

7 in the United States; and

8 3. The substance has limited physical dependence or psychological  
9 dependence liability relative to the controlled substances listed in  
10 schedule IV.

11 If the board finds that any substance included in schedule V does  
12 not meet these criteria, it shall recommend that the general assembly  
13 place the substance in a different schedule or remove it from the list  
14 of controlled substances, as appropriate.

1 **SEC. 212. Schedule V—substances included.**

2 1. The controlled substances listed in this section are included in  
3 schedule V.

4 2. Any compound, mixture, or preparation containing limited  
5 quantities of any of the following narcotic drugs, which shall include  
6 one or more nonnarcotic active medicinal ingredients in sufficient  
7 proportion to confer upon the compound, mixture, or preparation,  
8 valuable medicinal qualities other than those possessed by the nar-  
9 cotic drug alone:

10 a. Not more than two hundred milligrams of codeine, or any of its  
11 salts, per one hundred milliliters or per one hundred grams.

DIVISION III

REGULATION OF MANUFACTURE, DISTRIBUTION  
AND DISPENSING OF CONTROLLED SUBSTANCES

1 **SEC. 301. Rules and regulations.** The board may, subject to  
2 chapter seventeen A (17A) of the Code, promulgate rules and charge  
3 reasonable fees relating to the registration and control of the manu-  
4 facture, distribution, and dispensing of controlled substances within  
5 this state.

1 **SEC. 302. Registration requirements.**

2 1. Every person who manufactures, distributes, or dispenses any  
3 controlled substance within this state or who proposes to engage in  
4 the manufacture, distribution, or dispensing of any controlled sub-  
5 stance within this state, shall obtain annually a registration issued  
6 by the board in accordance with its rules.

7 2. Persons registered by the board under this Act to manufacture,  
8 distribute, dispense, or conduct research with controlled substances  
9 may possess, manufacture, distribute, dispense, or conduct research  
10 with those substances to the extent authorized by their registration  
11 and in conformity with the other provisions of this division.

12 3. The following persons need not register and may lawfully pos-  
13 sess controlled substances under this Act:

14 a. An agent or employee of any registered manufacturer, dis-  
15 tributor, or dispenser of any controlled substance if he is acting in  
16 the usual course of his business or employment.

17 b. A common or contract carrier or warehouseman, or an employee  
18 thereof, whose possession of any controlled substance is in the usual  
19 course of business or employment.

20 c. An ultimate user or a person in possession of any controlled  
21 substance pursuant to a lawful order of a practitioner or in posses-  
22 sion of a schedule V substance.

23 4. A separate registration is required for each principal place of

24 business or professional practice where the applicant manufactures,  
25 distributes, or dispenses controlled substances.

26 5. The board may inspect the establishment of a registrant or  
27 applicant for registration in accordance with the board's rules.

1 **SEC. 303. Registration.**

2 1. The board shall register an applicant to manufacture or dis-  
3 tribute controlled substances included in sections two hundred four  
4 (204), two hundred six (206), two hundred eight (208), two hun-  
5 dred ten (210), and two hundred twelve (212) of this Act unless it  
6 determines that the issuance of that registration would be incon-  
7 sistent with the public interest. In determining the public interest,  
8 the board shall consider all of the following factors:

9 a. Maintenance of effective controls against diversion of controlled  
10 substances into other than legitimate medical, scientific, or industrial  
11 channels.

12 b. Compliance with applicable state and local law.

13 c. Any convictions of the applicant under any federal and state  
14 laws relating to any controlled substance.

15 d. Past experience in the manufacture or distribution of controlled  
16 substances, and the existence in the applicant's establishment of  
17 effective controls against diversion.

18 e. Furnishing by the applicant of false or fraudulent material in  
19 any application filed under this Act.

20 f. Suspension or revocation of the applicant's federal registration  
21 to manufacture, distribute, or dispense controlled substances as  
22 authorized by federal law.

23 g. Any other factors relevant to and consistent with the public  
24 health and safety.

25 2. Registration under subsection one (1) of this section does not  
26 entitle a registrant to manufacture and distribute controlled sub-  
27 stances in schedule I or II other than those specified in the regis-  
28 tration.

29 3. Practitioners shall be registered to dispense any controlled sub-  
30 stances or to conduct research with controlled substances in schedules  
31 II through V if they are authorized to dispense or conduct research  
32 under the law of this state. The board need not require separate  
33 registration under this division for practitioners engaging in re-  
34 search with nonnarcotic controlled substances in schedules II through  
35 V where the registrant is already registered under this division in  
36 another capacity. Practitioners registered under federal law to con-  
37 duct research with schedule I substances may conduct research in  
38 schedule I substances within this state upon furnishing the board  
39 evidence of the federal registration.

40 4. Compliance by manufacturers and distributors with the pro-  
41 visions of the federal law respecting registration, excluding fees,  
42 entitles them to be registered under this Act.

1 **SEC. 304. Revocation and suspension of registration.**

2 1. A registration under section three hundred three (303) of this  
3 Act to manufacture, distribute, or dispense a controlled substance  
4 may be suspended or revoked by the board upon a finding that the  
5 registrant:

6 a. Has furnished false or fraudulent material information in any