

# **Attachment 1**

## Guidance for Third-Party Logistics Providers Currently Licensed as Drug Wholesalers

California law now requires entities performing the duties of third-party logistic providers (3PL) to be specifically licensed as either third-party logistics providers or nonresident third-party logistic providers if they are shipping dangerous drugs or dangerous devices into, within or from California. Formerly such businesses were licensed with the California State Board of Pharmacy as drug wholesalers or nonresident drug wholesalers.

The board urges all third-party logistics providers currently licensed as wholesalers to immediately submit applications to become licensed as third-party logistic providers, or if located outside California as non-resident logistics providers. The following information is intended to streamline the application process for firms making this conversion.

California law does permit wholesalers and third-party logistics providers to be licensed in the same facility. However, each entity is required to have its own license, separate records and drug stock and different specially trained and licensed personnel (the responsible manager for the 3PL, and a designated representative-in-charge for the wholesaler; designated representatives 3PL for the 3PL and designated representatives for the wholesaler).

The board is unable to apply a previously paid wholesaler renewal fee or designated representative renewal fee to licensure as a 3PL or designated representative- 3PL. However, the following information will streamline some of the application processes and use data already on file with the board if the entity is currently licensed as a wholesaler or nonresident wholesaler and planning to become licensed only as a 3PL.

For licensure as a third-party logistics provider (the site license):

Go to [www.pharmacy.ca.gov](http://www.pharmacy.ca.gov) and click on

On application

- Complete the application form and business background affidavit
- If fingerprints are already on file for the owners and officers for a currently licensed wholesaler or nonresident wholesaler, new fingerprints need not be submitted. However, any new owners or officers will need to submit fingerprints and personal affidavits.
- The bond currently issued to the company as a wholesaler will be used as the required bond for the 3PL license unless there the bond lists “wholesaler” in the title. If so, a new bond will be required. Note however that the bonding requirement for a 3PL is \$90,000 instead of \$100,000, unless the company’s gross sales last year were \$10 million or less, in which case a \$25,000 bond is required.

- If the facility is located in another state (non-resident) and is already licensed with the board, it need only provide license verification from the home state, not every state where the facility holds a license.

On application 17A-84 for the designated representative–3PL

- All currently licensed CA-licensed designated representatives will need to become licensed as designated representatives 3PLs if they will work in a third-party logistics provider premises. There is a separate license for this. However, because the qualification criteria for a designated representative-3PL is slightly less than the requirements for licensure as a designated representative-3PL, the board believes the process will be straight forward for those who are currently licensed as designated representatives.
- For individuals currently licensed as a designated representative, the board will require submission of:
  - The application form for a designated representative-3PL (form: 17A-84)
  - A new set of fingerprints showing “designated representative-3PL” indicated on the application. (obtain from the board’s website California Department of Justice requirements do not allow the board to use the same fingerprints to serve for two licenses, or to switch from one type to another.)
  - Appropriate fees for the fingerprints and application.

The board will issue each designated representative-3PL license for one year.

- A responsible manager must be associated with each 3PL premises location licensed. A responsible manager must hold a designated representative- 3PL license and be designated as the responsible manager on site application form (17A-86 or 17A-85)