S. 2740

To amend the Federal Food, Drug, and Cosmetic Act to clarify the regulatory framework with respect to certain nonprescription drugs that are marketed without an approved new drug application, and for other purposes.

IN THE SENATE OF THE UNITED STATES

OCTOBER 30, 2019

Mr. Isakson (for himself and Mr. Casey) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

A BILL

- To amend the Federal Food, Drug, and Cosmetic Act to clarify the regulatory framework with respect to certain nonprescription drugs that are marketed without an approved new drug application, and for other purposes.
 - 1 Be it enacted by the Senate and House of Representa-
 - 2 tives of the United States of America in Congress assembled,
 - 3 SECTION 1. SHORT TITLE; TABLE OF CONTENTS.
 - 4 (a) Short Title.—This Act may be cited as the
 - 5 "Over-the-Counter Monograph Safety, Innovation, and
 - 6 Reform Act of 2019".
- 7 (b) Table of Contents.—The table of contents for
- 8 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—OTC DRUG REVIEW

- Sec. 101. Regulation of certain nonprescription drugs that are marketed without an approved drug application.
- Sec. 102. Misbranding.
- Sec. 103. Drugs excluded from the over-the-counter drug review.
- Sec. 104. Treatment of Sunscreen Innovation Act.
- Sec. 105. Annual update to Congress on appropriate pediatric indication for certain OTC cough and cold drugs.
- Sec. 106. Technical corrections.

TITLE II—USER FEES

- Sec. 201. Short title; finding.
- Sec. 202. Fees relating to over-the-counter drugs.

1 TITLE I—OTC DRUG REVIEW

- 2 SEC. 101. REGULATION OF CERTAIN NONPRESCRIPTION
- 3 DRUGS THAT ARE MARKETED WITHOUT AN
- 4 APPROVED DRUG APPLICATION.
- 5 (a) IN GENERAL.—Chapter V of the Federal Food,
- 6 Drug, and Cosmetic Act is amended by inserting after sec-
- 7 tion 505F of such Act (21 U.S.C. 355g) the following:
- 8 "SEC. 505G. REGULATION OF CERTAIN NONPRESCRIPTION
- 9 DRUGS THAT ARE MARKETED WITHOUT AN
- 10 APPROVED DRUG APPLICATION.
- 11 "(a) Nonprescription Drugs Marketed With-
- 12 OUT AN APPROVED APPLICATION.—Nonprescription
- 13 drugs marketed without an approved drug application
- 14 under section 505, as of the date of the enactment of this
- 15 section, shall be treated in accordance with this sub-
- 16 section.
- 17 "(1) Drugs subject to a final monograph;
- 18 CATEGORY I DRUGS SUBJECT TO A TENTATIVE

1	FINAL MONOGRAPH.—A drug is deemed to be gen-
2	erally recognized as safe and effective under section
3	201(p)(1), not a new drug under section 201(p), and
4	not subject to section 503(b)(1), if—
5	"(A) the drug is—
6	"(i) in conformity with the require-
7	ments for nonprescription use of a final
8	monograph issued under part 330 of title
9	21, Code of Federal Regulations (except as
10	provided in paragraph (2)), the general re-
11	quirements for nonprescription drugs, and
12	conditions or requirements under sub-
13	sections (b), (c), and (k); and
14	"(ii) except as permitted by an order
15	issued under subsection (b) or, in the case
16	of a minor change in the drug, in con-
17	formity with an order issued under sub-
18	section (c), in a dosage form that, imme-
19	diately prior to the date of the enactment
20	of this section, has been used to a material
21	extent and for a material time under sec-
22	tion $201(p)(2)$; or
23	"(B) the drug is—
24	"(i) classified in category I for safety
25	and effectiveness under a tentative final

1	monograph that is the most recently appli-
2	cable proposal or determination issued
3	under part 330 of title 21, Code of Federal
4	Regulations;
5	"(ii) in conformity with the proposed
6	requirements for nonprescription use of
7	such tentative final monograph, any appli-
8	cable subsequent determination by the Sec-
9	retary, the general requirements for non-
10	prescription drugs, and conditions or re-
11	quirements under subsections (b), (c), and
12	(k); and
13	"(iii) except as permitted by an order
14	issued under subsection (b) or, in the case
15	of a minor change in the drug, in con-
16	formity with an order issued under sub-
17	section (c), in a dosage form that, imme-
18	diately prior to the date of the enactment
19	of this section, has been used to a material
20	extent and for a material time under sec-
21	tion $201(p)(2)$.
22	"(2) Treatment of sunscreen drugs.—
23	With respect to sunscreen drugs subject to this sec-
24	tion, the applicable requirements in terms of con-
25	formity with a final monograph, for purposes of

paragraph (1)(A)(i), shall be the requirements specified in part 352 of title 21, Code of Federal Regulations, as published on May 21, 1999, beginning on page 27687 of volume 64 of the Federal Register, except that the applicable requirements governing effectiveness and labeling shall be those specified in section 201.327 of title 21, Code of Federal Regulations.

"(3) CATEGORY III DRUGS SUBJECT TO A TENTATIVE FINAL MONOGRAPH; CATEGORY I DRUGS SUBJECT TO PROPOSED MONOGRAPH OR ADVANCE NOTICE OF PROPOSED RULEMAKING.—A drug that is not described in paragraph (1), (2), or (4) is not required to be the subject of an application approved under section 505, and is not subject to section 503(b)(1), if—

"(A) the drug is—

"(i) classified in category III for safety or effectiveness in the preamble of a proposed rule establishing a tentative final monograph that is the most recently applicable proposal or determination for such drug issued under part 330 of title 21, Code of Federal Regulations;

"(ii) in conformity with—

1	"(I) the conditions of use, includ-
2	ing indication and dosage strength, if
3	any, described for such category III
4	drug in such preamble or in an appli-
5	cable subsequent proposed rule;
6	"(II) the proposed requirements
7	for drugs classified in such tentative
8	final monograph in category I in the
9	most recently proposed rule estab-
10	lishing requirements related to such
11	tentative final monograph and in any
12	final rule establishing requirements
13	that are applicable to the drug; and
14	"(III) the general requirements
15	for nonprescription drugs and condi-
16	tions or requirements under sub-
17	section (b) or (k); and
18	"(iii) in a dosage form that, imme-
19	diately prior to the date of the enactment
20	of this section, had been used to a material
21	extent and for a material time under sec-
22	tion $201(p)(2)$; or
23	"(B) the drug is—
24	"(i) classified in category I for safety
25	and effectiveness under a proposed mono-

