and
   d. Provide permit and license records upon request, if immediately available, or in no more than two business days from the date of the request of a Board compliance officer or other authorized officer of the law as defined in A.R.S. § 32-1901.
3. Nonresident full-service drug wholesaler. In addition to complying with the ~~distributions~~ distribution restrictions specified in A.R.S. § 32-1983, a nonresident full-service drug wholesale permittee shall:
   a. Not sell, distribute, give away, or dispose of, any narcotic or other controlled substance, prescription-only drug or device, nonprescription drug, precursor chemical, or regulated chemical to anyone in Arizona, except in the original container, packaged and labeled by the manufacturer or repackager;
   b. Not package, repackage, label, or relabel any narcotic or other controlled substance, prescription-only drug or device, nonprescription drug, precursor chemical, or regulated chemical for shipment or delivery to anyone in Arizona;
   c. Provide track and trace documents required under the Drug Supply Chain and Security Act upon request, if immediately available, or in no more than two business days from the date of the request of a Board compliance officer or other authorized officer of the law as defined in A.R.S. § 32-1901;
   d. Not sell, distribute, give away, or dispose of any narcotic or other controlled substance, prescription only drug or device, nonprescription drug, precursor chemical, or regulated chemical to anyone in Arizona except a pharmacy, drug manufacturer, or full service drug wholesaler currently permitted by the Board or a medical practitioner currently licensed under A.R.S. Title 32;
   e. Not sell, distribute, give away, or dispose of any nonprescription drug, precursor chemical, or regulated chemical to anyone in Arizona except a pharmacy, drug manufacturer, or full-service or nonprescription drug wholesaler~~, or nonprescription drug retailer~~ currently permitted by the Board or a medical practitioner currently licensed under A.R.S. Title 32;

f. Maintain a copy of the current permit or license of each person in Arizona that buys, receives, or disposes of any narcotic or other controlled substance, prescription-only drug or device, nonprescription drug, precursor chemical, or regulated chemical; and
g. Provide permit and license records upon request, if immediately available, or in no more than two business days from the date of the request of a Board compliance officer or other authorized officer of the law as defined in A.R.S. § 32-1901.

4. Nonresident nonprescription drug wholesaler. A nonresident nonprescription drug wholesale permittee shall:
a. Not sell, distribute, give away, or dispose of any nonprescription drug, precursor chemical, or regulated chemical to anyone in Arizona, except in the original container, packaged and labeled by the manufacturer or repackager;
b. Not package, repackage, label, or relabel any nonprescription drug, precursor chemical, or regulated chemical for shipment or delivery to anyone in Arizona;
c. Not sell, distribute, give away, or dispose of any nonprescription drug, precursor chemical, or regulated chemical to anyone in Arizona except a pharmacy, drug manufacturer, or full-service or nonprescription drug wholesaler~~, or nonprescription drug retailer~~ currently permitted by the Board or a medical practitioner currently licensed under A.R.S. Title 32;
d. Maintain a copy of the current permit or license of each person in Arizona that buys, receives, or disposes of any nonprescription drug, precursor chemical, or regulated chemical; and
e. Provide permit and license records upon request, if immediately available, or in no more than two business days from the date of the request of a Board compliance officer or other authorized officer of the law as defined in A.R.S. § 32-1901.

~~5. Nonresident nonprescription drug retailer. A nonresident nonprescription drug permittee shall not:~~
~~a. Sell, distribute, give away, or dispose of a nonprescription drug, precursor chemical, or regulated chemical to anyone in Arizona except in the original container packaged and labeled by the manufacturer;~~
~~b. Package, repackage, label, or relabel any drug, precursor chemical, or regulated chemical for shipment or delivery to anyone in Arizona; or~~
~~c. Sell, distribute, give away, or dispose of any drug, precursor chemical, or regulated chemical to anyone in Arizona that exceeds its expiration date, is contaminated or deteriorated from excessive heat, cold, sunlight, moisture, or other factors, or does not comply with federal law.~~

**F.** When selling or distributing any narcotic or other controlled substance, prescription-only drug or device, nonprescription drug, precursor chemical, or regulated chemical into Arizona, a nonresident pharmacy, nonresident manufacturer, or nonresident full-service or nonprescription drug ~~wholesale, or nonprescription drug permittee~~ wholesaler shall comply with federal law, the permittee's resident state drug law, and this Section.

**R4-23-693. Durable Medical Equipment (DME) and Compressed Medical Gas (CMG) Supplier-Resident or Nonresident**

**A.** Permit. A person shall not sell, lease, or supply durable medical equipment or a compressed medical gas to a patient or consumer in Arizona for use in a home or residence without a current Board-issued resident or nonresident durable medical equipment and compressed medical gas supplier permit.
~~1.~~ The permit requirements of this Section do not apply to the following unless there is a separate business entity engaged in the business of providing durable medical equipment or a compressed medical gas to a patient or consumer for use in a home or residence:
~~a.~~1. A medical practitioner licensed under A.R.S. Title 32;
~~b.~~2. A hospital, long-term care facility, hospice, or other health-care facility using durable medical equipment or a compressed medical gas in the normal course of treating a patient; and
~~c.~~3. A pharmacy.
~~2. Nothing in this Section shall be construed to prohibit a person with a current Board-issued nonprescription drug permit from the retail sale of nonprescription drugs or devices.~~

**B.** Application. To obtain a resident or nonresident DME and CMG supplier permit, a person shall submit a completed application form and fee specified in R4-23-205.
1. A resident DME and CMG supplier permit applicant shall include documentation of compliance with local zoning laws, if required by the Board.
2. A nonresident DME and CMG supplier permit applicant that resides in a jurisdiction that issues an equivalent license or permit shall include a copy of the equivalent license or permit.

**C.** Notification. A resident or nonresident DME and CMG supplier permittee shall submit using the permittee's online profile or provide written notice by mail, fax, or e-mail to the Board office within 10 days of changes involving the telephone or fax number, email or mailing address, or business name.

**D.** Change of ownership. A resident or nonresident DME and CMG supplier permittee shall comply with R4-23-601(F).

**E.** Relocation.
1. No fewer than 30 days before a resident DME and CMG supplier permittee relocates, the permittee shall submit a completed application for relocation electronically or manually on a form furnished by the Board, and the documentation required in subsection (B). A fee is not required with an application for relocation.
2. A nonresident DME and CMG supplier permittee shall provide written notice by mail, fax, or e-mail to the Board office no fewer than 10 days before relocating.

**F.** Orders. A resident or nonresident DME and CMG supplier shall sell, lease, or provide:
1. Durable medical equipment that is a prescription-only device, as defined in A.R.S. § 32-1901, only under a prescription or medication order from a medical practitioner; and
2. A compressed medical gas only under a compressed medical gas order from a medical practitioner.

**G.** Restriction. A DME and CMG supplier permit authorizes the permittee to procure, possess, and provide a prescription-only device or compressed medical gas to a patient or consumer as specified in subsection (F). A DME and CMG supplier permit does not authorize the permittee to procure, possess, or provide narcotics or other controlled substances, prescription-only drugs other than compressed medical gases, precursor chemicals, or regulated chemicals.

**H.** Facility. A resident or nonresident DME and CMG supplier permittee shall ensure the facility is clean, uncluttered, sanitary, temperature controlled, and secure from unauthorized access. A permittee shall maintain separate and identified storage areas in the facility and in delivery vehicles for clean, dirty, contaminated, or damaged durable medical equipment or compressed medical gases.

**I.** A resident or nonresident DME and CMG supplier permittee shall not manufacture, process, transfill, package, or label a compressed medical gas, except as stated in subsection (K).

**J.** Records. A resident or nonresident DME and CMG supplier permittee shall establish and implement written procedures for maintaining records about acquisition, distribution, returns, recalls, training of personnel, maintenance, cleaning, and complaints.

**K.** A permittee shall:

1. Ensure a prescription order, medication order, or compressed medical gas order is obtained as specified in subsection (F);
2. Ensure each compressed medical gas container supplied by the permittee contains a label bearing the name and address of the permittee;
3. Ensure all appropriate warning labels are present on the durable medical equipment or compressed medical gas;
4. Retain the records required by Section R4-23-601 and this Section for not fewer than three years, or if supplying a compressed medical gas, one year after the expiration date of the compressed medical gas, whichever is longer; and
5. Make the records required by Section R4-23-601 and this Section available for inspection by the Board or its compliance officer, or if stored in a centralized recordkeeping system apart from the inspection location and not electronically retrievable for inspection, provide the records within four working days of a request by the Board or its staff.

**L.** Inspection.

1. A resident DME and CMG supplier permittee shall make the DME and CMG supplier's facility available for inspection by the Board or its compliance officers under A.R.S. § 32-1904.
2. Within 10 days from the date of a request by the Board or its staff, a nonresident DME and CMG supplier permittee shall provide a copy of the most recent inspection report completed by the permittee's resident licensing authority, or a copy of the most recent inspection report completed by a third-party auditor approved by the permittee's resident licensing authority or the Board or its designee. The Board may inspect, or may employ a third-party auditor to inspect, a nonresident permittee as specified in A.R.S. § 32-1904.

**M.** Permit renewal. To renew a resident or nonresident DME and CMG supplier permit, the permittee shall comply with in R4-23-602(D).

**N.** Nothing in this Section shall be construed to prohibit the emergency administration of oxygen by licensed health-care personnel, emergency medical technicians, first responders, fire fighters, law enforcement officers, and other emergency personnel trained in the proper use of emergency oxygen.

## ARTICLE 8. DRUG CLASSIFICATION

**R4-23-802. Veterinary**

Veterinary preparation: A veterinary drug manufacturer or supplier may distribute:

1. A prescription-only veterinary drug to:
   a. A veterinary medical practitioner licensed under A.R.S. Title 32, Chapter 21,
   b. A full-service drug wholesaler permitted under A.R.S. Title 32, Chapter 18, or
   c. A pharmacy permitted under A.R.S. Title 32, Chapter 18, and
2. A nonprescription veterinary drug to:
   a. A veterinary medical practitioner licensed under A.R.S. Title 32, Chapter 21,
   ~~b. A nonprescription drug retailer permitted under A.R.S. Title 32, Chapter 18,~~
   ~~c.~~b. A full-service or nonprescription drug wholesaler permitted under A.R.S. Title 32, Chapter 18, or
   ~~d.~~c. A pharmacy permitted under A.R.S. Title 32, Chapter 18.

# NOTICE OF PROPOSED RULEMAKING

## TITLE 9. HEALTH SERVICES

## CHAPTER 22. ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM (AHCCCS) ADMINISTRATION

[R25-10]

## PREAMBLE

**1. Permission to proceed with this proposed rulemaking was granted under A.R.S. § 41-1039 by the governor on:**

November 25, 2024

**2. Article, Part, or Section Affected (as applicable)** — **Rulemaking Action**

| | |
|---|---|
| R9-22-1201 | Amend |
| R9-22-1202 | Repeal |
| R9-22-1205 | Amend |
| R9-22-1207 | Amend |

**3. Citations to the agency's statutory rulemaking authority to include the authorizing statute (general) and the implementing statute (specific):**

Authorizing statute: A.R.S. § 36-2903.01(F)

Implementing statute: A.R.S. § 36-2907

**4. Citations to all related notices published in the *Register* that pertain to the current record of the proposed rule:**

Notice of Rulemaking Docket Opening: 31 A.A.R. 546, February 14, 2025 (*in this issue*); File number: R25-13

**5. The agency's contact person who can answer questions about the rulemaking:**


Name: Sladjana Kuzmanovic
Title: Sr. Rules Analyst
Division: AHCCCS Office of the General Counsel
Address: 801 E. Jefferson St., MD 6200
Phoenix, AZ 85034
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Fax: (602) 253-9115
Email: AHCCCSRules@azahcccs.gov
Website: www.azahcccs.gov


**6. An agency's justification and reason why a rule should be made, amended, repealed or renumbered, to include an explanation about the rulemaking:**

The rules outlined in Title 9, Chapter 22, Article 12 of the Arizona Administrative Code (A.A.C.) govern administration of behavioral health services to AHCCCS members, as well as eligibility for such coverage by AHCCCS. These rules cover essential elements such as definitions, roles, and responsibilities of AHCCCS and its contractors. Additionally, they detail eligibility standards, service requirements, the scope of covered services, and payment mechanisms to ensure the consistent and effective delivery of care. The rules aim to promote accountability and high-quality service provision while addressing the needs of eligible individuals. Revisions to these rules are derived from a Five-Year Review Report filed with the Governor's Regulatory Review Council on September 27, 2024.

Complete proposed revisions include:

R9-22-1201 – updating "Behavioral Health Technician" and "Clinical oversight" definitions to refer to the Department of Health Services definitions.

R9-22-1201 – adding "Health Plan" definition to reflect AHCCCS Complete Care (ACC) transition of Regional Behavioral Health Authorities (RBHAs) to Managed Care Organizations (MCOs).

R9-22-1202 – repealing this rule as Division of Behavioral Health Services (DBHS) is no longer at Arizona Department of Health Services (ADHS), and these processes are further outlined in AHCCCS policy.

R9-22-1205(F)(1) – correcting A.A.C. citation reference.

R9-22-1205(G) - removing reference to "ADHS/DBHS" as Department of Behavioral Health Services (DBHS) is no longer at Arizona Department of Health Services (ADHS).

R9-22-1205(H)(1) – correcting A.A.C. citation reference as definition is not found in R9-10 as it currently reads.

R9-22-1205(H)(6) – removing reference to "RHBA."

R9-22-1207(A)(1) – replacing "RHBA" with "health plan."

R9-22-1207(A)(2) – replacing "RHBA" with "health plan."

R9-22-1207(A)(5) – replacing "RHBA" with "health plan."

R9-22-1207(A)(7) – removing reference to "ADHS/DBHS" as Department of Behavioral Health Services (DBHS) is no longer at Arizona Department of Health Services (ADHS).

R9-22-1207(B) – removing references to "RBHA" and "ADHS/DBHS."

These proposed changes are meant for clarifying purposes and do not impose any additional burdens or costs to regulated persons. Substantive and procedural rights of members are not affected, nor are any of the programs of the Administration.

**7. A reference to any study relevant to the rule that the agency reviewed and proposes either to rely on or not to rely on in its evaluation of or justification for the rule, where the public may obtain or review each study, all data underlying each study, and any analysis of each study and other supporting material:**

The Administration did not review or rely on any study for this rulemaking.

**8. A showing of good cause why the rulemaking is necessary to promote a statewide interest if the rulemaking will diminish a previous grant of authority of a political subdivision of this state:**

Not applicable

**9. The preliminary summary of the economic, small business, and consumer impact:**

The small businesses, consumers, members, and providers are anticipated to experience nominal impact by the changes to the rule language since the outcome is expected to be budget neutral. These regulations govern administration of behavioral health services to AHCCCS members, as well as eligibility for such coverage by AHCCCS. There is no economic, small business or consumer financial impact beyond the existing cost of the agency operations. The changes suggested in this Five-Year Review Report are clarifying, therefore the impact on the economy remains the same.

**10. The agency's contact person who can answer questions about the economic, small business and consumer impact statement:**


Name: Sladjana Kuzmanovic
Title: Sr. Rules Analyst
Division: AHCCCS Office of the General Counsel

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**11. The time, place, and nature of the proceedings to make, amend, repeal, or renumber the rule, or if no proceeding is scheduled, where, when, and how persons may request an oral proceeding on the proposed rule:**

Written comments about this proposed rulemaking will be accepted in person at the address provided under Item #5, Monday through Friday from 8 a.m. to 5 p.m. except for state holidays. Comments will also be accepted via email at the email address provided under Item #5. Mailed written comments shall be postmarked within 30 days of this published notice.

An oral proceeding is scheduled on this proposed rulemaking.

Date: March 17, 2025
Time: 2:00 p.m.
Location: (meet.google.com/mwb-zeuk-iey)
Nature: Public Hearing

Public comment period ends: March 17, 2025 at 5:00 p.m.

Close of record: March 17, 2025 at 5:00 p.m.

**12. All agencies shall list other matters prescribed by statute applicable to the specific agency or to any specific rule or class of rules. Additionally, an agency subject to Council review under A.R.S. §§ 41-1052 and 41-1055 shall respond to the following questions:**

There are not other matters prescribed by statute applicable specifically to the Administration or this specific rulemaking.

