

# State of South Dakota

SEVENTY-SIXTH SESSION  
LEGISLATIVE ASSEMBLY, 2001

400E0808

HOUSE STATE AFFAIRS COMMITTEE ENGROSSED

NO. **SB 242** - 02/27/2001

**This bill has been extensively amended (hoghoused) and may no longer be consistent with the original intention of the sponsor.**

Introduced by: The Committee on State Affairs at the request of the Governor

1 FOR AN ACT ENTITLED, An Act to affect the sale and pricing of prescription drugs in the  
2 State of South Dakota.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. Any manufacturer of pharmaceutical drugs sold in the state shall file with the  
5 Board of Pharmacy the manufacturer's definition and method of determining average wholesale  
6 price (AWP) for pharmaceutical drugs sold for consumption or use in this state. The  
7 manufacturer shall report the information as determined by the secretary of health in rules  
8 promulgated pursuant to chapter 1-26.

9 Section 2. Any manufacturer of pharmaceutical drugs sold in this state shall offer such drugs  
10 to wholesale purchasers licensed to do business in this state at prices equivalent to those prices  
11 charged by the manufacturer for equivalent drugs in Canada. This section does not apply to any  
12 drug that is not actually sold in Canada and to any equivalent drug that is sold in the state at a  
13 lower price. The secretary of health shall promulgate rules pursuant to chapter 1-26 to establish  
14 procedures to be used in the determination of equivalent drugs and equivalent prices.

1       Section 3. Notwithstanding § 36-11A-5, the state and its citizens and businesses may  
2 purchase or receive any prescription drug from Canada or any other foreign source pursuant to  
3 the laws of the United States or any rules, regulations, standards, or policies as prescribed by the  
4 United States Secretary of Health and Human Services or the Food and Drug Administration.