1	graph or advance notice of proposed rule-
2	making that is the most recently applicable
3	proposal or determination for such drug
4	issued under part 330 of title 21, Code of
5	Federal Regulations;
6	"(ii) in conformity with the require-
7	ments for nonprescription use of such pro-
8	posed monograph or advance notice of pro-
9	posed rulemaking, any applicable subse-
10	quent determination by the Secretary, the
11	general requirements for nonprescription
12	drugs, and conditions or requirements
13	under subsection (b) or (k); and
14	"(iii) in a dosage form that, imme-
15	diately prior to the date of the enactment
16	of this section, has been used to a material
17	extent and for a material time under sec-
18	tion $201(p)(2)$.
19	"(4) CATEGORY II DRUGS DEEMED NEW
20	DRUGS.—A drug that is classified in category II for
21	safety or effectiveness under a tentative final mono-
22	graph or that is subject to a determination to be not
23	generally recognized as safe and effective in a pro-
24	posed rule that is the most recently applicable pro-

posal issued under part 330 of title 21, Code of Fed-

1 eral Regulations, shall be deemed to be a new drug 2 under section 201(p), misbranded under section 3 502(ee), and subject to the requirement for an ap-4 proved new drug application under section 505 be-5 ginning on the day that is 180 calendar days after 6 the date of the enactment of this section, unless, be-7 fore such day, the Secretary determines that it is in 8 the interest of public health to extend the period 9 during which the drug may be marketed without 10 such an approved new drug application.

- "(5) DRUGS NOT GRASE DEEMED NEW DRUGS.—A drug that the Secretary has determined not to be generally recognized as safe and effective under section 201(p)(1) under a final determination issued under part 330 of title 21, Code of Federal Regulations, shall be deemed to be a new drug under section 201(p), misbranded under section 502(ee), and subject to the requirement for an approved new drug application under section 505.
- "(6) OTHER DRUGS DEEMED NEW DRUGS.— Except as provided in subsection (m), a drug is deemed to be a new drug under section 201(p) and misbranded under section 502(ee) if the drug—
- 24 "(A) is not subject to section 503(b)(1);

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1	"(B) is not described in paragraph (1),
2	(2), (3), (4), or (5), or subsection (b)(1)(B).
3	"(b) Administrative Orders.—
4	"(1) In general.—
5	"(A) Determination.—The Secretary
6	may, on the initiative of the Secretary or at the
7	request of one or more requestors, issue an ad-
8	ministrative order determining whether there
9	are conditions under which a specific drug, a
10	class of drugs, or a combination of drugs, is de-
11	termined to be—
12	"(i) not subject to section 503(b)(1);
13	and
14	"(ii) generally recognized as safe and
15	effective under section $201(p)(1)$.
16	"(B) Effect.—A drug or combination of
17	drugs shall be deemed to not require approval
18	under section 505 if such drug or combination
19	of drugs—
20	"(i) is determined by the Secretary to
21	meet the conditions specified in clauses (i)
22	and (ii) of subparagraph (A);
23	"(ii) is marketed in conformity with
24	an administrative order under this sub-
25	section;

1	"(iii) meets the general requirements
2	for nonprescription drugs; and
3	"(iv) meets the requirements under
4	subsections (c) and (k).
5	"(C) STANDARD.—The Secretary shall find
6	that a drug is not generally recognized as safe
7	and effective under section 201(p)(1) if—
8	"(i) the evidence shows that the drug
9	is not generally recognized as safe and ef-
10	fective under section $201(p)(1)$; or
11	"(ii) the evidence is inadequate to
12	show that the drug is generally recognized
13	as safe and effective under section
14	201(p)(1).
15	"(2) Administrative orders initiated by
16	THE SECRETARY.—
17	"(A) In General.—In issuing an adminis-
18	trative order under paragraph (1) upon the
19	Secretary's initiative, the Secretary shall—
20	"(i) make reasonable efforts to notify
21	informally, not later than 2 business days
22	before the issuance of the proposed order,
23	the sponsors of drugs who have a listing in
24	effect under section 510(j) for the drugs or

1	combination of drugs that will be subject
2	to the administrative order;
3	"(ii) after any such reasonable efforts
4	of notification—
5	"(I) issue a proposed administra-
6	tive order by publishing it on the
7	website of the Food and Drug Admin-
8	istration and include in such order the
9	reasons for the issuance of such order;
10	and
11	"(II) publish a notice of avail-
12	ability of such proposed order in the
13	Federal Register;
14	"(iii) except as provided in subpara-
15	graph (B), provide for a public comment
16	period with respect to such proposed order
17	of not less than 45 calendar days; and
18	"(iv) if, after completion of the pro-
19	ceedings specified in clauses (i) through
20	(iii), the Secretary determines that it is ap-
21	propriate to issue a final administrative
22	order—
23	"(I) issue the final administrative
24	order, together with a detailed state-
25	ment of reasons, which order shall not

1	take effect until the time for request-
2	ing judicial review under paragraph
3	(3)(D)(ii) has expired;
4	"(II) publish a notice of such
5	final administrative order in the Fed-
6	eral Register;
7	"(III) afford requestors of drugs
8	that will be subject to such order the
9	opportunity for formal dispute resolu-
10	tion up to the level of the Director of
11	the Center for Drug Evaluation and
12	Research, which initially must be re-
13	quested within 45 calendar days of
14	the issuance of the order, and, for
15	subsequent levels of appeal, within 30
16	calendar days of the prior decision;
17	and
18	"(IV) except with respect to
19	drugs described in paragraph (3)(B),
20	upon completion of the formal dispute
21	resolution procedure, inform the per-
22	sons which sought such dispute reso-
23	lution of their right to request a hear-
24	ing.

1	"(B) Exceptions.—When issuing an ad-
2	ministrative order under paragraph (1) on the
3	Secretary's initiative proposing to determine
4	that a drug described in subsection (a)(3) is not
5	generally recognized as safe and effective under
6	section 201(p)(1), the Secretary shall follow the
7	procedures in subparagraph (A), except that—
8	"(i) the proposed order shall include
9	notice of—
10	"(I) the general categories of
11	data the Secretary has determined
12	necessary to establish that the drug is
13	generally recognized as safe and effec-
14	tive under section $201(p)(1)$; and
15	"(II) the format for submissions
16	by interested persons;
17	"(ii) the Secretary shall provide for a
18	public comment period of no less than 180
19	calendar days with respect to such pro-
20	posed order, except when the Secretary de-
21	termines, for good cause, that a shorter pe-
22	riod is in the interest of public health; and
23	"(iii) any person who submits data in
24	such comment period shall include a cer-
25	tification that the person has submitted all

evidence created, obtained, or received by
that person that is both within the categories of data identified in the proposed
order and relevant to a determination as to
whether the drug is generally recognized as
safe and effective under section 201(p)(1).