**a. Whether the rule requires a permit, whether a general permit is used and if not, the reasons why a general permit is not used:**

The rule does not require the issuance of a regulatory permit. Therefore, a general permit is not applicable.

**b. Whether a federal law is applicable to the subject of the rule, whether the rule is more stringent than federal law and if so, citation to the statutory authority to exceed the requirements of federal law:**

The rules are not more stringent than the federal law.

**c. Whether a person submitted an analysis to the agency that compares the rule's impact of the competitiveness of business in this state to the impact on business in other states:**

Not applicable

**13. A list of any incorporated by reference material as specified in A.R.S. § 41-1028 and its location in the rules:**

Not applicable

**14. The full text of the rules follows:**

## TITLE 9. HEALTH SERVICES

## CHAPTER 22. ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM (AHCCCS) ADMINISTRATION

## ARTICLE 12. BEHAVIORAL HEALTH SERVICES

Section
R9-22-1201. Definitions
R9-22-1202. ADHS, Contractor, Administration and CRS Responsibilities
R9-22-1205. Scope and Coverage of Behavioral Health Services
R9-22-1207. General Provisions for Payment

## ARTICLE 12. BEHAVIORAL HEALTH SERVICES

**R9-22-1201. Definitions**

Definitions. The following definitions apply to this Article:

"Adult behavioral health therapeutic home" as defined in 9 A.A.C. 10, Article 1.

"Agency" for the purposes of this Article means a behavioral health facility, a classification of a health care institution, including a mental health treatment agency defined in A.R.S. § 36-501, that is licensed to provide behavioral health services according to A.R.S. Title 36, Chapter 4.

"Assessment" means an analysis of a patient's need for physical health services or behavioral health services to determine which services a health care institution will provide to the patient.

"Behavior management services" means services that assist the member in carrying out daily living tasks and other activities essential for living in the community, including personal care services.

"Behavioral health therapeutic home care services" means interactions that teach the client living, social, and communication skills to maximize the client's ability to live and participate in the community and to function independently, including assistance in the self-administration of medication and any ancillary services indicated by the client's treatment plan, as appropriate.

"Behavioral health services" means medical services, nursing services, health-related services, or ancillary services provided to an individual to address the individual's behavioral health issue.

"Behavioral health technician" means ~~an individual who is not a behavioral health professional who provides behavioral health services at or for a health care institution according to the health care institution's policies and procedures that:~~

~~If the behavioral health services were provided in a setting other than a licensed health care institution, the individual would be required to be licensed as a behavioral professional under A.R.S. Title 32, Chapter 33; and~~

~~Are provided with clinical oversight by a behavioral health professional.~~the same as defined in 9 A.A.C. 10, Article 1.

"Case management" for the purposes of this Article, means services and activities that enhance treatment, compliance, and effectiveness of treatment.

"Certified psychiatric nurse practitioner" means a registered nurse practitioner who meets the psychiatric specialty area requirements under A.A.C. R4-19-505(C).

"Clinical oversight" means as ~~described under 9 A.A.C. 10.~~ as defined in 9 A.A.C. 10, Article 1.

"Cost avoid" means to avoid payment of a third-party liability claim when the probable existence of third-party liability has been established under 42 CFR 433.139(b).

"Court-ordered evaluation" has the same meaning as "evaluation" in A.R.S. § 36-501.

"Court-ordered pre-petition screening" has the same meaning as "pre-petition screening" in A.R.S. § 36-501.

"Court-ordered treatment" means treatment provided according to A.R.S. Title 36, Chapter 5.

"Crisis services" means immediate and unscheduled behavioral health services provided to a patient to address an acute behavioral health issue affecting the patient.

"Direct supervision" has the same meaning as "supervision" in A.R.S. § 36-401.

"Emergency medical services provider" has the same meaning as in A.R.S. § 36-2201.

"Health care institution" has the same meaning as defined in A.R.S. § 36-401.

"Health care practitioner" means a:

Physician;

Physician assistant;

Nurse practitioner; or

Other individual licensed and authorized by law to use and prescribe medication and devices, as defined in A.R.S. § 32-1901.

"Health Plan" means any Regional Behavioral Health Agreement (RBHA) plan, health authority, managed care organization plan, or state agency responsible for the coordination and the delivery of behavioral health services to clients.

"Licensee" means the same as in 9 A.A.C. 10, Article 1.

"Medical practitioner" means a physician, physician assistant, or nurse practitioner.

"Partial care" means a day program of services provided to individual members or groups that is designed to improve the ability of a person to function in a community, and includes basic, therapeutic, and medical day programs.

"Physician assistant" means the same as in A.R.S. § 32-2501 except that when providing a behavioral health service, the physician assistant shall be supervised by an AHCCCS-registered psychiatrist.

"Psychiatrist" means a physician who meets the licensing requirements under A.R.S. § 32-1401 or a doctor of osteopathy who meets the licensing requirements under A.R.S. § 321800, and meets the additional requirements of a psychiatrist under A.R.S. § 36-501. "Psychologist" means a person who meets the licensing requirements under A.R.S. §§ 32-2061 and 36-501.

"Qualified behavioral health service provider" means a behavioral health service provider that meets the requirements of R9-22-1206.

"Respite" means a period of care and supervision of a member to provide rest or relief to a family member or other person caring for the member. Respite provides activities and services to meet the social, emotional, and physical needs of the member during respite.

"TRBHA" or "Tribal Regional Behavioral Health Authority" means a Native American tribe under contract with ADHS/ DBHS to coordinate the delivery of behavioral health services to eligible and enrolled members of the federally-recognized tribal nation.

**R9-22-1202. ~~ADHS, Contractor, Administration and CRS Responsibilities~~ Repealed**

**~~A.~~** ~~ADHS responsibilities. ADHS is responsible for payment of behavioral health services provided to members, except as specified under subsection (D). ADHS' responsibility for payment of behavioral health services includes claims for inpatient hospital services, which may include physical health services, when the principal diagnosis on the hospital claim is a behavioral health diagnosis.~~

~~Behavioral health diagnoses are identified as "mental disorders" in the latest International Classification of Diseases (ICD) code set as required by AHCCCS claims and encounters.~~

~~**B.** ADHS/DBHS may contract with a TRBHA for the provision of behavioral health services for American Indian members. American Indian members may receive covered behavioral health services:~~

~~1. From an IHS or tribally operated 638 facility,~~

~~2. From a TRBHA, or~~

~~3. From a RBHA.~~

~~**C.** Contractor responsibilities. A contractor shall:~~

~~1. Refer a member to a RBHA under the contract terms;~~

~~2. Provide EPSDT developmental and behavioral health screening as specified in R9-22-213;~~

~~3. Coordinate a member's transition of care and medical records; and~~

~~4. Be responsible for providing covered inpatient hospital services, which may include behavioral health inpatient hospital services, when the principal diagnosis on the hospital claim is not a behavioral health diagnosis.~~

~~**D.** Administration and CRS responsibilities. 1. The Administration shall be responsible for payment of behavioral health services provided to an ALTCS FFS or an FES member and for behavioral health services provided by IHS and tribally operated 638 facilities. The Administration is also responsible for payment of behavioral health services provided to these members during prior quarter coverage. 2. CRS shall be responsible for payment of behavioral health services provided to members enrolled with CRS.~~

**R9-22-1205. Scope and Coverage of Behavioral Health Services**

**A.** Inpatient behavioral health services. The following inpatient services are covered subject to the limitations and exclusions in this Article and Article 2.

1. Covered inpatient behavioral health services include all behavioral health services, medical detoxification, accommodations and staffing, supplies, and equipment, if the service is provided under the direction of a physician in a Medicare-certified:
   a. General acute care hospital,
   b. Inpatient psychiatric unit in a general acute care hospital, or
   c. Behavioral health hospital.
2. Inpatient service limitations:
   a. Inpatient services, other than emergency services specified in this Section, are not covered unless prior authorization is obtained.
   b. Inpatient services and room and board are reimbursed on a per diem basis. The per diem rate includes all services, except the following licensed or certified providers may bill independently for services:
      i. A licensed psychiatrist,
      ii. A certified psychiatric nurse practitioner,
      iii. A licensed physician assistant,
      iv. A licensed psychologist,
      v. A licensed clinical social worker,
      vi. A licensed marriage and family therapist,
      vii. A licensed professional counselor,
      viii. A licensed independent substance abuse counselor, and
      ix. A medical practitioner.

**B.** Behavioral Health Inpatient facility for children. Services provided in a Behavioral Health Inpatient facility for children as defined in 9 A.A.C. 10, Article 3 are covered subject to the limitations and exclusions under this Article.

1. Behavioral Health Inpatient facility for children services are not covered unless provided under the direction of a licensed physician in a licensed Behavioral Health Inpatient facility for children accredited by an AHCCCS approved accrediting body as specified in contract.
2. Covered Behavioral Health Inpatient facility for children services include room and board and treatment services for behavioral health and substance abuse conditions.
3. Inpatient Behavioral Health Inpatient facility for children service limitations.
   a. Services are not covered unless prior authorized, except for emergency services as specified in this Section.
   b. Services are reimbursed on a per diem basis. The per diem rate includes all services, except the following licensed or certified providers may bill independently for services:
      i. A licensed psychiatrist,
      ii. A certified psychiatric nurse practitioner,
      iii. A licensed physician assistant,
      iv. A licensed psychologist,
      v. A licensed clinical social worker,
      vi. A licensed marriage and family therapist,
      vii. A licensed professional counselor,
      viii. A licensed independent substance abuse counselor, and
      ix. A medical practitioner.
4. The following may be billed independently if prescribed by a provider as specified in this Section who is operating within the scope of practice:
   a. Laboratory services, and
   b. Radiology services.

**C.** Covered Inpatient sub-acute agency services. Services provided in a inpatient sub-acute facility as defined in 9 A.A.C. 10, Article 1 are covered subject to the limitations and exclusions under this Article.

1. Inpatient sub-acute facility services are not covered unless provided under the direction of a licensed physician in a licensed inpatient sub-acute facility that is accredited by an AHCCCS-approved accrediting body.
2. Covered Inpatient sub-acute facility services include room and board and treatment services for behavioral health and substance abuse conditions.
3. Services are reimbursed on a per diem basis. The per diem rate includes all services, except the following licensed or certified providers may bill independently for services:
   a. A licensed psychiatrist,
   b. A certified psychiatric nurse practitioner,
   c. A licensed physician assistant,
   d. A licensed psychologist,
   e. A licensed clinical social worker,
   f. A licensed marriage and family therapist,
   g. A licensed professional counselor,
   h. A licensed independent substance abuse counselor, and
   i. A medical practitioner.
4. The following may be billed independently if prescribed by a provider specified in this Section who is operating within the scope of practice:
   a. Laboratory services, and
   b. Radiology services.

**D.** Behavioral health residential facility services. Services provided in a licensed behavioral health residential facility as defined in 9 A.A.C. 10, Article 1 are covered subject to the limitations and exclusions under this Article.
1. Behavioral health residential facility services are not covered unless provided by a licensed behavioral health residential facility.
2. Covered services include all non-prescription drugs as defined in A.R.S. § 32-1901, non-customized medical supplies, and clinical oversight or direct supervision of the behavioral health residential facility staff, whichever is applicable. Room and board are not covered services.
3. The following licensed and certified providers may bill independently for services:
   a. A licensed psychiatrist,
   b. A certified psychiatric nurse practitioner,
   c. A licensed physician assistant,
   d. A licensed psychologist,
   e. A licensed clinical social worker,
   f. A licensed marriage and family therapist,
   g. A licensed professional counselor,
   h. A licensed independent substance abuse counselor, and

**E.** Partial care. Partial care services are covered subject to the limitations and exclusions in this Article.
1. Partial care services are not covered unless provided by a licensed and AHCCCS-registered behavioral health agency that provides a regularly scheduled day program of individual member, group, or family activities that are designed to improve the ability of the member to function in the community. Partial care services include basic, therapeutic, and medical day programs.
2. Partial care s6t56ervices. Educational services that are therapeutic and are included in the member's behavioral health treatment plan are included in per diem reimbursement for partial care services.

**F.** Outpatient services. Outpatient services are covered subject to the limitations and exclusions in this Article and Article 2.
1. Outpatient services include the following:
   a. Screening provided by a behavioral health professional or a behavioral health technician as defined in ~~R9-22-1201~~9 A.A.C. 10, Article 1;
   b. A behavioral health assessment provided by a behavioral health professional or a behavioral health technician;
   c. Counseling including individual therapy, group therapy, and family therapy provided by a behavioral health professional or a behavioral health technician;
   d. Behavior management services as defined in R9-22-1201; and
   e. Psychosocial rehabilitation services as defined in R9-22-201.
2. Outpatient service limitations.
   a. The following licensed or certified providers may bill independently for outpatient services:
      i. A licensed psychiatrist;
      ii. A certified psychiatric nurse practitioner;
      iii. A licensed physician assistant as defined in R922-1201;
      iv. A licensed psychologist;
      v. A licensed clinical social worker;
      vi. A licensed professional counselor;
      vii. A licensed marriage and family therapist;
      viii. A licensed independent substance abuse counselor;
      ix. A medical practitioner; and
      x. An outpatient treatment center or substance abuse transitional facility licensed under 9 A.A.C. 10, Article 14, that is an AHCCCS-registered provider.
   b. A behavioral health practitioner not specified in subsections (F)(2)(a)(i) through (x), who is contracted with or employed by an AHCCCS-registered behavioral health agency shall not bill independently.

**G.** Emergency behavioral health services are covered subject to the limitations and exclusions under this Article. In order to be covered, behavioral health services shall be provided by qualified service providers under R9-22-1206. ~~ADHS/DBHS shall ensure that emer-~~

~~gency behavioral health services are available 24 hours per day, seven days per week in each GSA for an emergency behavioral health condition for a non-FES member as defined in R9-22-201.~~

**H.** Other covered behavioral health services. Other covered behavioral health services include:
1. Case management as defined in ~~9 A.A.C. 10, Article 1~~R9-22-1201;
2. Laboratory and radiology services for behavioral health diagnosis and medication management;
3. Medication;
4. Monitoring, administration, and adjustment for psychotropic medication and related medications;
5. Respite care as described within subsection (J);
6. Behavioral health therapeutic home care services provided ~~by a RBHA~~ in a professional foster home defined in 6 A.A.C. 5, Article 58 or in an adult behavioral health therapeutic home as defined in 9 A.A.C. 10, Article 1;
7. Other support services to maintain or increase the member's self-sufficiency and ability to live outside an institution. Transportation services.

**I.** Transportation services are covered under R9-22-211.

**J.** Limited Behavioral Health services. Respite services are limited to no more than 600 hours per benefit year.

**R9-22-1207. General Provisions for Payment**

**A.** Claims submissions.
1. A provider of behavioral health services shall submit a claim for non-emergency behavioral health services provided to a member to the appropriate ~~RBHA~~health plan.
2. A provider of behavioral health services shall submit a claim for non-inpatient emergency behavioral health services provided to a member to the appropriate ~~RBHA~~health plan.
3. A provider of behavioral health services shall submit a claim for non-inpatient emergency behavioral health services provided to a member enrolled in a TRBHA to the Administration.
4. A provider of behavioral health services shall submit a claim for non-emergency behavioral health services provided to a member enrolled in a TRBHA to the Administration.
5. A provider of emergency behavioral health services~~, that are the responsibility of ADHS/DBHS or a contractor,~~ shall submit a claim to the ~~entity~~RBHA responsible for emergency behavioral health services ~~under R9-22-210.01(A)~~for the geographic service area the service was provided in.
6. A provider shall comply with the time-frames and other payment procedures in Article 7 of this Chapter, if applicable, and A.R.S. § 36-2904.
7. ~~ADHS/DBHS or a contractor, whichever entity is~~All health plans responsible for covering behavioral health services, shall cost avoid any behavioral health service claims if it establishes the existence or probable existence of first-party liability or third-party liability.

**B.** Prior authorization. Payment to a provider for behavioral health services or items requiring prior authorization may be denied if a provider does not obtain prior authorization from a ~~RBHA, ADHS/DBHS, a~~ TRBHA, the Administration or a contractor.

