

**Title 16. Board of Pharmacy
Order of Adoption**

Legend: Insertions are Underlined; Deletions are ~~Stricken~~

To Amend Article 2 of Division 17 of Title 16 of the California Code of Regulations to read as follows:

§1709. Names of Owners and Pharmacist In Charge Ownership, Management, and Control of Pharmacies and Other Regulated Business Entities.

- (a) Each ~~permit~~ license issued by the board to operate a pharmacy shall reflect ~~show~~ the name and address of the pharmacy, the form of ownership, ~~(individual, partnership or corporation)~~ and the pharmacist-in-charge. Each pharmacy shall, in its initial application and on the annual renewal form, report the name of the pharmacist-in-charge, the names of all owners, and the names of the corporate officers (if a corporation). Any changes in the pharmacist-in-charge, or the owners, or corporate officers shall be reported to the ~~B~~board within 30 days of the change.
- (b)(1) Any transfer, in a single transaction or in a series of transactions, of 10 percent or more of the beneficial interest in a business entity licensed by the board to a person or entity who did not hold a beneficial interest at the time the original ~~permit~~ license was issued, shall require written notification to the board within 30 days of the transfer.
- (2) Any transfer of the management or control over a business entity licensed by the board to a person or entity who did not have management or control over the license at the time the original license was issued, shall require written notification to the board within 30 days of the transfer.
- (c) A license issued by the board shall not be transferred from one owner to another. The following shall constitute a change of ownership ~~transfer of permit~~ and shall require a new application for a change of ownership licensure:
- (1) any transfer of a beneficial interest in a business entity licensed by the board, in a single transaction or in a series of transactions, to any person or entity, which transfer results in the transferee's holding 50% or more of the beneficial interest in that license. The new owner shall apply to the board for licensure in advance of the proposed transaction taking place.
- (d) If any beneficial interest of a business entity licensed by the board is held in trust, the applicant, licensee, or any person with management or control of the business entity shall do the following:

- (1) In addition to the requirements in subdivision (a), as part of their application and renewal, report the name of any other person in any position with management or control of the business entity;
- (2) As part of the application, disclose the full name of the trust, and provide to the board a complete copy of, and any amendments to, the trust document. A trust document and any related amendments shall be considered confidential financial documents by the board;
- (3) As part of annual renewal, provide to the board a complete copy of any amendments to the trust document made after submission of the original application;
- (4) Include in the application and annual renewal the name, address, phone number, and any email address for each grantor, settlor, trustee, and/or trust protector, as applicable;
- (5) Include in the application and annual renewal the name, address, phone number, and any email address for each named beneficiary of the trust who is age 18 or older. Where the beneficiary is under age 18, the guardian of the beneficiary(ies) shall be identified; and
- (6) Notify the board in writing within 30 days of all the following:
 - (A) A change in trustee, protector or any other person with management or control of the business entity;
 - (B) Any change in the beneficiaries of the trust, where the beneficiary is age 18 or older. Where the beneficiary is under age 18, the guardian of the beneficiary(ies) shall be identified;
 - (C) The revocation of the trust;
 - (D) The dissolution of the trust;
 - (E) Any amendment to the trust since the original application; and
 - (F) Any change in the character of the trust, including, but not limited to, the trust changing from revocable to irrevocable.

Note: Authority cited: Section 4005, Business and Professions Code. Reference: Sections 4035, 4037, 4058, 4101, 4110, 4111, 4112, 4113, 4120, 4124, 4130, 4131, 4133, 4141, 4149, 4160, 4161, 4196, 4201, 4205, 4207, 4302, 4304, 4305, 4307, 4308, and 4330, Business and Professions Code.