"(3) Hearings; Judicial Review.—

"(A) In General.—Only a person who participated in each stage of formal dispute resolution under subclause (III) of paragraph (2)(A)(iv) of an administrative order with respect to a drug may request a hearing concerning a final administrative order issued under such paragraph with respect to such drug. If a hearing is sought, such person must submit a request for a hearing, which shall be based solely on information in the administrative record, to the Secretary not later than 30 calendar days after receiving notice of the final decision of the formal dispute resolution procedure.

"(B) No hearing required with respect to orders relating to certain drugs.—

1	"(i) In General.—The Secretary
2	shall not be required to provide notice and
3	an opportunity for a hearing pursuant to
4	paragraph (2)(A)(iv) if the final adminis-
5	trative order involved relates to a drug—
6	"(I) that is described in sub-
7	section $(a)(3)(A)$; and
8	"(II) with respect to which no
9	human or non-human data studies rel-
10	evant to the safety or effectiveness of
11	such drug have been submitted to the
12	administrative record since the
13	issuance of the most recent tentative
14	final monograph relating to such
15	drug.
16	"(ii) Human data studies and
17	NON-HUMAN DATA DEFINED.—In this sub-
18	paragraph:
19	"(I) The term 'human data stud-
20	ies' means clinical trials of safety or
21	effectiveness (including actual use
22	studies), pharmacokinetics studies, or
23	bioavailability studies.
24	"(II) The term 'non-human data'
25	means data from testing other than

with human subjects which provides information concerning safety or effectiveness.

"(C) Hearing Procedures.—

"(i) Denial of request for hearing.—If the Secretary determines that information submitted in a request for a hearing under subparagraph (A) with respect to a final administrative order issued under paragraph (2)(A)(iv) does not identify the existence of a genuine and substantial question of material fact, the Secretary may deny such request. In making such a determination, the Secretary may consider only information and data that are based on relevant and reliable scientific principles and methodologies.

"(ii) SINGLE HEARING FOR MULTIPLE RELATED REQUESTS.—If more than one request for a hearing is submitted with respect to the same administrative order under subparagraph (A), the Secretary may direct that a single hearing be conducted in which all persons whose hearing requests were granted may participate.

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1	"(iii) Presiding officer.—The pre-
2	siding officer of a hearing requested under
3	subparagraph (A) shall—
4	"(I) be designated by the Sec-
5	retary;
6	"(II) not be an employee of the
7	Center for Drug Evaluation and Re-
8	search; and
9	"(III) not have been previously
10	involved in the development of the ad-
11	ministrative order involved or pro-
12	ceedings relating to that administra-
13	tive order.
14	"(iv) Rights of parties to hear-
15	ING.—The parties to a hearing requested
16	under subparagraph (A) shall have the
17	right to present testimony, including testi-
18	mony of expert witnesses, and to cross-ex-
19	amine witnesses presented by other parties.
20	Where appropriate, the presiding officer
21	may require that cross-examination by par-
22	ties representing substantially the same in-
23	terests be consolidated to promote effi-
24	ciency and avoid duplication.
25	"(v) Final decision.—

1	"(I) At the conclusion of a hear-
2	ing requested under subparagraph
3	(A), the presiding officer of the hear-
4	ing shall issue a decision containing
5	findings of fact and conclusions of
6	law. The decision of the presiding offi-
7	cer shall be final.
8	"(II) The final decision may not
9	take effect until the period under sub-
10	paragraph (D)(ii) for submitting a re-
11	quest for judicial review of such deci-
12	sion expires.
13	"(D) Judicial review of final admin-
14	ISTRATIVE ORDER.—
15	"(i) IN GENERAL.—The procedures
16	described in section 505(h) shall apply
17	with respect to judicial review of final ad-
18	ministrative orders issued under this sub-
19	section in the same manner and to the
20	same extent as such section applies to an
21	order described in such section except that
22	the judicial review shall be taken by filing
23	in an appropriate district court of the
24	United States in lieu of the appellate
25	courts specified in such section.

1	"(ii) Period to submit a request
2	FOR JUDICIAL REVIEW.—A person eligible
3	to request a hearing under this paragraph
4	and seeking judicial review of a final ad-
5	ministrative order issued under this sub-
6	section shall file such request for judicial
7	review not later than 60 calendar days
8	after the latest of—
9	"(I) the date on which notice of
10	such order is published;
11	"(II) the date on which a hearing
12	with respect to such order is denied
13	under subparagraph (B) or (C)(i);
14	"(III) the date on which a final
15	decision is made following a hearing
16	under subparagraph (C)(v); or
17	"(IV) if no hearing is requested,
18	the date on which the time for re-
19	questing a hearing expires.
20	"(4) Expedited procedure with respect
21	TO ADMINISTRATIVE ORDERS INITIATED BY THE
22	SECRETARY.—
23	"(A) Imminent hazard to the public
24	HEALTH.—

1	"(i) In general.—In the case of a
2	determination by the Secretary that a
3	drug, class of drugs, or combination of
4	drugs subject to this section poses an im-
5	minent hazard to the public health, the
6	Secretary, after first making reasonable ef-
7	forts to notify, not later than 48 hours be-
8	fore issuance of such order under this sub-
9	paragraph, sponsors who have a listing in
10	effect under section 510(j) for such drug
11	or combination of drugs—
12	"(I) may issue an interim final
13	administrative order for such drug,
14	class of drugs, or combination of
15	drugs under paragraph (1), together
16	with a detailed statement of the rea-
17	sons for such order;
18	"(II) shall publish in the Federal
19	Register a notice of availability of any
20	such order; and
21	"(III) shall provide for a public
22	comment period of at least 45 cal-
23	endar days with respect to such in-
24	terim final order.