# NOTICES OF FINAL RULEMAKING

This section of the *Arizona Administrative Register* contains Notices of Final Rulemaking. Final rules have been through the regular rulemaking process as defined in the Administrative Procedures Act. These rules were either approved by the Governor's Regulatory Review Council or the Attorney General's Office. Certificates of Approval are on file with the Office.

The final published notice includes a preamble and text of the rules as filed by the agency.

Economic Impact Statements are not published but are filed by the agency with their final notice.

The Office of the Secretary of State is the filing office and publisher of these rules. Questions about the interpretation of the final rules should be addressed to the agency that promulgated them. Refer to item #5 to contact the person charged with the rulemaking.

The codified version of these rules will be published in the *Arizona Administrative Code*.

## NOTICE OF FINAL RULEMAKING

### TITLE 3. AGRICULTURE

### CHAPTER 2. DEPARTMENT OF AGRICULTURE
### ANIMAL SERVICES DIVISION

[R25-14]

### PREAMBLE

**1. Permission to proceed with this final rulemaking was granted under A.R.S. § 41-1039 by the governor on:**
October 18, 2024

**2. Article, Part, or Section Affected (as applicable)** — **Rulemaking Action**

| | |
|---|---|
| R3-2-202 | Amend |
| R3-2-203 | Amend |

**3. Citations to the agency's statutory rulemaking authority to include the authorizing statute (general) and the implementing statute (specific):**
Authorizing statute: A.R.S. § 3-107(A)
Implementing statute: A.R.S. §§ 3-2002, 3-2046, 3-2083

**4. The effective date of the rule:**
April 8, 2025

**a. If the agency selected a date earlier than the 60-day effective date as specified in A.R.S. § 41-1032(A), include the earlier date and state the reason the agency selected the earlier effective date as provided in A.R.S. § 41-1032(A)(1) through (5):**
Not applicable

**b. If the agency selected a date later than the 60-day effective date as specified in A.R.S. § 41-1032(A), include the later date and state the reason the agency selected the later effective date as provided in A.R.S. § 41-1032(B):**
Not applicable

**5. Citations to all related notices published in the *Register* as specified in R1-1-409(A) that pertain to the current record of the final rule:**
Notice of Rulemaking Docket Opening: 30 A.A.R. 2505, Issue date: August 2, 2024; Issue number: 31; File number: R24-142
Notice of Proposed Rulemaking: 30 A.A.R. 2465, Issue date: August 2, 2024; Issue number: 31; File number: R24-137

**6. The agency's contact person who can answer questions about the rulemaking:**

| | |
|---|---|
| Name: | Brian McGrew |
| Title: | Program Manager |
| Physical Address: | Arizona Department of Agriculture<br>1110 W. Washington St., Suite 450<br>Phoenix, AZ 85007 |
| Mailing Address: | Arizona Department of Agriculture<br>1802 W. Jackson St., #78<br>Phoenix, AZ 85007 |
| Telephone: | (602) 542-3228 |
| Fax: | (602) 542-1004 |
| Email: | bmcgrew@azda.gov |
| Website: | https://agriculture.az.gov/ |
| Name: | Ulises Ventura Maqueda, Program Manager (SME) |
| Physical Address: | Arizona Department of Agriculture<br>1110 W. Washington St., Suite 450 |

Phoenix, AZ 85007
Mailing Address: Arizona Department of Agriculture
1802 W. Jackson St., #78
Phoenix, AZ 85007
Telephone: (602) 542-6398
Fax: (602) 542-4290
Email: rmann@azda.gov

**7. An agency's justification and reason why a rule should be made, amended, repealed or renumbered, to include an explanation about the rulemaking:**

On May 10, 2024, the Department received approval from the Natural Resources Policy Advisor, in compliance with A.R.S. § 41-1039(A)(2) by reducing or ameliorating a regulatory burden on the public, while achieving the same regulatory objective; and (A)(6) by complying with an existing state statutory requirement. The main purpose of this rulemaking is to update A.A.C. R3-2-202 to incorporate by reference the most current federal regulations under 9 CFR Chapter III so that meat and poultry inspection in the state can align with federal regulations and maintain the statutory requirement under A.R.S. § 3-2046(B), which is to conform to the rules governing meat inspection of the U.S. Department of Agriculture by referencing existing federal meat inspection regulations, but does not exceed those requirements. The last update to the incorporated reference in A.A.C. R3-2-202 was in 2016 and several changes have occurred since that time. These include:

1. Elimination of Trichinae control regulations. (formerly 9 CFR § 318.10 (a)(1))
2. Eliminating unnecessary requirements for hog carcass cleaning. (formerly 9 CFR § 310.11 & amended portions of § 310.18)
3. Updates to the preparation of uninspected products outside of the hours of inspectional supervision. (as amended 9 CFR §§ 318.12 and 381.152)
4. Modernization of swine slaughter inspection. (9 CFR § 310.18 (c) and (d)
5. Elimination of the requirement to defibrinate livestock blood saved as an edible product. (as amended in 9 CFR § 310.20)
6. Rescission of the condemnation of poultry carcasses affected with any form of Avian Leukosisi Complex. (formerly 9 CFR § 381.82 and as amended in § 381.87)
7. Establishing a uniform time period requirement and clarifying related procedures for the filing of appeals of agency inspection decision actions. (as amended 9 CFR § 500.9)
8. Rescission of dual labeling requirements for certain packages of meat and poultry. (as amended in 9 CFR §§ 317.2 and 381.121)
9. Elimination of the requirement that livestock carcasses be marked "Inspected and Passed" at the time inspection within a slaughter establishment for carcasses to be further processed within the same establishment. (as amended in 9 CFR § 316.9(a))
10. Adding section 9 CFR §§ 530 through 561 to the "EXCEPT" portion of this rule. This section applies to the inspection of fish in the Order Siluriformes (catfish) which the AZDA would defer these inspections to the U.S. Department of Agriculture, Food Safety and Inspection Service, if requested.

One other minor changes in rule R3-2-203 to modernize application requirements to include an email address that will help with communicating more efficiently and effectively with licensed facilities.

**8. A reference to any study relevant to the rule that the agency reviewed and either relied on or did not rely on in its evaluation of or justification for the rule, where the public may obtain or review each study, all data underlying each study, and any analysis of each study and other supporting material:**

Not applicable

**9. A showing of good cause why the rulemaking is necessary to promote a statewide interest if the rulemaking will diminish a previous grant of authority of a political subdivision of this state:**

The rulemaking does not diminish any previous authority of a political subdivision of this state.

**10. A summary of the economic, small business, and consumer impact:**

The Department's intent in proposing the amendments to A.A.C. R3-2-202 are intended to align with federal regulations for meat and poultry inspection and increase consumer protection. The Department anticipates the rulemaking will result in an overall benefit to the regulated community and the consumer. The Department has determined the rulemaking will not require any new full-time employees. The rulemaking is not expected to result in additional costs for the regulated community. The Department has determined there is no less intrusive or costly alternative methods of achieving the purpose of the rulemaking. The Department will not incur any additional costs associated with the rulemaking since these programs currently exist and the intent is to only update and improve those processes. Therefore, the Department has determined that the benefits of the rulemaking outweigh any costs.

**11. A description of any changes between the proposed rulemaking, to include supplemental notices, and the final rulemaking:**

Not applicable

**12. An agency's summary of the public or stakeholder comments made about the rulemaking and the agency response to the comments:**

Not applicable

**13. All agencies shall list other matters prescribed by statute applicable to the specific agency or to any specific rule or class of rules. Additionally, an agency subject to Council review under A.R.S. §§ 41-1052 and 41-1055 shall respond to the following questions:**

A.R.S. § 3-104(F) requires the Arizona Department of Agriculture Advisory Council assist the Director of the Department on all rulemaking activities. The council shall review, advise and make recommendations before they are adopted. During the June 28, 2024 Advisory Council Meeting, council members approved the Department's recommendations to amend rules R3-2-202 and R3-2-203.

**a. Whether the rule requires a permit, whether a general permit is used and if not, the reasons why a general permit is not used:**

The Department believes it qualifies for an exemption of a general permit for two reasons. 41-1037(A)(1) Federal laws would prohibit the issuance of a general permit under the Federal Meat Inspection Act (21 U.S.C. 601 et seq.), and 41-1037(A)(3) it is not technically feasible given the requirements authorized in Title 3, Chapter 13 and in the rules adopted that prescribe the qualifying conditions and requirements prior to the issuance of a license, permit, or certification.

**b. Whether a federal law is applicable to the subject of the rule, whether the rule is more stringent than federal law and if so, citation to the statutory authority to exceed the requirements of federal law:**

Federal laws 7 U.S.C. §§ 1633, 1901-1907 and 21 U.S.C. §§ 451-472 and 601-695 applies to the subject of the rulemaking for the incorporated reference 9 CFR Chapter III in rule R3-2-202. The rule is not more stringent than federal law.

**c. Whether a person submitted an analysis to the agency that compares the rule's impact of the competitiveness of business in this state to the impact on business in other states:**

No analysis was conducted

**14. A list of any incorporated by reference material as specified in A.R.S. § 41-1028 and its location in the rules:**

The Federal regulation 9 CFR Chapter III is incorporated in rule R3-2-202 as it relates to the plan for state agencies.

**15. Whether the rule was previously made, amended or repealed as an emergency rule. If so, cite the notice published in the *Register* as specified in R1-1-409(A). Also, the agency shall state where the text was changed between the emergency and the final rulemaking packages:**

Not applicable

**16. The full text of the rules follows:**

## TITLE 3. AGRICULTURE

## CHAPTER 2. DEPARTMENT OF AGRICULTURE
## ANIMAL SERVICES DIVISION

## ARTICLE 2. MEAT AND POULTRY INSPECTION

Section
R3-2-202. Meat and Poultry Inspection; Slaughtering Standards
R3-2-203. Licenses; Registration; Records

## ARTICLE 2. MEAT AND POULTRY INSPECTION

**R3-2-202. Meat and Poultry Inspection; Slaughtering Standards**

All meat and poultry inspection, slaughtering, production, processing, labeling, storing, handling, transportation and sanitation procedures shall be conducted as prescribed in 9 CFR Chapter III, revised ~~January 1, 2016~~ January 1, 2024, as amended by ~~80 FR 75590-01(December 2, 2015)~~ 88 FR 55913 (August 17, 2023), except sections 302.2, 307.5, 307.6, 312, 322, 327, 329.7, 329.9, 331, 335, 351, 352, 354, 355, 381.38, 381.39, 381.96 through 381.112, 381.195 through 381.209, 381.218 through 381.225, 390, 391, 392, 530 through 561, 590 and 592. This material is incorporated by reference and does not include any later amendments or editions. A copy of the incorporated material is available from the Department and may also be viewed online at www.gpo.gov/fdsys.

**R3-2-203. Licenses; Registration; Records**

**A.** No change
1. No change
   a. No change
   b. No change
      i. No change
      ii. No change
2. No change
   a. No change
   b. No change
   c. No change
   d. No change
   e. No change
   f. No change
   g. No change

**B.** Applications for a license or registration pursuant to A.R.S. § 3-2081(A), shall be made on forms provided by the Department and shall contain the following:
1. No change

2. The business name, mailing address, email address, telephone number, and Social Security number of the applicant;
3. No change

**C.** No change

**D.** No change
1. No change
2. No change
3. No change

**E.** No change
1. No change
2. No change
3. No change
4. No change
5. No change
6. No change
7. No change
8. No change

## NOTICE OF FINAL RULEMAKING

### TITLE 20. COMMERCE, FINANCIAL INSTITUTIONS, AND INSURANCE

### CHAPTER 4. DEPARTMENT OF INSURANCE AND FINANCIAL INSTITUTIONS FINANCIAL INSTITUTIONS

[R25-15]

### PREAMBLE

**1. Permission to proceed with this final rulemaking was granted under A.R.S. § 41-1039 by the governor on:**
December 18, 2024

**2. Article, Part, or Section Affected (as applicable)** — **Rulemaking Action**

| | |
|---|---|
| R20-4-101 | Amend |
| R20-4-102 | Amend |
| R20-4-103 | Repeal |
| R20-4-104 | Amend |
| R20-4-105 | Amend |
| R20-4-106 | Amend |
| R20-4-107 | Amend |
| Table A | Amend |

**3. Citations to the agency's statutory rulemaking authority to include the authorizing statute (general) and the implementing statute (specific):**
Authorizing statute: A.R.S. § A.R.S. § 6-123(2)
Implementing statute: A.R.S. §§ 6-121, 6-123(1), (3) and (4), 6-123.01, and 41-1073

**4. The effective date of the rule:**
April 6, 2025

**a. If the agency selected a date earlier than the 60-day effective date as specified in A.R.S. § 41-1032(A), include the earlier date and state the reason the agency selected the earlier effective date as provided in A.R.S. § 41-1032(A)(1) through (5):**
Not applicable

**b. If the agency selected a date later than the 60-day effective date as specified in A.R.S. § 41-1032(A), include the later date and state the reason the agency selected the later effective date as provided in A.R.S. § 41-1032(B):**
Not applicable

**5. Citations to all related notices published in the *Register* as specified in R1-1-409(A) that pertain to the current record of the final rule:**
Notice of Rulemaking Docket Opening: 30 A.A.R. 3332, Issue date: November 8, 2024; Issue number: 45; File number: R24-222
Notice of Proposed Rulemaking: 30 A.A.R. 3285, Issue date: November 8, 2024; Issue number: 45; File number: R24-216

**6. The agency's contact person who can answer questions about the rulemaking:**

| | |
|---|---|
| Name: | Mary E. Kosinski |
| Title: | Asst. Regulatory Legal Affairs Officer |
| Address: | Department of Insurance and Financial Institutions<br>100 N. 15th Ave., Suite 261<br>Phoenix, AZ 85007-2630 |
| Telephone: | (602) 364-3476 |

Email: mary.kosinski@difi.az.gov
Website: https://difi.az.gov

**7. An agency's justification and reason why a rule should be made, amended, repealed or renumbered, to include an explanation about the rulemaking:**

The subject matter of these rules is the authorized activities of the Director of the Department of Insurance and Financial Institutions pertaining to the Financial Institutions Division (the "Department"), and the interpretation and application of Arizona statutes and rules administered by the Department. The rules augment the statutory sections regulating licensees of the Department found at Title 6, Title 32, Chapters 9 and 36, and Title 44, Chapter 2.1. This rulemaking amends Title 6, Article 1 as follows:

**R20-4-101** (Scope of Article) will be amended to replace "Superintendent" with "Director."

**R20-4-102** (Definitions) will be amended to:

- update the name of the Department;
- replace "Superintendent" with "Director;"
- add statutory references in the definition of "Affiliate;"
- add new definitions for "Back-office location," "Department," "Director," "Loan underwriting," and "Remote work location;"
- update the definitions for "Branch office," "Directly or indirectly makes, negotiates, or offers to make or negotiate," "Employee," "Generally accepted accounting principles," "Loan processing," and "Reasonable investigation of the background;" and
- remove the definition for "Holds out to the public."

**R20-4-103** (Fingerprints) will be repealed as redundant (*See* A.R.S. 6-123.01).

**R20-4-104** (Acceptance of Other Forms) will be amended to replace "Superintendent" with "Director;" and to remove "Financial Institutions" as the name of the Department.

**R20-4-105** (Claims Against a Deposit in Place of Bond) will be amended to replace "Superintendent" with "Director," and to correct a legal reference.

**R20-4-106** (Bankruptcy) will be amended to replace "Superintendent" with "Director."

**R20-4-107** (Licensing Time-frames) will be amended to track with the Insurance Division Section on Licensing Time-frames (R20-6-708) for consistency between the Insurance and Financial Institutions divisions.

**Table A** (Licensing Time-frames) will be amended to update timeframes and to add "Real Estate Appraisal" as a license type.

This rulemaking does not relate to a prior Five-Year Review Report. The prior report for this Article in 2018 did not recommend any changes to the Article.

**8. A reference to any study relevant to the rule that the agency reviewed and either relied on or did not rely on in its evaluation of or justification for the rule, where the public may obtain or review each study, all data underlying each study, and any analysis of each study and other supporting material:**

Not applicable

**9. A showing of good cause why the rulemaking is necessary to promote a statewide interest if the rulemaking will diminish a previous grant of authority of a political subdivision of this state:**

Not applicable

**10. A summary of the economic, small business, and consumer impact:**

Pursuant to A.R.S. § 41-1055(A)(1):

The rulemaking is not designed to change any conduct. Instead, it is necessary to reflect the new structure of the Department, to replace the title "Superintendent" with "Director," to add definitions that reflect current industry practices, to synchronize the licensing time-frames rules for the two divisions of the Department, and to incorporate Real Estate Appraisal into the Financial Institutions Division Licensing Time-frames table.

Pursuant to A.R.S. § 41-1055(A)(2):

No additional costs are anticipated to be imposed on licensees.

Pursuant to A.R.S. § 41-1055(A)(3):

An economic, small business and consumer impact summary accompanies the submission of the Final Rulemaking to the Governor's Regulatory Review Council.

**11. A description of any changes between the proposed rulemaking, to include supplemental notices, and the final rulemaking:**

a) The Department revised the definition for "Directly or indirectly makes, negotiates, or offers to make or negotiate" and "Directly or indirectly making, negotiating, or offering to make or negotiate" to remove the bullet points listed under subsection (a)(1) to eliminate a formatting problem. The bullet points are, instead, incorporated into the language of the subsection.

b) The Department revised the definition for "Employee" in subsection (f) to correct a reference within the subsection from "(15)(a)" to "(16)(a)."

c) The Department modified the definition for "Reasonable investigation of the background" in subsection (f) from "Inquiries" to "Makes inquiries."

The Department does not consider any of the changes to be substantive within the meaning of A.R.S. § 41-1025(B). Instead, they are only to correct formatting issues and typos.

**12. An agency's summary of the public or stakeholder comments made about the rulemaking and the agency response to the comments:**

Not applicable

**13. All agencies shall list other matters prescribed by statute applicable to the specific agency or to any specific rule or class of rules. Additionally, an agency subject to Council review under A.R.S. §§ 41-1052 and 41-1055 shall respond to the following questions:**

Not applicable

**a. Whether the rule requires a permit, whether a general permit is used and if not, the reasons why a general permit is not used:**

The rules in Article 1 do not require a permit. Instead, they contain general guidance that governs the activities of the Director and the interpretation of Arizona statutes and rules administered by the Director.

**b. Whether a federal law is applicable to the subject of the rule, whether the rule is more stringent than federal law and if so, citation to the statutory authority to exceed the requirements of federal law:**

No federal law is applicable to the subject of the rules in Article 1.

**c. Whether a person submitted an analysis to the agency that compares the rule's impact of the competitiveness of business in this state to the impact on business in other states:**

Not applicable

**14. A list of any incorporated by reference material as specified in A.R.S. § 41-1028 and its location in the rules:**

Not applicable

**15. Whether the rule was previously made, amended or repealed as an emergency rule. If so, cite the notice published in the Register as specified in R1-1-409(A). Also, the agency shall state where the text was changed between the emergency and the final rulemaking packages:**

Not applicable

**16. The full text of the rules follows:**

## TITLE 20. COMMERCE, FINANCIAL INSTITUTIONS, AND INSURANCE

## CHAPTER 4. DEPARTMENT OF INSURANCE AND FINANCIAL INSTITUTIONS FINANCIAL INSTITUTIONS

## ARTICLE 1. GENERAL

Section



## ARTICLE 1. GENERAL

**R20-4-101. Scope of Article**

The rules in this Article apply to all activities of the ~~Superintendent~~ Director and to the interpretation of all Arizona statutes and rules administered by the ~~Superintendent.~~ Director.

**R20-4-102. Definitions**

In this Chapter, unless otherwise specified:

1. "Active management" means directing a licensee's activities by a responsible individual, who:
   a. Is knowledgeable about the licensee's Arizona activities;
   b. Supervises compliance with:
      i. The laws enforced by the ~~Department of Financial Institutions~~ Department of Insurance and Financial Institutions - Financial Institutions Division as they relate to the licensee, and
      ii. Other applicable laws and rules; and
   c. Has sufficient authority to ensure compliance.
2. "Affiliate" ~~has the meaning stated at~~ means the same as defined under A.R.S. § 6-901~~.~~, 6-941, 6-971, and 6-991.
3. "Attorney General" means the Attorney General or an assistant Attorney General of the state of Arizona.
4. ~~"Branch office" means any location within or outside Arizona, including a personal residence, but not including a licensee's principal place of business in Arizona, where the licensee holds out to the public that the licensee acts as a licensee.~~ "Back-office location" means a location that:
   a. Is dedicated to administrative and operational functions of the licensee that are incidental to the activity requiring licensure;
   b. Does not involve interaction with the public whether in-person, telephonically, or electronically;
   c. Is subject to the licensee's comprehensive written information security plan; and

d. Is able to produce records associated with the location as part of a Department investigation or examination.

5. ~~"Business of a savings and loan association or savings bank" means receiving money on deposit subject to payment by check or any other form of order or request or on presentation of a certificate of deposit or other evidence of debt.~~ "Branch office" means, unless otherwise provided by law, a business location which is not the licensee's principal place of business, is maintained by the licensee, and where the licensee conducts regulated activities. A branch office does not include a "back-office location" or "remote work location" as defined in this Section.
6. ~~"Compensation" means, in applying that term's definition in A.R.S. §§ 6-901, 6-941, and 6-971, anything received in advance, after repayment, or at any time during a loan's life. This subsection expressly excludes the following items from those definitions of compensation:~~
   ~~a. Charges or fees customarily received after a loan's closing including prepayment penalties, termination fees, reinvestment fees, late fees, default interest, transfer fees, impound account interest and fees, extension fees, and modification fees. However, extension fees and modification fees are compensation if the lender advances additional funds or increases the credit limit on an open-end mortgage as part of the extension or modification;~~
   ~~b. Out-of-pocket expenses paid to independent third parties including appraisal fees, credit report fees, legal fees, document preparation fees, title insurance premiums, recording, filing, and statutory fees, collection fees, servicing fees, escrow fees, and trustee's fees;~~
   ~~c. Insurance commissions;~~
   ~~d. Contingent or additional interest, including interest based on net operating income; or~~
   ~~e. Equity participation.~~

   "Business of a savings and loan association or savings bank" means receiving money on deposit subject to payment by check or any other form of order or request or on presentation of a certificate of deposit or other evidence of debt.
7. ~~"Commercial finance transaction," as that term is used in this Section's definitions of the terms "Engaged in the business of making mortgage loans" and "Engaged in the business of making mortgage loans or mortgage banking loans," means a loan made primarily for other than personal, family, or household purposes.~~ "Compensation" means, in applying that term's definition in A.R.S. §§ 6-901, 6-941, and 6-971, anything received in advance, after repayment, or at any time during a loan's life. This subsection expressly excludes the following items from those definitions of compensation:
   a. Charges or fees customarily received after a loan's closing including prepayment penalties, termination fees, reinvestment fees, late fees, default interest, transfer fees, impound account interest and fees, extension fees, and modification fees. However, extension fees and modification fees are compensation if the lender advances additional funds or increases the credit limit on an open-end mortgage as part of the extension or modification;
   b. Out-of-pocket expenses paid to independent third parties including appraisal fees, credit report fees, legal fees, document preparation fees, title insurance premiums, recording, filing, and statutory fees, collection fees, servicing fees, escrow fees, and trustee's fees;
   c. Insurance commissions;
   d. Contingent or additional interest, including interest based on net operating income; or
   e. Equity participation.
8. ~~"Control of a licensee," as used in A.R.S. §§ 6-903, 6-944, or 6-978, does not include acquiring additional fractional equity interests in a licensee by any person who already has the power to vote 51% or more of the licensee's outstanding voting equity interests.~~ "Commercial finance transaction," as that term is used in this Section's definitions of the terms "Engaged in the business of making mortgage loans" and "Engaged in the business of making mortgage loans or mortgage banking loans," means a loan made primarily for other than personal, family, or household purposes.
9. ~~"Correspondent contract," as that term is used in A.R.S. §§ 6-941, 6-943, 6-971, or 6-973, means an agreement between a lender and a funding source under which the funding source may fund, or is required to fund, loans originated by the lender.~~

   "Control of a licensee," as used in A.R.S. §§ 6-903, 6-944, or 6-978, does not include acquiring additional fractional equity interests in a licensee by any person who already has the power to vote 51% or more of the licensee's outstanding voting equity interests.
10. ~~"Cushion," as that term is used in R20-4-1811 or R20-4-1908, means funds that a servicer or lender may require a borrower to pay into an escrow or impound account before the borrower's periodic payments are available in the account to cover unanticipated disbursements.~~ "Correspondent contract," as that term is used in A.R.S. §§ 6-941, 6-943, 6-971, or 6-973, means an agreement between a lender and a funding source under which the funding source may fund, or is required to fund, loans originated by the lender.
11. ~~"Directly or indirectly makes, negotiates, or offers to make or negotiate" and "Directly or indirectly making, negotiating, or offering to make or negotiate," as those phrases are used in A.R.S. §§ 6-901, 6-941, or 6-971, mean:~~
    ~~a. Providing consulting or advisory services in connection with a mortgage loan transaction, mortgage banking loan transaction, or commercial mortgage loan transaction;~~
       ~~i. To an investor, concerning the location or identity of potential borrowers, regardless of whether the person providing consulting or advisory services directly contacts any potential borrowers; or~~
       ~~ii. To a borrower, concerning the location or identity of potential investors or lenders; or~~
    ~~b. Providing assistance in preparing an application for a mortgage loan transaction, mortgage banking loan transaction, or commercial mortgage banking loan transaction, regardless of whether the person providing assistance directly contacts any potential investor or lender; and~~
    ~~c. Processing a loan; but~~
    ~~d. "Directly or indirectly makes, negotiates, or offers to make or negotiate" and "Directly or indirectly making, negotiating, or offering to make or negotiate" do not include:~~
       ~~i. Providing clerical, mechanical, or word processing services to prepare papers or documents associated with a mortgage loan transaction, mortgage banking loan transaction, or commercial mortgage banking loan transaction;~~

~~ii. Purchasing, selling, negotiating to purchase or sell, or offering to purchase or sell a mortgage loan, mortgage banking loan, or commercial mortgage banking loan already funded;~~
~~iii. Making, negotiating, or offering to make additional advances on an existing open-ended mortgage loan, mortgage banking loan, or commercial mortgage loan including revolving credit lines;~~
~~iv. Modifying, renewing, or replacing a mortgage loan, a mortgage banking loan, or a commercial mortgage loan already funded, if the parties to and security for the loan are the same as the original loan immediately before the modification, renewal, or replacement, and if no additional funds are advanced and no increase is made in the credit limit on an open-ended loan. Replacing a loan means making a new loan simultaneously with terminating an existing loan.~~

"Cushion," as that term is used in R20-4-1811 or R20-4-1908, means funds that a servicer or lender may require a borrower to pay into an escrow or impound account before the borrower's periodic payments are available in the account to cover unanticipated disbursements.

12. ~~"Electronic record" has the meaning stated at A.R.S. § 44-7002(7).~~ "Department" means the same as defined under A.R.S. § 6-101(5).
13. ~~"Employee" means a natural person who has an employment relationship with a licensee that is acknowledged by both the person and the licensee, and:~~
    ~~a. The person is entitled to payment, or is paid, by the licensee;~~
    ~~b. The licensee withholds and remits, or is liable for withholding and remitting, payroll deductions for all applicable federal and state payroll taxes;~~
    ~~c. The licensee has the right to hire and fire the employee and the employee's assistants;~~
    ~~d. The licensee directs the methods and procedures for performing the employee's job;~~
    ~~e. The licensee supervises the employee's business conduct and the employee's compliance with applicable laws and rules; and~~
    ~~f. The rights and duties under subsections (13)(a) through (e) belong to the licensee regardless of whether another person also shares those rights and duties.~~

    "Directly or indirectly makes, negotiates, or offers to make or negotiate" and "Directly or indirectly making, negotiating, or offering to make or negotiate," as those phrases are used in A.R.S. §§ 6-901, 6-941, or 6-971:
    a. Includes any of the following:
        i. Providing consulting or advisory services in connection with a mortgage loan transaction, mortgage banking loan transaction, or commercial mortgage loan transaction to an investor, concerning the location or identity of potential borrowers if the consulting or advisory services include direct interaction, including by telephone or electronic means, with a potential borrower that results in a request or obtaining a consumer's date of birth, social security number, credit report, employment information, work history, or account information held in any depository, trust, or investment account:
        ii. Providing consulting or advisory services in connection with a mortgage loan transaction, mortgage banking loan transaction, or commercial mortgage loan transaction to a consumer, concerning the location or identity of potential lenders if the consulting or advisory services include a representation with regard to pre-qualification, approval, rate, terms, or conditions of a loan;
        iii. Preparing or providing assistance in preparing an application for a mortgage loan transaction, mortgage banking loan transaction, or commercial mortgage banking loan transaction;
        iv. Loan processing; or
        v. Loan underwriting.
    b. Does not include:
        i. Providing technological, mechanical, or word processing services to prepare papers or documents associated with a mortgage loan transaction, mortgage banking loan transaction, or commercial mortgage banking loan transaction;
        ii. Purchasing, selling, negotiating to purchase or sell, or offering to purchase or sell a mortgage loan, mortgage banking loan, or commercial mortgage banking loan already funded;
        iii. Making, negotiating, or offering to make additional advances on an existing open-ended mortgage loan, mortgage banking loan, or commercial mortgage loan including revolving credit lines; or
        iv. Modifying, renewing, or replacing a mortgage loan, a mortgage banking loan, or a commercial mortgage loan already funded, if the parties to and security for the loan are the same as the original loan immediately before the modification, renewal, or replacement, and if no additional funds are advanced and no increase is made in the credit limit on an open-ended loan. Replacing a loan means making a new loan simultaneously with terminating an existing loan.
14. ~~"Engaged in the business of making mortgage loans," as that phrase is used in A.R.S. § 6-902, and "engaged in the business of making mortgage loans or mortgage banking loans," as that phrase is used in A.R.S. § 6-942, mean the direct or indirect making of a total of more than five mortgage banking loans or mortgage loans, or both in a calendar year. Each loan counts only once as of its closing date. A person is not "engaged in the business of making mortgage loans or mortgage banking loans" if the person makes loans solely in commercial finance transactions in which no more than 35% of the aggregate value of all security taken by the investor on the closing date is a lien, or liens, on real property.~~ "Director" means the same as defined under A.R.S. § 20-102.
15. ~~"Exclusive contract," as that term is used in A.R.S. §§ 6-912 and 6-991.02, means a written agreement in which a loan originator agrees to perform services as a loan originator subject to supervision and control by a person holding a certificate of exemption issued under A.R.S. § 6-912 on an exclusive basis. The agreement provides that the loan originator is expressly prohibited from performing loan origination or modification services for any other person during the time the agreement is in effect.~~
    "Electronic record" means the same as defined under A.R.S. § 44-7002(7).
16. ~~"Generally accepted accounting principles" has the meaning used by the Financial Accounting Standards Board or the American Institute of Certified Public Accountants.~~ "Employee" means a natural person who has an employment relationship with a licensee that is acknowledged by both the person and the licensee, and:

a. The person is entitled to payment, or is paid, by the licensee;
b. The licensee withholds and remits, or is liable for withholding and remitting, payroll deductions for all applicable federal and state payroll taxes, if applicable;
c. The licensee has the right to hire and fire the employee and the employee's assistants;
d. The licensee directs the methods and procedures for performing the employee's job;
e. The licensee supervises the employee's business conduct and the employee's compliance with applicable laws and rules; and
f. The rights and duties under subsections (16)(a) through (e) belong to the licensee regardless of whether another person also shares those rights and duties.