1	"(ii) Nondelegation.—The Sec-
2	retary may not delegate the authority to
3	issue an interim final administrative order
4	under this subparagraph.
5	"(B) SAFETY LABELING CHANGES.—
6	"(i) In general.—In the case of a
7	determination by the Secretary that a
8	change in the labeling of a drug, class of
9	drugs, or combination of drugs subject to
10	this section is reasonably expected to miti-
11	gate a significant or unreasonable risk of
12	a serious adverse event associated with use
13	of the drug, the Secretary may—
14	"(I) make reasonable efforts to
15	notify informally, not later than 48
16	hours before the issuance of the in-
17	terim final order, the sponsors of
18	drugs who have a listing in effect
19	under section 510(j) for such drug or
20	combination of drugs;
21	"(II) after reasonable efforts of
22	notification, issue an interim final ad-
23	ministrative order in accordance with
24	paragraph (1) to require such change,

1	together with a detailed statement of
2	the reasons for such order;
3	"(III) publish in the Federal
4	Register a notice of availability of
5	such order; and
6	"(IV) provide for a public com-
7	ment period of at least 45 calendar
8	days with respect to such interim final
9	order.
10	"(ii) Content of order.—An in-
11	terim final order issued under this sub-
12	paragraph with respect to the labeling of a
13	drug may provide for new warnings and
14	other information required for safe use of
15	the drug.
16	"(C) Effective date.—An order under
17	subparagraph (A) or (B) shall take effect on a
18	date specified by the Secretary.
19	"(D) Final order.—After the completion
20	of the proceedings in subparagraph (A) or (B),
21	the Secretary shall—
22	"(i) issue a final order in accordance
23	with paragraph (1);

1 "(ii) publish a notice of availability of 2 such final administrative order in the Fed-3 eral Register; and

"(iii) afford sponsors of such drugs that will be subject to such an order the opportunity for formal dispute resolution up to the level of the Director of the Center for Drug Evaluation and Research, which must initially be within 45 calendar days of the issuance of the order, and for subsequent levels of appeal, within 30 calendar days of the prior decision.

"(E) Hearings.—A sponsor of a drug subject to a final order issued under subparagraph (D) and that participated in each stage of formal dispute resolution under clause (iii) of such subparagraph may request a hearing on such order. The provisions of subparagraphs (A), (B), and (C) of paragraph (3), other than paragraph (3)(C)(v)(II), shall apply with respect to a hearing on such order in the same manner and to the same extent as such provisions apply with respect to a hearing on an administrative order issued under paragraph (2)(A)(iv).

1	"(F) Timing.—
2	"(i) Final order and hearing.—
3	The Secretary shall—
4	"(I) not later than 6 months
5	after the date on which the comment
6	period closes under subparagraph (A)
7	or (B), issue a final order in accord-
8	ance with paragraph (1); and
9	"(II) not later than 12 months
10	after the date on which such final
11	order is issued, complete any hearing
12	under subparagraph (E).
13	"(ii) Dispute resolution re-
14	QUEST.—The Secretary shall specify in an
15	interim final order issued under subpara-
16	graph (A) or (B) such shorter periods for
17	requesting dispute resolution under sub-
18	paragraph (D)(iii) as are necessary to
19	meet the requirements of this subpara-
20	graph.
21	"(G) Judicial review.—A final order
22	issued pursuant to subparagraph (F) shall be
23	subject to judicial review in accordance with
24	paragraph (3)(D).

1	"(5) Administrative order initiated at
2	THE REQUEST OF A REQUESTOR.—
3	"(A) In general.—In issuing an adminis-
4	trative order under paragraph (1) at the re-
5	quest of a requestor with respect to certain
6	drugs, classes of drugs, or combinations of
7	drugs—
8	"(i) the Secretary shall, after receiv-
9	ing a request under this subparagraph, de-
10	termine whether the request is sufficiently
11	complete and formatted to permit a sub-
12	stantive review;
13	"(ii) if the Secretary determines that
14	the request is sufficiently complete and for-
15	matted to permit a substantive review, the
16	Secretary shall—
17	"(I) file the request; and
18	"(II) initiate proceedings with re-
19	spect to issuing an administrative
20	order in accordance with paragraphs
21	(2) and (3); and
22	"(iii) except as provided in paragraph
23	(6), if the Secretary determines that a re-
24	quest does not meet the requirements for
25	filing or is not sufficiently complete and

1	formatted to permit a substantive review,
2	the requestor may demand that the request
3	be filed over protest, and the Secretary
4	shall initiate proceedings to review the re-
5	quest in accordance with paragraph (2)(A).
6	"(B) REQUEST TO INITIATE PRO-
7	CEEDINGS.—
8	"(i) In general.—A requestor seek-
9	ing an administrative order under para-
10	graph (1) with respect to certain drugs,
11	classes of drugs, or combinations of drugs,
12	shall submit to the Secretary a request to
13	initiate proceedings for such order in the
14	form and manner as specified by the Sec-
15	retary. Such requestor may submit a re-
16	quest under this subparagraph for the
17	issuance of an administrative order—
18	"(I) determining whether a drug
19	is generally recognized as safe and ef-
20	fective under section $201(p)(1)$, ex-
21	empt from section 503(b)(1), and not
22	required to be the subject of an ap-
23	proved application under section 505;
24	or

1	"(II) determining whether a
2	change to a condition of use of a drug
3	is generally recognized as safe and ef-
4	fective under section 201(p)(1), ex-
5	empt from section 503(b)(1), and not
6	required to be the subject of an ap-
7	proved application under section 505,
8	if, absent such a changed condition of
9	use, such drug is—
10	"(aa) generally recognized
11	as safe and effective under sec-
12	tion 201(p)(1) in accordance with
13	subsection $(a)(1)$, $(a)(2)$, or an
14	order under this subsection; or
15	"(bb) subject to subsection
16	(a)(3), but only if such requestor
17	initiates such request in conjunc-
18	tion with a request for the Sec-
19	retary to determine whether such
20	drug is generally recognized as
21	safe and effective under section
22	201(p)(1), which is filed by the
23	Secretary under subparagraph
24	(A)(ii).

"(ii) Exception.—The Secretary is not required to complete review of a request for a change described in clause (i)(II) if the Secretary determines that there is an inadequate basis to find the drug is generally recognized as safe and ef-fective under section 201(p)(1) under para-graph (1) and issues a final order an-nouncing that determination.

"(iii) WITHDRAWAL.—The requestor may withdraw a request under this paragraph, according to the procedures set forth pursuant to subsection (d)(2)(B). Notwithstanding any other provision of this section, if such request is withdrawn, the Secretary may cease proceedings under this subparagraph.