17. ~~"Holds out to the public," as used in this Section's definition of "branch office," means advertising or otherwise informing the public that mortgage banking loans, commercial mortgage loans, or mortgage loans are made or negotiated at a location. "Holds out to the public" includes listing a location on business cards, stationery, brochures, rate lists, or other promotional items. "Holds out to the public" does not include a clearly identified home or mobile telephone number on a business card or stationery.~~ "Engaged in the business of making mortgage loans," as that phrase is used in A.R.S. § 6-902, and "engaged in the business of making mortgage loans or mortgage banking loans," as that phrase is used in A.R.S. § 6-942, mean the direct or indirect making of a total of more than five mortgage banking loans or mortgage loans, or both in a calendar year. Each loan counts only once as of its closing date. A person is not "engaged in the business of making mortgage loans or mortgage banking loans" if the person makes loans solely in commercial finance transactions in which no more than 35% of the aggregate value of all security taken by the investor on the closing date is a lien, or liens, on real property.
18. ~~"Loan," as that term is used in A.R.S. §§ 6-126(C)(6) and (8), means all loans negotiated or closed, without regard to the location of the real property collateral or type of loan.~~"Exclusive contract," as that term is used in A.R.S. §§ 6-912 and 6-991.02, means a written agreement in which a loan originator agrees to perform services as a loan originator subject to supervision and control by a person holding a certificate of exemption issued under A.R.S. § 6-912 on an exclusive basis. The agreement provides that the loan originator is expressly prohibited from performing loan origination or modification services for any other person during the time the agreement is in effect.
19. ~~"Loan Processing" means obtaining a loan application's supporting documents for use in underwriting.~~ "Generally accepted accounting principles" means United States Generally Accepted Accounting Principles issued by the Financial Accounting Standards Board or the International Financial Reporting Standards issued by the International Accounting Standards Board.
20. ~~"Person" means a natural person or any legal or commercial entity including a corporation, business trust, estate, trust, partnership, limited partnership, joint venture, association, limited liability company, limited liability partnership, or limited liability limited partnership.~~ "Loan," as that term is used in A.R.S. §§ 6-126(D)(5) and (7), means all loans negotiated or closed that are secured by Arizona real property.
21. ~~"Property insurance," as that term is used in A.R.S. §§ 6-909 and 6-947, does not include flood insurance as that term is used in the Flood Disaster Protection Act of 1973, as modified by the National Flood Insurance Reform Act of 1994, 42 U.S.C. 4001, et seq.~~ "Loan Processing" means requesting, collecting, receiving, or reviewing a loan application's supporting documents for use in underwriting, and communicating with the consumer to obtain information necessary for making a credit decision.
22. ~~"Reasonable investigation of the background," as that term is used in A.R.S. §§ 6-903, 6-943, or 6-976 means a licensee, at a minimum:~~
    ~~a. Collects and reviews all the documents authorized by the Immigration Reform and Control Act of 1986, 8 U.S.C. 1324a;~~
    ~~b. Obtains a completed Employment Eligibility Verification (Form I-9);~~
    ~~c. Obtains a completed and signed employment application;~~
    ~~d. Obtains a signed statement attesting to all of an applicant's felony convictions, including detailed information regarding each conviction;~~
    ~~e. Consults with the applicant's most recent or next most recent employer, if any;~~
    ~~f. Inquiries regarding the applicant's qualifications and competence for the position;~~
    ~~g. If for a loan officer, loan originator, loan processor, branch manager, supervisor, or similar position, obtains a current credit report from a credit reporting agency; and~~
    ~~h. Investigates further if any information received in the above inquiries raises questions as to the applicant's honesty, truthfulness, integrity, or competence. An inquiry is sufficient after two attempts to contact a person, including at least one written inquiry.~~

    "Loan underwriting" means analyzing information in connection with the making of a credit decision.
23. ~~"Record" has the meaning stated at A.R.S. § 44-7002(13).~~ "Person" means a natural person, including a sole proprietor, or any legal or commercial entity including a corporation, business trust, estate, trust, partnership, limited partnership, joint venture, association, limited liability company, limited liability partnership, or limited liability limited partnership.
24. ~~"Registered to do business in this state" means:~~
    ~~a. If an Arizona corporation, it is incorporated under A.R.S. Title 10, Chapter 2, Article 1;~~
    ~~b. If a foreign corporation, it either transfers its domicile under A.R.S. Title 10, Chapter 2, Article 2, or obtains authority to transact business in Arizona under A.R.S. Title 10, Chapter 15, Article 1;~~
    ~~c. If a business trust, it obtains authority to transact business in Arizona under A.R.S. Title 10, Chapter 18, Article 4;~~
    ~~d. If an estate, it acts through a personal representative duly appointed by this state's Superior Court, under the provisions of A.R.S. Title 14, Chapter 3 or 4;~~
    ~~e. If a trust, it delivers to the Superintendent an executed copy of the trust instrument creating the trust together with:~~
        ~~i. All the current amendments, or~~
        ~~ii. A true copy of the trust instrument certified accurate and complete by a trustee of the trust before a notary public;~~
    ~~f. If a general partnership, limited partnership, limited liability company, limited liability partnership, or limited liability limited partnership, it is organized under A.R.S. Title 29;~~

~~g. If a foreign general partnership, limited partnership, limited liability company, limited liability partnership, or limited liability limited partnership, it is registered with the Arizona Secretary of State's office under A.R.S. Title 29;~~
~~h. If a joint venture, association, or any entity not specified in this subsection, it is organized and conducts its business in compliance with Arizona law; or~~
~~i. The entity is exempt from registration.~~

"Property insurance," as that term is used in A.R.S. §§ 6-909 and 6-947, does not include flood insurance as that term is used in the Flood Disaster Protection Act of 1973, as modified by the National Flood Insurance Reform Act of 1994. 42 U.S.C. 4001, et seq.

25. ~~"Registered Exempt Person" means a person who is exempt from licensure pursuant to A.R.S. § 6-912 and A.R.S. Title 6, Chapter 9, Articles 1, 2 and 3 as a federally chartered savings bank that is registered with the nationwide mortgage licensing system and registry and holds a certificate of exemption.~~ "Reasonable investigation of the background," as that term is used in A.R.S. §§ 6-903, 6-943, or 6-976 means a licensee, at a minimum:
    a. Collects and reviews all the documents authorized by the Immigration Reform and Control Act of 1986, 8 U.S.C. 1324a;
    b. Obtains a completed Employment Eligibility Verification (Form I-9), if applicable;
    c. Obtains a completed and signed employment application, if applicable;
    d. Obtains a signed statement attesting to all of an applicant's felony convictions, including detailed information regarding each conviction;
    e. Consults with the applicant's most recent or next most recent employer, if any;
    f. Makes inquiries regarding the applicant's qualifications and competence for the position;
    g. If for a loan originator, loan processor, branch manager, supervisor, or similar position, obtains a current credit report from a credit reporting agency; and
    h. Investigates further if any information received in the above inquiries raises questions as to the applicant's honesty, truthfulness, integrity, or competence. An inquiry is sufficient after two attempts to contact a person, including at least one written inquiry.
26. ~~"Resident of this state" means a natural person domiciled in Arizona.~~ "Record" means the same as defined under A.R.S. § 44-7002(13).
27. ~~"Responsible individual" or "responsible person", as those terms are used in A.R.S. §§ 6-903, 6-943, 6-973, and 6-976, means a resident of this state who:~~
    ~~a. Lives in Arizona during the entire period of designation as the responsible individual on a license;~~
    ~~b. Is in active management of a licensee's affairs;~~
    ~~c. Meets the qualifications listed in A.R.S. §§ 6-903, 6-943, or 6-973; and~~
    ~~d. Is an officer, director, member, partner, employee, or trustee of a licensed entity.~~

    "Registered Exempt Person" means a person who is exempt from licensure pursuant to A.R.S. § 6-912 and A.R.S. Title 6, Chapter 9, Articles 1, 2 and 3 as a federally chartered savings bank that is registered with the nationwide mortgage licensing system and registry and holds a certificate of exemption.
28. "Registered to do business in this state" means:
    a. If an Arizona corporation, it is incorporated under A.R.S. Title 10, Chapter 2, Article 1;
    b. If a foreign corporation, it obtains authority to transact business in Arizona under A.R.S. Title 10, Chapter 15, Article 1;
    c. If a business trust, it obtains authority to transact business in Arizona under A.R.S. Title 10, Chapter 18, Article 4;
    d. If an estate, it acts through a personal representative duly appointed by this state's Superior Court, under the provisions of A.R.S. Title 14, Chapter 3 or 4;
    e. If a trust, it delivers to the Director an executed copy of the trust instrument creating the trust together with:
        i. All the current amendments, or
        ii. A true copy of the trust instrument certified accurate and complete by a trustee of the trust before a notary public;
    f. If a general partnership, limited partnership, limited liability company, limited liability partnership, or limited liability limited partnership, it is organized under A.R.S. Title 29;
    g. If a foreign general partnership, limited partnership, limited liability company, limited liability partnership, or limited liability limited partnership, it is registered with the Arizona Secretary of State's office under A.R.S. Title 29;
    h. If a joint venture, association, or any entity not specified in this subsection, it is organized and conducts its business in compliance with Arizona law; or
    i. The entity is exempt from registration.
29. "Remote work location" means a location at which the employees (including licensed loan originators) of a licensee may conduct licensed activities other than the principal place of business or branch office. Licensed activities from a remote work location are permitted when under the supervision of the licensee and when all of the following apply:
    a. The licensee has written policies and procedures for supervision of employees working from their residence or a location other than a licensed location,
    b. Access to company platforms and customer information shall be in accordance with the licensee's comprehensive written information security plan; and
    c. Physical records shall not be maintained at a remote work location.
30. "Resident of this state" means a natural person domiciled in Arizona.
31. "Responsible individual" or "responsible person", as those terms are used in A.R.S. §§ 6-903, 6-943, 6-973, and 6-976, means a resident of this state who:
    a. Is in active management of a licensee's affairs; and
    b. Meets the qualifications listed in A.R.S. §§ 6-903, 6-943, or 6-973.

**R20-4-103. ~~Fingerprints~~ Repealed**

~~**A.** A licensee or applicant shall deliver fingerprints requested or required by the Superintendent on fingerprint cards provided by the Superintendent.~~

~~**B.** A licensee or applicant shall bear any costs incurred in obtaining or submitting fingerprints.~~

~~**C.** A licensee or applicant shall arrange to have fingerprints taken, signed, and dated by:~~

~~1. A municipal police department,~~

~~2. A local sheriff's office, or~~

~~3. Another law enforcement authority recognized by the Superintendent.~~

**R20-4-104. Acceptance of Other Forms**

If another entity's applications and forms provide all the information required by Arizona law, the ~~Superintendent~~ Director has the discretion to accept them, even if another provision of this Chapter requires use of a specific Department ~~of Financial Institutions~~ form. The ~~Superintendent's~~ Director's exercise of the discretion to accept alternative forms does not limit the ~~Superintendent's~~ Director's power to require additional information necessary to complete an application or other form.

**R20-4-105. Claims Against a Deposit in Place of Bond**

**A.** As used in this Section:

1. "Deposit" means cash or alternatives to cash deposited by a licensee with the ~~Superintendent~~ Director in place of a bond.
2. "Depositor" means licensee or an employee of the licensee who makes a deposit with the ~~Superintendent.~~ Director.
3. "Verified claim" means a claim filed with the ~~Superintendent~~ Director under subsection (B).
4. "Award" means an amount of money granted under subsection (F).

**B.** A person may file a claim against a deposit by delivering documentation of the claim to the ~~Superintendent.~~ Director. The claim shall be based on a final judgment in favor of the claimant, entered by a court of competent jurisdiction. To support a claim, the judgment shall be:

1. Against a depositor;
2. For injury caused by the depositor's wrongful act, default, fraud, or misrepresentation committed in the course of the depositor's licensed business activity; and
3. Documented by:
   a. A certified copy of the complaint in the action;
   b. A certified copy of the judgment in the action;
   c. A statement that execution of the judgment has not been stayed, or an explanation of the terms and reason for any stay;
   d. A statement of any amounts recovered on the judgment; and
   e. A sworn and notarized statement that the claim is true and correct to the best of the claimant's knowledge and belief.

**C.** A claimant shall file a claim with the ~~Superintendent,~~ Director, and all required supporting documentation, not more than six months after entry of the judgment asserted in the claim. However, if execution of the asserted judgment is stayed during the first six months after its entry, the claimant may file a verified claim only during the six months after the stay is lifted. The Department shall process a timely-filed verified claim as a request for hearing under ~~R20-4-1208.~~ A.R.S. § 41-1092.03(B).

**D.** The claimant shall notify the depositor of the filing of a verified claim under this Section, and make the depositor a party to all proceedings on the claim. To do so, the claimant shall send the depositor a copy of all documents filed under subsection (B). The claimant shall make this delivery no more than 10 days after the original filing with the ~~Superintendent~~ Director under subsection (B). The Department considers a proceeding on a verified claim to be a contested case, governed by the provisions of 20 A.A.C. 4, Article 12.

**E.** The ~~Superintendent~~ Director shall, after a hearing, deny a verified claim if the hearing produces evidence of any of the following circumstances:

1. The judgment is not for an injury caused by the depositor and described in subsection (B)(2);
2. The judgment was awarded by default, stipulation, or consent, and no showing is made in the hearing of an injury caused by the depositor and described in subsection (B)(2);
3. The judgment's execution has been stayed for any reason;
4. The judgment was procured through fraud or collusion;
5. The judgment has been satisfied from other sources; or
6. The action that produced the judgment was barred by the applicable statute of limitations at the time it was commenced.

**F.** If the ~~Superintendent~~ Director grants a verified claim, the ~~Superintendent~~ Director shall do so in the amount of the compensatory damages awarded against the depositor in the judgment, exclusive of:

1. Attorney's fees, and
2. Amounts previously paid on the judgment.

**G.** A person injured by a depositor shall give the ~~Superintendent~~ Director written notice at the time of filing a civil action if the claims alleged could be made as a verified claim under this Section. The written notice shall include a statement of the amount of compensatory damages sought against the depositor. The injured person shall provide further information about the civil action to the ~~Superintendent~~ Director upon request.

**H.** If the ~~Superintendent~~ Director grants a verified claim under subsection (F), the ~~Superintendent~~ Director shall authorize the State Treasurer, in writing, to release the deposit to the claimant in the amount stated in subsection (F) if the ~~Superintendent~~ Director has not received notice of another pending civil action under subsection (G).

**I.** If given notice under subsection (G), the ~~Superintendent~~ Director shall determine whether the deposit is sufficient to satisfy all claims under subsection (F). The ~~Superintendent~~ Director shall determine award amounts for each claim of which the ~~Superintendent~~ Director has notice, and authorize payment, as follows:

1. If the deposit is sufficient to satisfy all claims under subsection (F), the ~~Superintendent~~ Director shall authorize its release as described in subsection (H).

2. If the deposit is not sufficient to satisfy all claims under subsection (F), the ~~Superintendent~~ Director shall calculate the award on each claim as follows:
   a. Each granted claim shall receive a pro rata share of the total deposit.
   b. Each pro rata share shall be a dollar amount calculated by multiplying the total deposit by a fraction.
      i. The numerator of the fraction is the amount of the ~~Superintendent's~~ Director's award for the verified claim.
      ii. The denominator of the fraction is the sum of the amount of the ~~Superintendent's~~ Director's award for the verified claim plus the total compensatory damages sought in all other civil actions against the same depositor disclosed to the ~~Superintendent~~ Director under subsection (G).
   c. The ~~Superintendent~~ Director shall authorize the State Treasurer to release the pro rata portion of the deposit calculated for each verified claim.

**J.** A depositor or former licensee may request return of its deposit if it substitutes a bond for the deposit, or if its license is surrendered, revoked, or expired, and if all statutory conditions for release of the deposit have been satisfied. The ~~Superintendent~~ Director shall not release any part of a deposit to a depositor or former licensee until the ~~Superintendent~~ Director determines whether there are any awards on verified claims unsatisfied because of an apportionment under subsection (I). The ~~Superintendent~~ Director shall use the deposit amount to pay any unsatisfied portion of those awards. If the deposit amount is not sufficient to pay in full all unsatisfied awards, the ~~Superintendent~~ Director shall pay the remaining amount of the deposit to claimants in the ratio their awards bear to the total of all awards granted against the deposit.

**K.** The court supervising a licensee in receivership may order the release of a deposit to persons injured by conduct described in subsection (B). In that event, the receiver shall deliver a certified copy of the court's order to the ~~Superintendent.~~ Director. The copy may be uncertified if the receiver is the ~~Superintendent~~ Director or any other officer or agency of the state of Arizona. The ~~Superintendent~~ Director shall then authorize the State Treasurer, in writing, to release the deposit to the receiver. The receiver shall distribute the deposit as ordered by the receivership court, rather than under this Section.