"(C) Exclusivity.—

"(i) IN GENERAL.—A final administrative order issued in response to a request under this section shall have the effect of authorizing solely the order requestor (or the licensees, assignees, or successors in interest of such requestor with respect to the subject of such order), for a

1	period of 18 months following the effective
2	date of such final order and beginning on
3	the date the requestor may lawfully market
4	such drugs pursuant to the order, to mar-
5	ket drugs—
6	"(I) incorporating changes de-
7	scribed in clause (ii); and
8	"(II) subject to the limitations
9	under clause (iv).
10	"(ii) Changes described.—A
11	change described in this clause is a change
12	subject to an order specified in clause (i),
13	which—
14	"(I) provides for a drug to con-
15	tain an active ingredient (including
16	any ester or salt of the active ingre-
17	dient) not previously incorporated in a
18	drug described in clause (iii); or
19	"(II) provides for a change in the
20	conditions of use of a drug, for which
21	new human data studies conducted or
22	sponsored by the requestor (or for
23	which the requestor has an exclusive
24	right of reference) were essential to
25	the issuance of such order.

1	"(iii) Drugs described.—The drugs
2	described in this clause are drugs—
3	"(I) specified in subsection
4	(a)(1), (a)(2), or (a)(3);
5	"(II) subject to a final order
6	issued under this section;
7	"(III) subject to a final sun-
8	screen order (as defined in section
9	586(2)(A); or
10	"(IV) described in subsection
11	(m)(1), other than drugs subject to an
12	active enforcement action under chap-
13	ter III of this Act.
14	"(iv) Limitations on exclu-
15	SIVITY.—
16	"(I) In general.—Only one 18-
17	month period under this subpara-
18	graph shall be granted, under each
19	order described in clause (i), with re-
20	spect to changes (to the drug subject
21	to such order) which are either—
22	"(aa) changes described in
23	clause (ii)(I), relating to active
24	ingredients; or

1	"(bb) changes described in
2	clause (ii)(II), relating to condi-
3	tions of use.
4	"(II) NO EXCLUSIVITY AL-
5	LOWED.—No exclusivity shall apply to
6	changes to a drug which are—
7	"(aa) the subject of a Tier 2
8	OTC monograph order request
9	(as defined in section 744L);
10	"(bb) safety-related changes,
11	as defined by the Secretary, or
12	any other changes the Secretary
13	considers necessary to assure
14	safe use; or
15	"(cc) changes related to
16	methods of testing safety or effi-
17	cacy.
18	"(v) New human data studies de-
19	FINED.—In this subparagraph, the term
20	'new human data studies' means clinical
21	trials of safety or effectiveness (including
22	actual use studies), pharmacokinetics stud-
23	ies, or bioavailability studies, the results of
24	which—

1	"(I) have not been relied on by
2	the Secretary to support—
3	"(aa) a proposed or final de-
4	termination that a drug described
5	in subclause (I), (II), or (III) of
6	clause (iii) is generally recognized
7	as safe and effective under sec-
8	tion $201(p)(1)$; or
9	"(bb) approval of a drug
10	that was approved under section
11	505; and
12	"(II) do not duplicate the results
13	of another study that was relied on by
14	the Secretary to support—
15	"(aa) a proposed or final de-
16	termination that a drug described
17	in subclause (I), (II), or (III) of
18	clause (iii) is generally recognized
19	as safe and effective under sec-
20	tion $201(p)(1)$; or
21	"(bb) approval of a drug
22	that was approved under section
23	505.
24	"(vi) Notification of drug not
25	AVAILABLE FOR SALE.—A requestor that

1	is granted exclusivity with respect to a
2	drug under this subparagraph shall notify
3	the Secretary in writing within 1 year of
4	the issuance of the final administrative
5	order if the drug that is the subject of
6	such order will not be available for sale
7	within 1 year of the date of issuance of
8	such order. The requestor shall include
9	with such notice the—
10	"(I) identity of the drug by es-
11	tablished name and by proprietary
12	name, if any;
13	"(II) strength of the drug;
14	"(III) date on which the drug
15	will be available for sale, if known;
16	and
17	"(IV) reason for not marketing
18	the drug after issuance of the order.
19	"(6) Information regarding safe non-
20	PRESCRIPTION MARKETING AND USE AS CONDITION
21	FOR FILING A GENERALLY RECOGNIZED AS SAFE
22	AND EFFECTIVE REQUEST.—
23	"(A) IN GENERAL.—In response to a re-
24	quest under this section that a drug described

1	in subparagraph (B) be generally recognized as
2	safe and effective, the Secretary—
3	"(i) may file such request, if the re-
4	quest includes information specified under
5	subparagraph (C) with respect to safe non-
6	prescription marketing and use of such
7	drug; or
8	"(ii) if the request fails to include in-
9	formation specified under subparagraph
10	(C), shall refuse to file such request and
11	require that nonprescription marketing of
12	the drug be pursuant to a new drug appli-
13	cation as described in subparagraph (D).
14	"(B) Drug described.—A drug de-
15	scribed in this subparagraph is a nonprescrip-
16	tion drug which contains an active ingredient
17	not previously incorporated in a drug—
18	"(i) specified in subsection $(a)(1)$,
19	(a)(2), or (a)(3);
20	"(ii) subject to a final order under
21	this section; or
22	"(iii) subject to a final sunscreen
23	order (as defined in section 586(2)(A)).
24	"(C) Information demonstrating
25	PRIMA FACIE SAFE NONPRESCRIPTION MAR.

1	KETING AND USE.—Information specified in
2	this subparagraph, with respect to a request de-
3	scribed in subparagraph (A)(i), is—
4	"(i) information sufficient for a prima
5	facie demonstration that the drug subject
6	to such request has a verifiable history of
7	being marketed and safely used by con-
8	sumers in the United States as a non-
9	prescription drug under comparable condi-
10	tions of use;
11	"(ii) if the drug has not been pre-
12	viously marketed in the United States as a
13	nonprescription drug, information suffi-
14	cient for a prima facie demonstration that
15	the drug was marketed and safely used
16	under comparable conditions of marketing
17	and use in a country listed in section
18	802(b)(1)(A) or designated by the Sec-
19	retary in accordance with section
20	802(b)(1)(B)—
21	"(I) for such period as needed to
22	provide reasonable assurances con-
23	cerning the safe nonprescription use
24	of the drug; and