**R20-4-106. Bankruptcy**

An enterprise licensee or consumer lender licensee shall immediately deliver written notice to the ~~Superintendent~~ Director if it files a voluntary bankruptcy petition, or if its creditors name the licensee a debtor in an involuntary bankruptcy petition. On the date of each of the following documents' filing with the bankruptcy court, the licensee shall deliver to the ~~Superintendent~~ Director a copy of the:

1. Petition for relief,
2. Schedule of assets and liabilities,
3. Statement of financial affairs,
4. List of creditors, and
5. Plan of reorganization.

**R20-4-107. Licensing Time-frames**

**A.** ~~As used in this Section, "application" means a document specified or described in this Title, or in any statute enforced by the Department, requesting any permit, certificate, approval, registration, charter, or similar permission described in Table A, together with all supporting documentation required by statute or rule.~~

Definitions. The definitions in A.R.S. § 41-1072 and the following definitions apply to this Section.

1. "Application" means a document specified or described in this Title, or in any statute enforced by the Department, requesting any permit, certificate, approval, registration, charter, or similar permission described in Table A, together with all supporting documentation required by statute or rule.
2. "License" means the same as defined under A.R.S. § 41-1001(13).

**B.** ~~The time-frames in Table A apply solely to applications received by the Department after the effective date of this Section. Each overall time-frame consists of an administrative completeness review time-frame, and a substantive review time-frame.~~ The time-frames listed in Table A apply to licenses issued by the Department. The licensing time-frames consist of an administrative completeness review, a substantive review, and an overall review. The administrative completeness review time-frame begins to run upon receipt of an application by the Department.

~~1. Within the administrative completeness review time-frame in Table A, the Department shall notify the applicant in writing whether the application is complete. If the application is incomplete, the notice shall specify the missing information or component.~~

~~2. An applicant whose application is incomplete shall supply the missing information within 60 days after the date of the notice. If an applicant shows good cause in writing before the expiration of the 60 day time limit, the Superintendent Director shall extend the period for administrative completion of an application. The administrative completeness review time-frame stops running on the postmark date of the Department's written notice of an incomplete application, and resumes when the Department receives a complete application. If the applicant fails to submit a complete application within the specified time limit, the Department shall reject the application and close the file. An applicant may reapply.~~

~~3. The substantive review time-frame begins to run on the postmark date of the Department's written notice that the application is administratively complete.~~

~~4. Within the overall time-frame set forth in Table A the Department shall send the applicant written notice of its decision to approve, conditionally approve, or deny a license, unless the time-frame is extended by mutual agreement under A.R.S. § 41-1075. If the Department denies an application, it shall provide written justification for the denial and a written explanation of the applicant's right to a hearing or appeal in the form required by A.R.S. § 41-1076.~~

~~5. The Department shall calculate time limits prescribed in this Section under R2-19-107.~~

**C.** ~~The time-frames in this Section apply solely to actions taken by the Department. Nothing in this Section relieves a licensee or applicant of a duty to fulfill any other legal or regulatory requirement that is a condition of its power and authority to engage in business.~~ Within the time-frame for the administrative completeness review set forth in Table A, the Department shall notify the applicant in writing whether the application is complete or deficient.

1. If the application is deficient, the Department shall issue a notice of deficiency to the applicant which shall include a comprehensive list of the specific deficiencies. If the Department issues a written notice of deficiency within the administrative completeness review time-frame, the administrative completeness review time-frame and the overall review time-frame are suspended from the date the notice is issued until the date that the Department receives an adequate response from the applicant.
2. The Department is not precluded from issuing additional notices of deficiency during an administrative completeness review.
3. If an applicant does not adequately respond to each specified deficiency in a notice of deficiency issued under subsection (C)(1) within 60 days after the date of a notice of deficiency the application is deemed withdrawn, and the Department is not required to take further action with respect to the application.

**D.** Within the time-frame for the substantive review set forth in Table A, the Department may issue one comprehensive written request for additional information to the applicant specifying each component or item of information required.

1. If the Department issues a comprehensive written request for additional information within the substantive review time-frame, the substantive review time-frame and the overall time-frame are suspended from the date the written request is issued until the date that the Department receives an adequate response from the applicant.
2. The Department is not precluded from issuing supplemental requests by mutual agreement for additional information, during the substantive review.
3. If an applicant does not adequately respond to each component or item of information required in a comprehensive written request or a supplemental request for additional information, within 60 days after the date of a comprehensive written request, or within 60 days after the date of the supplemental request for additional information, the application is deemed withdrawn, and the Department is not required to take further action with respect to the application.

**E.** Within the overall time-frames set forth in Table A, unless extended by mutual agreement under A.R.S. § 41-1075, the Department shall notify the applicant in writing that the application is granted or denied. If the application is denied, the Department shall provide to the applicant a written notice that complies with the provisions of A.R.S. § 41-1076.

**F.** In computing the time periods prescribed in these time-frame rules, the last day of a notice period is included in the computation, unless it is a Saturday, Sunday, or legal holiday.

**G.** The time-frames in this Section apply solely to actions taken by the Department. Nothing in this Section relieves a licensee or applicant of a duty to fulfill any other legal or regulatory requirement that is a condition of its power and authority to engage in business.

**Table A. Licensing Time-frames**

| No. | License Type | Legal Authority | Administrative Completeness Review (Days) | Substantive Review (Days) | Overall Time-Frame (Days) |
|---|---|---|---|---|---|
| 1 | Bank | A.R.S. § 6-203, et seq. | | | |
| | Initial Application | R20-4-211 | ~~45~~ 75 | ~~45~~ 75 | ~~90~~ 150 |
| 2 | Bank Trust Dept. | A.R.S. § 6-381 | | | |
| | Initial Application | A.R.S. § 6-203, A.R.S. § 6-204(C) | ~~45~~ 60 | ~~45~~ 60 | ~~90~~ 120 |
| 3 | Savings & Loan | A.R.S. § 6-401, et seq. | | | |
| | Initial Application | A.R.S. § 6-408, R20-4-327 | 75 | 75 | 150 |
| 4 | Credit Union | A.R.S. § 6-501, et seq. | | | |
| | Initial Application | A.R.S. § 6-506(A) | ~~60~~ 150 | ~~60~~ 150 | ~~120~~ 300 |
| 5 | Trust Company | A.R.S. § 6-851, et seq. | | | |
| | Initial Application | A.R.S. § 6-854(A) | 75 | 75 | 150 |
| 6 | Consumer Lender | A.R.S. § 6-601, et seq. | | | |
| | Initial Application | A.R.S. § 6-603(C) | 60 | 60 | 120 |
| 7 | Debt Management | A.R.S. § 6-701, et seq. | | | |
| | Initial Application | A.R.S. § 6-704(A), R20-4-602(A) | ~~30~~ 60 | ~~30~~ 60 | ~~60~~ 120 |
| 8 | Escrow Agent | A.R.S. § 6-801, et seq. | | | |
| | Initial Application | A.R.S. § 6-814 | 60 | 60 | 120 |
| 9 | Mortgage Broker or Commercial Mortgage Broker | A.R.S. § 6-901, et seq. | | | |
| | Initial Application | A.R.S. § 6-903(C) & (D) | 60 | 60 | 120 |
| 10 | Mortgage Banker | A.R.S. § 6-941, et seq. | | | |
| | Initial Application | A.R.S. § 6-943(D) | 60 | 60 | 120 |

| | | | | | |
|---|---|---|---|---|---|
| 11 | Commercial Mortgage Banker | A.R.S. § 6-971, et seq. | | | |
| | Initial Application | A.R.S. § 6-974(A) | 60 | 60 | 120 |
| 12 | Acquisition of Control of Financial Institution | R20-4-1602, R20-4-1702 | | | |
| | Initial Application | A.R.S. 6-1104 | 30 | 30 | 60 |
| 13 | Money Transmitter | A.R.S. § 6-1201, et seq. | | | |
| | Initial Application | A.R.S. § 6-1204(A) | 60 | 60 | 120 |
| 14 | Advance Fee Loan Broker | A.R.S. § 6-1301, et seq. | | | |
| | Initial Application | A.R.S. § 6-1303(A) | ~~30~~ 60 | ~~30~~ 60 | ~~60~~ 120 |
| 15 | Premium Finance Co. | A.R.S. § 6-1401, et seq. | | | |
| | Initial Application | A.R.S. § 6-1402(C) | 60 | 60 | 120 |
| 16 | Collection Agency | A.R.S. § 32-1001, et seq. | | | |
| | Initial Application | A.R.S. § 32-1021, R20-4-1502 | ~~30~~ 60 | ~~15~~ 60 | ~~45~~ 120 |
| ~~17~~ | ~~Motor Vehicle Dealer~~ | ~~A.R.S. § 44-281, et seq.~~ | | | |
| | ~~Initial Application~~ | ~~A.R.S. § 44-282(B)~~ | ~~30~~ | ~~15~~ | ~~45~~ |
| ~~18~~ 17 | Sales Finance Co. | A.R.S. § 44-281, et seq. | | | |
| | Initial Application | A.R.S. § 44-282(B) | ~~30~~ 60 | ~~15~~ 60 | ~~45~~ 120 |
| ~~19~~ 18 | Certificate of Exemption | A.R.S. § 6-912 | | | |
| | Initial Application | A.R.S. § 6-912(B) | ~~45~~ 60 | ~~45~~ 60 | ~~90~~ 120 |
| ~~20~~ 19 | Loan Originators | A.R.S. § 6-991, et seq. | | | |
| | Initial Application | A.R.S. § 6-991.04(A) | 60 | 60 | 120 |
| 20 | Real Estate Appraisal | A.R.S. § 32-3601, et seq. | | | |
| | Initial Application | A.R.S. § 32-3611 | ~~45~~ 60 | ~~45~~ 60 | ~~90~~ 120 |

# NOTICES OF RULEMAKING DOCKET OPENING

This section of the *Arizona Administrative Register* contains Notices of Rulemaking Docket Opening under A.R.S. § 41-1021.

A docket opening is the first part of the administrative rulemaking process. It is an "announcement" that an agency intends to work on its rules.

When an agency opens a rulemaking docket to consider rulemaking, the Administrative Procedure Act (APA) requires publication of the Notice of Rulemaking Docket Opening in the Register.

Under the APA, effective January 1, 1995, agencies must submit a Notice of Rulemaking Docket Opening before beginning the formal rulemaking process. An agency may file the Notice of Rulemaking Docket Opening along with the Notice of Proposed Rulemaking.

The Office of the Secretary of State is the filing office and publisher of these notices. Questions about the interpretation of this information should be directed to the agency contact person listed in item #4 of this notice.

## NOTICE OF RULEMAKING DOCKET OPENING

### BOARD OF PHARMACY

[R25-11]

**1. Permission to proceed with this docket was granted under A.R.S. § 41-1039 by the governor on:**
December 20, 2024

**2. Title and its heading:**
4, Professions and Occupations

**Chapter and its heading:**
23, Board of Pharmacy

**Article and its heading:**
1, Administrative
6, Permits and Distribution of Drugs
8, Drug Classification

**Section number:**
R4-23-110, R4-23-602, R4-23-603, R4-23-607, R4-23-693, and R4-23-802
*Sections may be added, amended, repealed, or renumbered as necessary.*

**3. The subject matter of the proposed rule:**
Under Laws 2019, Chapter 83, the legislature amended A.R.S. §§ 32-1930 and 32-1931 to deregulate non-prescription retailers. As a result, the Board is repealing language related to non-prescription retailers including references to a permit.

Under Laws 2024, Chapter 234, the legislature added a definition of virtual manufacturer to A.R.S. § 32-1901. As a result, the Board is repealing the Board's definition at R4-23-110.

**4. A citation to all published notices relating to the current proceeding:**
Notice of Proposed Rulemaking: 31 A.A.R. 509, February 14, 2025 (*in this issue*); File number: R25-09

**5. The name and address of agency personnel with whom persons may communicate regarding the rule:**

| | |
|---|---|
| Name: | Kamlesh Gandhi |
| Title: | Executive Director |
| Address: | Board of Pharmacy<br>1110 W. Washington St., Suite 260<br>Phoenix, AZ 85007 |
| Telephone: | (602) 771-2727 |
| Email: | kgandhi@azpharmacy.gov |
| Website: | www.azpharmacy.gov |

**6. The time during which the agency will accept written comments and the time and place where oral comments may be made:**
Written comments about this proposed rulemaking will be accepted in person at the address provided under item #5, Monday through Friday from 8 a.m. to 5 p.m., except for state holidays. Comments will also be accepted via email at the email address provided under item #5. Information regarding an oral proceeding is included in the Notice of Proposed Rulemaking in this issue.

**7. A timetable for agency decisions or other action on the current proceeding, if known:**
Unknown

## NOTICE OF RULEMAKING DOCKET OPENING

### DEPARTMENT OF HEALTH SERVICES
### OCCUPATIONAL LICENSING

[R25-12]

**1. Permission to proceed with this docket was granted under A.R.S. § 41-1039 by the governor on:**
January 21, 2025

**2. Title and its heading:**
9, Health Services

**Chapter and its heading:**
16, Department of Health Services - Occupational Licensing

**Article and its heading:**
3, Licensing Hearing Aid Dispensers

**Section number:**
R9-16-301, R9-16-302, R9-16-303, R9-16-304, R9-16-306, R9-16-307, R9-16-308, R9-16-310, R9-16-312, R9-16-313, R9-314, Table 3.1, R9-16-315, R9-16-316
*Sections may be added, amended, repealed, or renumbered as necessary.*

**3. The subject matter of the proposed rule:**
A.R.S. § 36-1902(B)(5) authorizes the Department to adopt rules for the licensing and regulation of hearing aid dispensers. The Department adopted rules for licensing hearing aid dispensers in Arizona Administrative Code Title 9, Chapter 16, Article 3. The Department proposes to amend the rules to address issues identified in a five-year-review report approved by the Council on September 4, 2024. The proposed amendments are to update the rules to align with the Department's current practice, update the rules to be more consistent with other rules and statutes, make the rules clearer and more concise and understandable. Additionally, the Department proposes rule revisions that aim to update the practical exam to ensure it aligns with current standards and practices while incorporating advancements in technology. These updates will help maintain the relevance and effectiveness of the examination process in evaluating candidates' proficiency, reduce the burden on testing candidates, and ensure consistency with current practices.

The Department received approval to conduct rulemaking from the Governor's Office, pursuant to A.R.S. § 41-1039(A) on January 21, 2025. The proposed changes will confirm to the current rulemaking format and style requirements of the Governor's Regulatory Review Council and the Office of Secretary of State. The Department may add, amend, repeal, or renumber rules as necessary.

**4. A citation to all published notices relating to the current proceeding:**
Not applicable

**5. The name and address of agency personnel with whom persons may communicate regarding the rule:**

| | |
|---|---|
| Name: | Megan Whitby |
| Title: | Deputy Assistant Director |
| Division: | Public Health Licensing Services |
| Address: | 150 N. 18th Ave., Suite 400<br>Phoenix, AZ 85007 |
| Telephone: | (602) 364-3052 |
| Fax: | (602) 364-2079 |
| Email: | megan.whitby@azdhs.gov |
| | or |
| Name: | Stacie Gravito |
| Title: | Office Chief, Administrative Counsel and Rules |
| Division: | Director's Office |
| Address: | 150 N. 18th Ave., Suite 200<br>Phoenix, AZ 85007 |
| Telephone: | (602) 542-1020 |
| Fax: | (602) 364-1150 |
| Email: | stacie.gravito@azdhs.gov |

**6. The time during which the agency will accept written comments and the time and place where oral comments may be made:**
To be announced in future notices regarding this rulemaking.

**7. A timetable for agency decisions or other action on the current proceeding, if known:**
Unknown

## NOTICE OF RULEMAKING DOCKET OPENING

### ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM (AHCCCS) ADMINISTRATION

[R25-13]

**1. Permission to proceed with this docket was granted under A.R.S. § 41-1039 by the governor on:**
November 25, 2024

**2. Title and its heading:**
9, Health Services

**Chapter and its heading:**
22, Arizona Health Care Cost Containment System - Administration

**Article and its heading:**
12, Behavioral Health Services

**Section number:**
R9-22-1201, R9-22-1202, R9-22-1205, R9-22-1207

**3. The subject matter of the proposed rule:**
Behavioral Health Services

**4. A citation to all published notices relating to the current proceeding:**
Notice of Proposed Rulemaking: 31 A.A.R. 523, February 14, 2025 (*in this issue*); File number: R25-10

**5. The name and address of agency personnel with whom persons may communicate regarding the rule:**

| | |
|---|---|
| Name: | Sladjana Kuzmanovic |
| Title: | Sr. Rules Analyst |
| Division: | AHCCCS Office of the General Counsel |
| Address: | 801 E. Jefferson, MD 6200<br>Phoenix, AZ 85034 |
| Telephone: | (602) 417-4232 |
| Fax: | (602) 253-9115 |
| Email: | AHCCCSRules@azahcccs.gov |
| Website: | www.azahcccs.gov |

**6. The time during which the agency will accept written comments and the time and place where oral comments may be made:**
Per A.R.S. § 41-1013(4), this notice is being published in the *Register* for public review.

A person shall send comments to the person listed under item #5.

A public hearing is scheduled on this proposed rulemaking as follows:

| | |
|---|---|
| Date: | March 17, 2025 |
| Time: | 2:00 p.m. |
| Location: | (meet.google.com/mwb-zeuk-iey) |
| Nature: | Public Hearing |

Public comment period ends: March 17, 2025 at 5:00 p.m.

Close of record: March 17, 2025 at 5:00 p.m.

**7. A timetable for agency decisions or other action on the current proceeding, if known:**
Not applicable

# NOTICES OF AGENCY OMBUDSMAN

The Administrative Procedure Act requires the publication of Notices of Agency Ombudsman under A.R.S. §§ 41-1006(A) and 41-1013(B)(13).

An ombudsman is an agency's point of contact who assists members of the public or regulated community seeking information or guidance from the agency.

## NOTICE OF AGENCY OMBUDSMAN

### DEPARTMENT OF PUBLIC SAFETY

[M25-08]

**1. The agency name:**
Department of Public Safety

**2. The ombudsman's contact information:**
**a. Name:** Brant Benham
**b. Title:** Major, Executive Officer - Ombudsman
**c. Agency Division:** Office of the Director

**3. The ombudsman's office address to include city, state, and zip code:**
Physical Address: 2102 W. Encanto Blvd.
Phoenix, AZ 85009

Mailing Address: POB 6638
Mail Drop 1000
Phoenix, AZ 85005-6638

**4. The ombudsman's area code and telephone number, fax number, and email address, if available:**
Telephone: (602) 223-5046
Email: ombudsman@azdps.gov

## NOTICE OF AGENCY OMBUDSMAN

### STATE RETIREMENT SYSTEM BOARD

[M25-05]

**1. The agency name:**
Arizona State Retirement System

**2. The ombudsman's:**
**a. Name:** Allison Alvarado
**b. Title:** SSD Member Advocate
**c. Agency Division:** Strategic Services Division

**3. The ombudsman's office address to include city, state, and zip code:**
Arizona State Retirement System
3300 N. Central Ave.
Phoenix, AZ 85012

**4. The ombudsman's area code and telephone number, fax number, and email address, if available:**
Telephone: (602) 240-2122
Email: memberadvocate@azasrs.gov

# NOTICES OF PUBLIC INFORMATION

Agencies use Notices of Public Information to notify stakeholders about other information that pertains to rulemaking notices under A.R.S. § 41-1013(B)(14). When required by law, agencies also use this notice to notify the public about information not related to rulemaking.

The most common use for this notice is to correct errors printed in a rulemaking notice or extend a public comment period.

The Administrative Rules Division of the Office does not provide a standard template for Notices of Public Information because the content of this type of notice varies.

An agency shall follow the Office's formatting standards when preparing this type of notice and use a numbered list of questions and answers. Additionally, an agency receipt shall be filed with a Notice of Public Information.

## NOTICE OF PUBLIC INFORMATION

### STATE REAL ESTATE DEPARTMENT

[M25-09]

**1. Agency Name:**

State Department of Real Estate

**2. Agency Contact information:**

| | |
|---|---|
| Name: | Mandy Neat |
| Title: | Deputy Commissioner |
| Division: | Operations |
| Address: | 100 N. 15th Ave., Suite 201<br>Phoenix, AZ 85007 |
| Telephone: | (602) 771-7724 |
| Email: | mneat@azre.gov |
| Website: | https://www.azre.gov |

**3. The public information relating to this notice:**

The Arizona Department of Real Estate is rescinding Substantive Policy Statement (SPS) No. 2022.04 – Instructor Professional Development Requirements. All applicants must submit a detailed resume demonstrating extensive knowledge and experience associated with real estate. Other information in SPS No. 2022.04 is contained in the Instructor Application Form available online at https://www.azre.gov.

# NOTICES OF SUBSTANTIVE POLICY STATEMENT

## SUMMARIES AND LOCATION OF STATEMENTS

Substantive policy statements are written expressions that inform the general public of an agency's current approach to rule or regulation practice as defined under A.R.S. § 41-1001(24).

Agencies are required to prepare a Notice of Substantive Policy Statement and publish the titles of its substantive policy statements, a summary of statements, and its website where full statements can be reviewed under A.R.S. § 41-1013(B)(9). These notices are published in this section of the *Register*.

Substantive policy statements are advisory only. A substantive policy statement does not include internal procedural documents that only affect an agency's internal procedures and does not impose additional requirements or penalties on regulated parties or include confidential information or rules made in accordance with the APA.

Any person may petition an agency under A.R.S. § 41-1033(A)(2) to review an existing agency practice or substantive policy statement that the petitioner alleges to constitute a rule.

Contact the agency liaison listed under Item #6.

## NOTICE OF SUBSTANTIVE POLICY STATEMENT

### A.R.S. § 41-1013(B)(9)

### BOARD OF PHYSICAL THERAPY

[M25-10]

**1. Statement title and policy number:**
Examination Eligibility through Alternate Approval Pathway; No. 2025-01

**2. Is this a new policy or revision:**
New

**3. Date issued and effective date (if different from the date issued):**
January 28, 2025

**4. Policy summary:**
The Substantive Policy Statement clarifies the examination eligibility process through the Alternate Approval Pathway for applicants seeking licensure.

**5. Authority (include the federal or state constitutional provision or statute, administrative rule, or regulation; or final court judgment):**
A.R.S. § 32-2022(A)(3)(4) and (D)(3)(4); A.R.S. § 32-2024; A.A.C. R4-24-205

**6. Agency contact information:**

| | |
|---|---|
| Name: | Judy Chepeus |
| Title: | Executive Director |
| Address: | Board of Physical Therapy<br>1740 W. Adams St., Suite 2450<br>Phoenix, AZ 85007 |
| Telephone: | (602) 271-7365 |
| Email: | judy.chepeus@ptboard.az.gov |
| Website: | https://ptboard.az.gov/ |

**7. An electronic copy of the complete policy can be viewed at:**
Website: https://ptboard.az.gov/resources?field_document_type_target_id=1027

**8. A paper copy of the complete policy can be obtained at:**

| | |
|---|---|
| Physical Address: | 1740 W. Adams St., Suite 2450<br>Phoenix, AZ 85007 |
| Copy or other fees: | Not applicable |

## NOTICE OF SUBSTANTIVE POLICY STATEMENT

### A.R.S. § 41-1013(B)(9)

### INDUSTRIAL COMMISSION OF ARIZONA

[M25-06]

**1. Statement title and policy number:**
Definition of Adenocarcinoma in the Scope of Firefighter and Fire Investigator Workers' Compensation Claims

**2. Is this a new policy or revision:**
New

**3. Date issued and effective date (if different from the date issued):**
Date issued: January 23, 2025
Effective date: January 25, 2025

**4. Policy summary:**
Adenocarcinoma, as applied within the scope of workers' compensation claims shall be interpreted as a standalone condition and does not need to be "of the respiratory tract" to qualify under workers' compensation statutes.

**5. Authority (include the federal or state constitutional provision or statute, administrative rule, or regulation; or final court judgment):**
A.R.S. § 41-1033

**6. Agency contact information:**

| | |
|---|---|
| Name: | Afshan Peimani |
| Title: | Chief Counsel |
| Division: | Legal Division |
| Address: | Arizona Industrial Commission<br>800 W. Washington St.<br>Phoenix, AZ 85006 |
| Telephone: | (602) 542-5905 |
| Email: | Afshan.Peimani@azica.gov |

**7. An electronic copy of the complete policy can be viewed at:**
Website: https://www.azica.gov/substantive-policies-directory-other-adosh

**8. A paper copy of the complete policy can be obtained at:**
Physical Address: 800 W. Washington St.
Phoenix, AZ 85006
Copy or other fees: None

## NOTICE OF SUBSTANTIVE POLICY STATEMENT

### A.R.S. § 41-1013(B)(9)

### STATE REAL ESTATE DEPARTMENT

[M25-11]

**1. Statement title and policy number:**
Distance Learning Education Course and Learning Guidelines; No. 2022.05

**2. Is this a new policy or revision:**
Revision

**3. Date issued and effective date (if different from the date issued):**
February 7, 2025

**4. Policy summary:**
Explains current distance learning course set up, design, administration, time requirements, school exam requirements, proctor responsibilities and certification requirements.

**5. Authority (include the federal or state constitutional provision or statute, administrative rule, or regulation; or final court judgment):**
A.R.S. §§ 32-2101 and 32-2135, and A.A.C. R4-28-101, R4-28-402 and R4-28-404

**6. Agency contact information:**

| | |
|---|---|
| Name: | Mandy Neat |
| Title: | Deputy Commissioner |
| Division: | Operations |

| | |
|---|---|
| Address: | 100 N 15th Ave., Suite 201<br>Phoenix, AZ 85007 |
| Telephone: | (602) 771-7724 |
| Email: | mneat@azre.gov |
| Website: | https://www.azre.gov |

**7. An electronic copy of the complete policy can be viewed at:**

| | |
|---|---|
| Website: | https://azre.gov/substantive-policy-statements-sps |

**8. A paper copy of complete policy can be obtained at:**

| | |
|---|---|
| Physical Address: | 100 N. 15th Ave., Suite 201<br>Phoenix, AZ 85007 |
| Copy or other fees: | None |

# REGISTER INDEXES

The *Register* is published by volume in a calendar year (See "General Information" in the front of each issue for more information).

Abbreviations for rulemaking activity in this Index include:

**PROPOSED RULEMAKING**
PN = Proposed new Section
PM = Proposed amended Section
PR = Proposed repealed Section
P# = Proposed renumbered Section

**SUPPLEMENTAL PROPOSED RULEMAKING**
SPN = Supplemental proposed new Section
SPM = Supplemental proposed amended Section
SPR = Supplemental proposed repealed Section
SP# = Supplemental proposed renumbered Section

**FINAL RULEMAKING**
FN = Final new Section
FM = Final amended Section
FR = Final repealed Section
F# = Final renumbered Section

**SUMMARY RULEMAKING**
**PROPOSED SUMMARY**
PSMN = Proposed Summary new Section
PSMM = Proposed Summary amended Section
PSMR = Proposed Summary repealed Section
PSM# = Proposed Summary renumbered Section
**FINAL SUMMARY**
FSMN = Final Summary new Section
FSMM = Final Summary amended Section
FSMR = Final Summary repealed Section
FSM# = Final Summary renumbered Section

**EXPEDITED RULEMAKING**
**PROPOSED EXPEDITED**
PEN = Proposed Expedited new Section
PEM = Proposed Expedited amended Section
PER = Proposed Expedited repealed Section
PE# = Proposed Expedited renumbered Section
**SUPPLEMENTAL EXPEDITED**
SPEN = Supplemental Proposed Expedited new Section
SPEM = Supplemental Proposed Expedited amended Section
SPER = Supplemental Proposed Expedited repealed Section
SPE# = Supplemental Proposed Expedited renumbered Section
**FINAL EXPEDITED**
FEN = Final Expedited new Section
FEM = Final Expedited amended Section
FER = Final Expedited repealed Section
FE# = Final Expedited renumbered Section

**EXEMPT RULEMAKING**
**EXEMPT**
XN = Exempt new Section
XM = Exempt amended Section
XR = Exempt repealed Section
X# = Exempt renumbered Section
**EXEMPT PROPOSED**
PXN = Proposed Exempt new Section
PXM = Proposed Exempt amended Section
PXR = Proposed Exempt repealed Section
PX# = Proposed Exempt renumbered Section
**EXEMPT SUPPLEMENTAL PROPOSED**
SPXN = Supplemental Proposed Exempt new Section
SPXR = Supplemental Proposed Exempt repealed Section
SPXM = Supplemental Proposed Exempt amended Section
SPX# = Supplemental Proposed Exempt renumbered Section
**FINAL EXEMPT RULEMAKING**
FXN = Final Exempt new Section
FXM = Final Exempt amended Section
FXR = Final Exempt repealed Section
FX# = Final Exempt renumbered Section

**EMERGENCY RULEMAKING**
EN = Emergency new Section
EM = Emergency amended Section
ER = Emergency repealed Section
E# = Emergency renumbered Section
EEXP = Emergency expired

**RECODIFICATION OF RULES**
RC = Recodified

**REJECTION OF RULES**
RJ = Rejected by the Attorney General

**TERMINATION OF RULES**
TN = Terminated proposed new Sections
TM = Terminated proposed amended Section
TR = Terminated proposed repealed Section
T# = Terminated proposed renumbered Section

**RULE EXPIRATIONS**
EXP = Rules have expired
*See also "emergency expired" under emergency rulemaking*

**CORRECTIONS**
C = Corrections to Published Rules

# 2025 *Arizona Administrative Register*
# Volume 31 Page Guide



## RULEMAKING ACTIVITY INDEX

Rulemakings are listed in the Index by Chapter, Section number, rulemaking activity abbreviation and volume page number. Use the page guide above to determine the *Register* issue number to review the rule. Headings for the Subchapters, Articles, Parts, and Sections are not indexed.

**THIS INDEX INCLUDES RULEMAKING ACTIVITY THROUGH ISSUE 6 OF VOLUME 31.**

**Health Services, Department of - Communicable Diseases and Infestations**



**Health Services, Department of - Emergency Medical Services**



**Health Services, Department of - Health Care Institutions: Licensing**

## OTHER NOTICES AND PUBLIC RECORDS INDEX

Other legal notices required to be published under the Administrative Procedure Act, such as Rulemaking Docket Openings, are included in this Index by volume page number. Notices of Agency Ombudsman, Substantive Policy Statements, Proposed Delegation Agreements, and other applicable public records as required by law are also listed in this Index by volume page number.