1	"(II) during such time was sub-
2	ject to sufficient monitoring by a reg-
3	ulatory body considered acceptable by
4	the Secretary for such monitoring
5	purposes, including for adverse events
6	associated with nonprescription use of
7	the drug; or
8	"(iii) if the Secretary determines that
9	information described in clause (i) or (ii) is
10	not needed to provide a prima facie dem-
11	onstration that the drug can be safely mar-
12	keted and used as a nonprescription drug,
13	such other information the Secretary deter-
14	mines is sufficient for such purposes.
15	"(D) Marketing pursuant to new
16	DRUG APPLICATION.—In the case of a request
17	described in subparagraph (A)(ii), the drug
18	subject to such request may be resubmitted for
19	filing only if—
20	"(i) the drug is marketed as a non-
21	prescription drug, under conditions of use
22	comparable to the conditions specified in
23	the request, for such period as the Sec-
24	retary determines appropriate (not to ex-
25	ceed 5 consecutive years) pursuant to an

1	application	approved	under	section	505;
2	and				

- "(ii) during such period, 1,000,000 retail packages of the drug, or an equivalent quantity as determined by the Secretary, were distributed for retail sale, as determined in such manner as the Secretary finds appropriate.
- "(E) RULE OF APPLICATION.—Except in the case of a request involving a drug described in section 586(9), as in effect on January 1, 2017, if the Secretary refuses to file a request under this paragraph, the requestor may not file such request over protest under paragraph (5)(A)(iii).

"(7) Packaging.—An administrative order issued under paragraph (2), (4)(A), or (5) may include requirements for the packaging of a drug to encourage use in accordance with labeling. Such requirements may include unit dose packaging, requirements for products intended for use by pediatric populations, requirements to reduce risk of harm from unsupervised ingestion, and other appropriate requirements. This paragraph does not authorize the Food and Drug Administration to re-

1	quire standards or testing procedures as described in
2	part 1700 of title 16, Code of Federal Regulations.
3	"(8) Final and tentative final mono-
4	GRAPHS FOR CATEGORY I DRUGS DEEMED FINAL
5	ADMINISTRATIVE ORDERS.—
6	"(A) IN GENERAL.—A final monograph or
7	tentative final monograph described in subpara-
8	graph (B) shall be deemed to be a final admin-
9	istrative order under this subsection and may
10	be amended, revoked, or otherwise modified in
11	accordance with the procedures of this sub-
12	section.
13	"(B) Monographs described.—For pur-
14	poses of subparagraph (A), a final monograph
15	or tentative final monograph is described in this
16	subparagraph if it—
17	"(i) establishes conditions of use for a
18	drug described in paragraph (1) or (2) of
19	subsection (a); and
20	"(ii) represents the most recently pro-
21	mulgated version of such conditions, in-
22	cluding as modified, in whole or in part, by
23	any proposed or final rule.
24	"(C) DEEMED ORDERS INCLUDE HARMO-
25	NIZING TECHNICAL AMENDMENTS.—The

1 deemed establishment of a final administrative 2 order under subparagraph (A) shall be con-3 strued to include any technical amendments to 4 such order as the Secretary determines necessary to ensure that such order is appro-6 priately harmonized, in terms of terminology or 7 cross-references, with the applicable provisions 8 of this Act (and regulations thereunder) and 9 any other orders issued under this section. 10 "(c) Procedure for Minor Changes.— 11 "(1) IN GENERAL.—Minor changes in the dos-12 age form of a drug that is described in paragraph 13 (1) or (2) of subsection (a) or the subject of an 14 order issued under subsection (b) may be made by 15 a requestor without the issuance of an order under 16 subsection (b) if— 17 "(A) the requestor maintains such infor-18 mation as is necessary to demonstrate that the 19 change— 20 "(i) will not affect the safety or effec-21 tiveness of the drug; and 22 "(ii) will not materially affect the ex-23 tent of absorption or other exposure to the 24 active ingredient in comparison to a suit-25 able reference product; and

1	"(B) the change is in conformity with the
2	requirements of an applicable administrative
3	order issued by the Secretary under paragraph
4	(3).
5	"(2) Additional information.—
6	"(A) Access to records.—A sponsor
7	shall submit records requested by the Secretary
8	relating to such a minor change under section
9	704(a)(4), within 15 business days of receiving
10	such a request, or such longer period as the
11	Secretary may provide.
12	"(B) Insufficient information.—If the
13	Secretary determines that the information con-
14	tained in such records is not sufficient to dem-
15	onstrate that the change does not affect the
16	safety or effectiveness of the drug or materially
17	affect the extent of absorption or other expo-
18	sure to the active ingredient, the Secretary—
19	"(i) may so inform the sponsor of the
20	drug in writing; and
21	"(ii) if the Secretary so informs the
22	sponsor, shall provide the sponsor of the
23	drug with a reasonable opportunity to pro-
24	vide additional information

1	"(C) Failure to submit sufficient in-
2	FORMATION.—If the sponsor fails to provide
3	such additional information within a time pre-
4	scribed by the Secretary, or if the Secretary de-
5	termines that such additional information does
6	not demonstrate that the change does not—
7	"(i) affect the safety or effectiveness
8	of the drug; or
9	"(ii) materially affect the extent of
10	absorption or other exposure to the active
11	ingredient in comparison to a suitable ref-
12	erence product,
13	the drug as modified is a new drug under sec-
14	tion 201(p) and shall be deemed to be mis-
15	branded under section 502(ee).
16	"(3) Determining whether a change will
17	AFFECT SAFETY OR EFFECTIVENESS.—
18	"(A) IN GENERAL.—The Secretary shall
19	issue one or more administrative orders speci-
20	fying requirements for determining whether a
21	minor change made by a sponsor pursuant to
22	this subsection will affect the safety or effective-
23	ness of a drug or materially affect the extent of
24	absorption or other exposure to an active ingre-
25	dient in the drug in comparison to a suitable

1 reference product, together with guidance for 2 applying those orders to specific dosage forms. 3 "(B) STANDARD PRACTICES.—The orders 4 and guidance issued by the Secretary under 5 subparagraph (A) shall take into account rel-6 evant public standards and standard practices 7 for evaluating the quality of drugs, and may 8 take into account the special needs of popu-9 lations, including children. 10 "(d) Confidentiality of Information SUB-MITTED TO THE SECRETARY.— 12 "(1) IN GENERAL.—Subject to paragraph (2), 13 any information, including reports of testing con-14 ducted on the drug or drugs involved, that is sub-15 mitted by a requestor in connection with proceedings 16 on an order under this section (including any minor 17 change under subsection (c)) and is a trade secret 18 information subject to section confidential 552(b)(4) of title 5, United States Code, or section 19 20 1905 of title 18, United States Code, shall not be 21 disclosed to the public unless the requestor consents 22 to that disclosure. 23 "(2) Public availability.— "(A) IN GENERAL.—Except as provided in 24 subparagraph (B), the Secretary shall— 25