**THIS INDEX INCLUDES OTHER NOTICE ACTIVITY THROUGH ISSUE 6 OF VOLUME 31.**

**Public Information, Notices of**



**Rulemaking Docket Opening, Notices of**



**Substantive Policy Statement, Notices of**

# 2025 RULES EFFECTIVE DATES CALENDAR

A.R.S. § 41-1032(A), as amended by Laws 2002, Ch. 334, § 8 (effective August 22, 2002), states that a rule generally becomes effective 60 days after the day it is filed with the Secretary of State's Office. The following table lists filing dates and effective dates for rules that follow this provision. Please also check the rulemaking Preamble for effective dates.

| **January** | | **February** | | **March** | | **April** | | **May** | | **June** | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Date Filed | Effective Date | Date Filed | Effective Date | Date Filed | Effective Date | Date Filed | Effective Date | Date Filed | Effective Date | Date Filed | Effective Date |
| 1/1 | 3/2 | 2/1 | 4/2 | 3/1 | 4/30 | 4/1 | 5/31 | 5/1 | 6/30 | 6/1 | 7/31 |
| 1/2 | 3/3 | 2/2 | 4/3 | 3/2 | 5/1 | 4/2 | 6/1 | 5/2 | 7/1 | 6/2 | 8/1 |
| 1/3 | 3/4 | 2/3 | 4/4 | 3/3 | 5/2 | 4/3 | 6/2 | 5/3 | 7/2 | 6/3 | 8/2 |
| 1/4 | 3/5 | 2/4 | 4/5 | 3/4 | 5/3 | 4/4 | 6/3 | 5/4 | 7/3 | 6/4 | 8/3 |
| 1/5 | 3/6 | 2/5 | 4/6 | 3/5 | 5/4 | 4/5 | 6/4 | 5/5 | 7/4 | 6/5 | 8/4 |
| 1/6 | 3/7 | 2/6 | 4/7 | 3/6 | 5/5 | 4/6 | 6/5 | 5/6 | 7/5 | 6/6 | 8/5 |
| 1/7 | 3/8 | 2/7 | 4/8 | 3/7 | 5/6 | 4/7 | 6/6 | 5/7 | 7/6 | 6/7 | 8/6 |
| 1/8 | 3/9 | 2/8 | 4/9 | 3/8 | 5/7 | 4/8 | 6/7 | 5/8 | 7/7 | 6/8 | 8/7 |
| 1/9 | 3/10 | 2/9 | 4/10 | 3/9 | 5/8 | 4/9 | 6/8 | 5/9 | 7/8 | 6/9 | 8/8 |
| 1/10 | 3/11 | 2/10 | 4/11 | 3/10 | 5/9 | 4/10 | 6/9 | 5/10 | 7/9 | 6/10 | 8/9 |
| 1/11 | 3/12 | 2/11 | 4/12 | 3/11 | 5/10 | 4/11 | 6/10 | 5/11 | 7/10 | 6/11 | 8/10 |
| 1/12 | 3/13 | 2/12 | 4/13 | 3/12 | 5/11 | 4/12 | 6/11 | 5/12 | 7/11 | 6/12 | 8/11 |
| 1/13 | 3/14 | 2/13 | 4/14 | 3/13 | 5/12 | 4/13 | 6/12 | 5/13 | 7/12 | 6/13 | 8/12 |
| 1/14 | 3/15 | 2/14 | 4/15 | 3/14 | 5/13 | 4/14 | 6/13 | 5/14 | 7/13 | 6/14 | 8/13 |
| 1/15 | 3/16 | 2/15 | 4/16 | 3/15 | 5/14 | 4/15 | 6/14 | 5/15 | 7/14 | 6/15 | 8/14 |
| 1/16 | 3/17 | 2/16 | 4/17 | 3/16 | 5/15 | 4/16 | 6/15 | 5/16 | 7/15 | 6/16 | 8/15 |
| 1/17 | 3/18 | 2/17 | 4/18 | 3/17 | 5/16 | 4/17 | 6/16 | 5/17 | 7/16 | 6/17 | 8/16 |
| 1/18 | 3/19 | 2/18 | 4/19 | 3/18 | 5/17 | 4/18 | 6/17 | 5/18 | 7/17 | 6/18 | 8/17 |
| 1/19 | 3/20 | 2/19 | 4/20 | 3/19 | 5/18 | 4/19 | 6/18 | 5/19 | 7/18 | 6/19 | 8/18 |
| 1/20 | 3/21 | 2/20 | 4/21 | 3/20 | 5/19 | 4/20 | 6/19 | 5/20 | 7/19 | 6/20 | 8/19 |
| 1/21 | 3/22 | 2/21 | 4/22 | 3/21 | 5/20 | 4/21 | 6/20 | 5/21 | 7/20 | 6/21 | 8/20 |
| 1/22 | 3/23 | 2/22 | 4/23 | 3/22 | 5/21 | 4/22 | 6/21 | 5/22 | 7/21 | 6/22 | 8/21 |
| 1/23 | 3/24 | 2/23 | 4/24 | 3/23 | 5/22 | 4/23 | 6/22 | 5/23 | 7/22 | 6/23 | 8/22 |
| 1/24 | 3/25 | 2/24 | 4/25 | 3/24 | 5/23 | 4/24 | 6/23 | 5/24 | 7/23 | 6/24 | 8/23 |
| 1/25 | 3/26 | 2/25 | 4/26 | 3/25 | 5/24 | 4/25 | 6/24 | 5/25 | 7/24 | 6/25 | 8/24 |
| 1/26 | 3/27 | 2/26 | 4/27 | 3/26 | 5/25 | 4/26 | 6/25 | 5/26 | 7/25 | 6/26 | 8/25 |
| 1/27 | 3/28 | 2/27 | 4/28 | 3/27 | 5/26 | 4/27 | 6/26 | 5/27 | 7/26 | 6/27 | 8/26 |
| 1/28 | 3/29 | 2/28 | 4/29 | 3/28 | 5/27 | 4/28 | 6/27 | 5/28 | 7/27 | 6/28 | 8/27 |
| 1/29 | 3/30 | | | 3/29 | 5/28 | 4/29 | 6/28 | 5/29 | 7/28 | 6/29 | 8/28 |
| 1/30 | 3/31 | | | 3/30 | 5/29 | 4/30 | 6/29 | 5/30 | 7/29 | 6/30 | 8/29 |
| 1/31 | 4/1 | | | 3/31 | 5/30 | | | 5/31 | 7/30 | | |

| **July** | | **August** | | **September** | | **October** | | **November** | | **December** | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Date Filed | Effective Date | Date Filed | Effective Date | Date Filed | Effective Date | Date Filed | Effective Date | Date Filed | Effective Date | Date Filed | Effective Date |
| 7/1 | 8/30 | 8/1 | 9/30 | 9/1 | 10/31 | 10/1 | 11/30 | 11/1 | 12/31 | 12/1 | 1/30 |
| 7/2 | 8/31 | 8/2 | 10/1 | 9/2 | 11/1 | 10/2 | 12/1 | 11/2 | 1/1 | 12/2 | 1/31 |
| 7/3 | 9/1 | 8/3 | 10/2 | 9/3 | 11/2 | 10/3 | 12/2 | 11/3 | 1/2 | 12/3 | 2/1 |
| 7/4 | 9/2 | 8/4 | 10/3 | 9/4 | 11/3 | 10/4 | 12/3 | 11/4 | 1/3 | 12/4 | 2/2 |
| 7/5 | 9/3 | 8/5 | 10/4 | 9/5 | 11/4 | 10/5 | 12/4 | 11/5 | 1/4 | 12/5 | 2/3 |
| 7/6 | 9/4 | 8/6 | 10/5 | 9/6 | 11/5 | 10/6 | 12/5 | 11/6 | 1/5 | 12/6 | 2/4 |
| 7/7 | 9/5 | 8/7 | 10/6 | 9/7 | 11/6 | 10/7 | 12/6 | 11/7 | 1/6 | 12/7 | 2/5 |
| 7/8 | 9/6 | 8/8 | 10/7 | 9/8 | 11/7 | 10/8 | 12/7 | 11/8 | 1/7 | 12/8 | 2/6 |
| 7/9 | 9/7 | 8/9 | 10/8 | 9/9 | 11/8 | 10/9 | 12/8 | 11/9 | 1/8 | 12/9 | 2/7 |
| 7/10 | 9/8 | 8/10 | 10/9 | 9/10 | 11/9 | 10/10 | 12/9 | 11/10 | 1/9 | 12/10 | 2/8 |
| 7/11 | 9/9 | 8/11 | 10/10 | 9/11 | 11/10 | 10/11 | 12/10 | 11/11 | 1/10 | 12/11 | 2/9 |
| 7/12 | 9/10 | 8/12 | 10/11 | 9/12 | 11/11 | 10/12 | 12/11 | 11/12 | 1/11 | 12/12 | 2/10 |
| 7/13 | 9/11 | 8/13 | 10/12 | 9/13 | 11/12 | 10/13 | 12/12 | 11/13 | 1/12 | 12/13 | 2/11 |
| 7/14 | 9/12 | 8/14 | 10/13 | 9/14 | 11/13 | 10/14 | 12/13 | 11/14 | 1/13 | 12/14 | 2/12 |
| 7/15 | 9/13 | 8/15 | 10/14 | 9/15 | 11/14 | 10/15 | 12/14 | 11/15 | 1/14 | 12/15 | 2/13 |
| 7/16 | 9/14 | 8/16 | 10/15 | 9/16 | 11/15 | 10/16 | 12/15 | 11/16 | 1/15 | 12/16 | 2/14 |
| 7/17 | 9/15 | 8/17 | 10/16 | 9/17 | 11/16 | 10/17 | 12/16 | 11/17 | 1/16 | 12/17 | 2/15 |
| 7/18 | 9/16 | 8/18 | 10/17 | 9/18 | 11/17 | 10/18 | 12/17 | 11/18 | 1/17 | 12/18 | 2/16 |
| 7/19 | 9/17 | 8/19 | 10/18 | 9/19 | 11/18 | 10/19 | 12/18 | 11/19 | 1/18 | 12/19 | 2/17 |
| 7/20 | 9/18 | 8/20 | 10/19 | 9/20 | 11/19 | 10/20 | 12/19 | 11/20 | 1/19 | 12/20 | 2/18 |
| 7/21 | 9/19 | 8/21 | 10/20 | 9/21 | 11/20 | 10/21 | 12/20 | 11/21 | 1/20 | 12/21 | 2/19 |
| 7/22 | 9/20 | 8/22 | 10/21 | 9/22 | 11/21 | 10/22 | 12/21 | 11/22 | 1/21 | 12/22 | 2/20 |
| 7/23 | 9/21 | 8/23 | 10/22 | 9/23 | 11/22 | 10/23 | 12/22 | 11/23 | 1/22 | 12/23 | 2/21 |
| 7/24 | 9/22 | 8/24 | 10/23 | 9/24 | 11/23 | 10/24 | 12/23 | 11/24 | 1/23 | 12/24 | 2/22 |
| 7/25 | 9/23 | 8/25 | 10/24 | 9/25 | 11/24 | 10/25 | 12/24 | 11/25 | 1/24 | 12/25 | 2/23 |
| 7/26 | 9/24 | 8/26 | 10/25 | 9/26 | 11/25 | 10/26 | 12/25 | 11/26 | 1/25 | 12/26 | 2/24 |
| 7/27 | 9/25 | 8/27 | 10/26 | 9/27 | 11/26 | 10/27 | 12/26 | 11/27 | 1/26 | 12/27 | 2/25 |
| 7/28 | 9/26 | 8/28 | 10/27 | 9/28 | 11/27 | 10/28 | 12/27 | 11/28 | 1/27 | 12/28 | 2/26 |
| 7/29 | 9/27 | 8/29 | 10/28 | 9/29 | 11/28 | 10/29 | 12/28 | 11/29 | 1/28 | 12/29 | 2/27 |
| 7/30 | 9/28 | 8/30 | 10/29 | 9/30 | 11/29 | 10/30 | 12/29 | 11/30 | 1/29 | 12/30 | 2/28 |
| 7/31 | 9/29 | 8/31 | 10/30 | | | 10/31 | 12/30 | | | 12/31 | 3/1 |

# REGISTER PUBLISHING DEADLINES

The Secretary of State's Office publishes the *Register* weekly. There is a three-week delay between the deadline date and the *Register* publication date. The weekly deadline dates (*first column*) and issue dates (*second column*) are shown below. Council meetings and *Register* deadlines do not correlate. Also listed are the earliest dates on which an oral proceeding can be held on proposed rulemakings or proposed delegation agreements, following publication of the notice in the *Register*.

| **Deadline Date Friday, 5:00 p.m.** | ***Register* Publication Date** | **Oral Proceeding may be scheduled on or after** *(*later date due to holiday)* |
|---|---|---|
| November 29, 2024 | December 20, 2024 | January 20, 2025 |
| December 6, 2024 | December 27, 2024 | January 27, 2025 |
| December 13, 2024 | January 3, 2025 | February 3, 2025 |
| December 20, 2024 | January 10, 2025 | February 10, 2025 |
| December 27, 2024 | January 17, 2025 | February 17, 2025 |
| January 3, 2025 | January 24, 2025 | February 24, 2025 |
| January 10, 2025 | January 31, 2025 | March 3, 2025 |
| January 17, 2025 | February 7, 2025 | March 10, 2025 |
| January 24, 2025 | February 14, 2025 | March 17, 2025 |
| January 31, 2025 | February 21, 2025 | March 24, 2025 |
| February 7, 2025 | February 28, 2025 | March 31, 2025 |
| February 14, 2025 | March 7, 2025 | April 7, 2025 |
| February 21, 2025 | March 14, 2025 | April 14, 2025 |
| February 28, 2025 | March 21, 2025 | April 21, 2025 |
| March 7, 2025 | March 28, 2025 | April 28, 2025 |
| March 14, 2025 | April 4, 2025 | May 5, 2025 |
| March 21, 2025 | April 11, 2025 | May 12, 2025 |
| March 28, 2025 | April 18, 2025 | May 19, 2025 |
| April 4, 2025 | April 25, 2025 | May 27, 2025 |
| April 11, 2025 | May 2, 2025 | June 2, 2025 |
| April 18, 2025 | May 9, 2025 | June 9, 2025 |
| April 25, 2025 | May 16, 2025 | June 16, 2025 |

# GOVERNOR'S REGULATORY REVIEW COUNCIL DEADLINES

The following deadlines apply to all Five-Year Review Reports and any adopted rule submitted to the Governor's Regulatory Review Council. Council meetings and *Register* deadlines do not correlate. We publish these deadlines under A.R.S. § 41-1013(B)(15).

All rules and Five-Year Review Reports are due in the Council office by 5 p.m. of the deadline date. The Council's office is located at 100 N. 15th Ave., Suite 305, Phoenix, AZ 85007. For more information, call (602) 542-2058 or visit https://grrc.az.gov.

## GOVERNOR'S REGULATORY REVIEW COUNCIL DEADLINES FOR 2024/2025

*(MEETING DATES ARE SUBJECT TO CHANGE)*

[M24-54]

*Materials must be submitted by **5 P.M.** on dates listed as a deadline for placement on a particular agenda. Placement on a particular agenda is not guaranteed.

| DEADLINE FOR PLACEMENT ON AGENDA* | FINAL MATERIALS SUBMITTED TO COUNCIL | DATE OF COUNCIL STUDY SESSION | DATE OF COUNCIL MEETING |
|---|---|---|---|
| *Tuesday*<br>October 22, 2024 | *Tuesday*<br>November 19, 2024 | *Tuesday*<br>November 22, 2024 | *Tuesday*<br>December 3, 2024 |
| *Tuesday*<br>December 24, 2024 | ***Tuesday***<br>January 21, 2025 | *Tuesday*<br>January 28, 2025 | *Tuesday*<br>February 4, 2025 |
| *Tuesday*<br>January 21, 2025 | ***Wednesday***<br>February 19, 2025 | *Tuesday*<br>February 25, 2025 | *Tuesday*<br>March 4, 2025 |
| *Tuesday*<br>February 18, 2025 | *Tuesday*<br>March 18, 2025 | *Tuesday*<br>March 25, 2025 | *Tuesday*<br>April 1, 2025 |
| *Tuesday*<br>March 18, 2025 | *Tuesday*<br>April 22, 2025 | *Tuesday*<br>April 29, 2025 | *Tuesday*<br>May 6, 2025 |
| *Tuesday*<br>April 22, 2025 | *Tuesday*<br>May 20, 2025 | ***Wednesday***<br>May 28, 2025 | *Tuesday*<br>June 3, 2025 |
| *Tuesday*<br>May 20, 2025 | *Tuesday*<br>June 17, 2025 | *Tuesday*<br>June 24, 2025 | *Tuesday*<br>July 1, 2025 |
| *Tuesday*<br>June 17, 2025 | *Tuesday*<br>July 22, 2025 | *Tuesday*<br>July 29, 2025 | *Tuesday*<br>August 5, 2025 |
| *Tuesday*<br>July 22, 2025 | *Tuesday*<br>August 19, 2025 | *Tuesday*<br>August 26, 2025 | ***Wednesday***<br>September 3, 2025 |
| *Tuesday*<br>August 19, 2025 | *Tuesday*<br>September 23, 2025 | *Tuesday*<br>September 30, 2025 | *Tuesday*<br>October 7, 2025 |
| *Tuesday*<br>September 23, 2025 | *Tuesday*<br>October 21, 2025 | *Tuesday*<br>October 28, 2025 | *Tuesday*<br>November 4, 2025 |
| *Tuesday*<br>October 21, 2025 | *Tuesday*<br>November 18, 2025 | *Tuesday*<br>November 25, 2025 | *Tuesday*<br>December 2, 2025 |
| *Tuesday*<br>December 23, 2025 | ***Wednesday***<br>January 21, 2026 | *Tuesday*<br>January 27, 2026 | *Tuesday*<br>February 3, 2026 |