1	"(i) make any information submitted
2	by a requestor in support of a request
3	under subsection (b)(5)(A) available to the
4	public not later than the date on which the
5	proposed order is issued; and
6	"(ii) make any information submitted
7	by any other person with respect to an
8	order requested (or initiated by the Sec-
9	retary) under subsection (b), available to
10	the public upon such submission.
11	"(B) Limitations on public avail-
12	ABILITY.—Information described in subpara-
13	graph (A) shall not be made public if—
14	"(i) the information pertains to phar-
15	maceutical quality information, unless such
16	information is necessary to establish stand-
17	ards under which a drug is generally rec-
18	ognized as safe and effective under section
19	201(p)(1);
20	"(ii) the information is submitted in a
21	requestor-initiated request, but the re-
22	questor withdraws such request, in accord-
23	ance with withdrawal procedures estab-
24	lished by the Secretary, before the Sec-
25	retary issues the proposed order;

1	"(iii) the Secretary requests and ob-
2	tains the information under subsection (c)
3	and such information is not submitted in
4	relation to an order under subsection (b);
5	or
6	"(iv) the information is of the type
7	contained in raw datasets.
8	"(e) Updates to Drug Listing Information.—
9	A sponsor who makes a change to a drug subject to this
10	section shall submit updated drug listing information for
11	the drug in accordance with section 510(j) within 30 cal-
12	endar days of the date when the drug is first commercially
13	marketed, except that a sponsor who was the order re-
14	questor with respect to an order subject to subsection
15	(b)(5)(C) (or a licensee, assignee, or successor in interest
16	of such requestor) shall submit updated drug listing infor-
17	mation on or before the date when the drug is first com-
18	mercially marketed.
19	"(f) Approvals Under Section 505.—The provi-
20	sions of this section shall not be construed to preclude a
21	person from seeking or maintaining the approval of an ap-
22	plication for a drug under sections 505(b)(1), 505(b)(2),
23	and 505(j). A determination under this section that a drug
24	is not subject to section 503(b)(1), is generally recognized
25	as safe and effective under section 201(p)(1), and is not

a new drug under section 201(p) shall constitute a finding that the drug is safe and effective that may be relied upon 3 for purposes of an application under section 505(b)(2), so 4 that the applicant shall be required to submit for purposes 5 of such application only information needed to support any 6 modification of the drug that is not covered by such deter-7 mination under this section. "(g) Public Availability of Administrative Or-8 DERS.—The Secretary shall establish, maintain, update (as determined necessary by the Secretary but no less fre-10 11 quently than annually), and make publicly available, with 12 respect to orders issued under this section— 13 "(1) a repository of each final order and in-14 terim final order in effect, including the complete 15 text of the order; and "(2) a listing of all orders proposed and under 16 17 development under subsection (b)(2), including— 18 "(A) a brief description of each such order; 19 and "(B) the Secretary's expectations, if re-20 21 sources permit, for issuance of proposed orders 22 over a 3-year period. 23 "(h) Development Advice to Sponsors or Re-QUESTORS.—The Secretary shall establish procedures

under which sponsors or requestors may meet with appro-

- 1 priate officials of the Food and Drug Administration to
- 2 obtain advice on the studies and other information nec-
- 3 essary to support submissions under this section and other
- 4 matters relevant to the regulation of nonprescription
- 5 drugs and the development of new nonprescription drugs
- 6 under this section.
- 7 "(i) Participation of Multiple Sponsors or Re-
- 8 QUESTORS.—The Secretary shall establish procedures to
- 9 facilitate efficient participation by multiple sponsors or re-
- 10 questors in proceedings under this section, including provi-
- 11 sion for joint meetings with multiple sponsors or reques-
- 12 tors or with organizations nominated by sponsors or re-
- 13 questors to represent their interests in a proceeding.
- 14 "(j) Electronic Format.—All submissions under
- 15 this section shall be in electronic format.
- 16 "(k) Effect on Existing Regulations Gov-
- 17 Erning Nonprescription Drugs.—
- 18 "(1) REGULATIONS OF GENERAL APPLICA-
- 19 BILITY TO NONPRESCRIPTION DRUGS.—Except as
- provided in this subsection, nothing in this section
- 21 supersedes regulations establishing general require-
- 22 ments for nonprescription drugs, including regula-
- 23 tions of general applicability contained in parts 201,
- 24 250, and 330 of title 21, Code of Federal Regula-
- 25 tions, or any successor regulations. The Secretary

1	shall establish or modify such regulations by means
2	of rulemaking in accordance with section 553 of title
3	5, United States Code.
4	"(2) Regulations establishing require-
5	MENTS FOR SPECIFIC NONPRESCRIPTION DRUGS.—
6	"(A) The provisions of section 310.545 of
7	title 21, Code of Federal Regulations, as in ef-
8	fect on the day before the date of the enact-
9	ment of this section, shall be deemed to be a
10	final order under subsection (b).
11	"(B) Regulations in effect on the day be-
12	fore the date of the enactment of this section,
13	establishing requirements for specific non-
14	prescription drugs marketed pursuant to this
15	section (including such requirements in parts
16	201 and 250 of title 21, Code of Federal Regu-
17	lations), shall be deemed to be final orders
18	under subsection (b), only as they apply to
19	drugs—
20	"(i) subject to paragraph (1), (2), (3),
21	or (4) of subsection (a); or
22	"(ii) otherwise subject to an order
23	under this section.
24	"(3) WITHDRAWAL OF REGULATIONS.—The
25	Secretary shall withdraw regulations establishing

1	final monographs and the procedures governing the
2	over-the-counter drug review under part 330 and
3	other relevant parts of title 21, Code of Federal
4	Regulations (as in effect on the day before the date
5	of the enactment of this section), or make technical
6	changes to such regulations to ensure conformity
7	with appropriate terminology and cross references.
8	Notwithstanding subchapter II of chapter 5 of title
9	5, United States Code, any such withdrawal or tech-
10	nical changes shall be made without public notice
11	and comment and shall be effective upon publication
12	through notice in the Federal Register (or upon such
13	date as specified in such notice).
14	"(l) Guidance.—The Secretary shall issue guidance
15	that specifies—
16	"(1) the procedures and principles for formal
17	meetings between the Secretary and sponsors or re-
18	questors for drugs subject to this section;
19	"(2) the format and content of data submis-
20	sions to the Secretary under this section;
21	"(3) the format of electronic submissions to the
22	Secretary under this section;
23	"(4) consolidated proceedings for appeal and
24	the procedures for such proceedings where appro-
25	priate; and

1	"(5) for minor changes in drugs, recommenda-
2	tions on how to comply with the requirements in or-
3	ders issued under subsection (c)(3).
4	"(m) Rule of Construction.—
5	"(1) In general.—This section shall not af-
6	fect the treatment or status of a nonprescription
7	drug—
8	"(A) that is marketed without an applica-
9	tion approved under section 505 as of the date
10	of the enactment of this section;
11	"(B) that is not subject to an order issued
12	under this section; and
13	"(C) to which paragraph (1), (2), (3), (4),
14	or (5) of subsection (a) do not apply.
15	"(2) Treatment of products previously
16	FOUND TO BE SUBJECT TO TIME AND EXTENT RE-
17	QUIREMENTS.—
18	"(A) Notwithstanding subsection (a), a
19	drug described in subparagraph (B) may only
20	be lawfully marketed, without an application
21	approved under section 505, pursuant to an
22	order issued under this section.
23	"(B) A drug described in this subpara-
24	graph is a drug which, prior to the date of the
25	enactment of this section, the Secretary deter-

mined in a proposed or final rule to be ineligible
for review under the OTC drug review (as such
phrase 'OTC drug review' was used in section
330.14 of title 21, Code of Federal Regulations,
as in effect on the day before the date of the
enactment of this section).

"(3) Preservation of Authority.—

- "(A) Nothing in paragraph (1) shall be construed to preclude or limit the applicability of any provision of this Act other than this section.
- "(B) Nothing in subsection (a) shall be construed to prohibit the Secretary from issuing an order under this section finding a drug to be not generally recognized as safe and effective under section 201(p)(1), as the Secretary determines appropriate.
- 18 "(n) Investigational New Drugs.—A drug is not 19 subject to this section if an exemption for investigational 20 use under section 505(i) is in effect for such drug.
- "(o) Inapplicability of Paperwork Reduction

 22 Act.—Chapter 35 of title 44, United States Code, shall

 23 not apply to collections of information made under this

 24 section.

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"(p) Inapplicability of Notice and Comment 1 RULEMAKING AND OTHER REQUIREMENTS.—The requirements of subsection (b) shall apply with respect to 3 orders issued under this section instead of the requirements of subchapter II of chapter 5 of title 5, United 6 States Code. 7 "(q) Definitions.—In this section: 8 "(1) The term 'nonprescription drug' refers to 9 a drug not subject to the requirements of section 10 503(b)(1). 11 "(2) The term 'sponsor' refers to any person marketing, manufacturing, or processing a drug 12 13 that— "(A) is listed pursuant to section 510(j); 14 15 and "(B) is or will be subject to an administra-16 17 tive order under this section of the Food and 18 Drug Administration. 19 "(3) The term 'requestor' refers to any person 20 or group of persons marketing, manufacturing, proc-21 essing, or developing a drug.". 22 (b) GAO STUDY.—Not later than 4 years after the 23 date of enactment of this Act, the Comptroller General of the United States shall submit a study to the Com-

25 mittee on Energy and Commerce of the House of Rep-

1	resentatives and the Committee on Health, Education,
2	Labor, and Pensions of the Senate addressing the effec-
3	tiveness and overall impact of exclusivity under section
4	505G of the Federal Food, Drug, and Cosmetic Act, as
5	added by subsection (a), and section 586C of such Act
6	(21 U.S.C. 360fff-3), including the impact of such exclu-
7	sivity on consumer access. Such study shall include—
8	(1) an analysis of the impact of exclusivity
9	under such section 505G for nonprescription drug
10	products, including—
11	(A) the number of nonprescription drug
12	products that were granted exclusivity and the
13	indication for which the nonprescription drug
14	products were determined to be generally recog-
15	nized as safe and effective;
16	(B) whether the exclusivity for such drug
17	products was granted for—
18	(i) a new active ingredient (including
19	any ester or salt of the active ingredient);
20	or
21	(ii) changes in the conditions of use of
22	a drug, for which new human data studies
23	conducted or sponsored by the requestor
24	were essential;

1	(C) whether, and to what extent, the exclu-
2	sivity impacted the requestor's or sponsor's de-
3	cision to develop the drug product;
4	(D) an analysis of the implementation of
5	the exclusivity provision in such section 505G,
6	including—
7	(i) the resources used by the Food
8	and Drug Administration;
9	(ii) the impact of such provision on
10	innovation, as well as research and devel-
11	opment in the nonprescription drug mar-
12	ket;
13	(iii) the impact of such provision on
14	competition in the nonprescription drug
15	market;
16	(iv) the impact of such provision on
17	consumer access to nonprescription drug
18	products;
19	(v) the impact of such provision on
20	the prices of nonprescription drug prod-
21	ucts; and
22	(vi) whether the administrative orders
23	initiated by requestors under such section
24	505G have been sufficient to encourage the
25	development of nonprescription drug prod-

1	ucts that would likely not be otherwise de-
2	veloped, or developed in as timely a man-
3	ner; and
4	(E) whether the administrative orders ini-
5	tiated by requestors under such section 505G
6	have been sufficient incentive to encourage in-
7	novation in the nonprescription drug market;
8	and
9	(2) an analysis of the impact of exclusivity
10	under such section 586C for sunscreen ingredients,
11	including—
12	(A) the number of sunscreen ingredients
13	that were granted exclusivity and the specific
14	ingredient that was determined to be generally
15	recognized as safe and effective;
16	(B) whether, and to what extent, the exclu-
17	sivity impacted the requestor's or sponsor's de-
18	cision to develop the sunscreen ingredient;
19	(C) whether, and to what extent, the sun-
20	screen ingredient granted exclusivity had pre-
21	viously been available outside of the United
22	States;
23	(D) an analysis of the implementation of
24	the exclusivity provision in such section 586C,
25	including—

1	(i) the resources used by the Food
2	and Drug Administration;
3	(ii) the impact of such provision on
4	innovation, as well as research and devel-
5	opment in the sunscreen market;
6	(iii) the impact of such provision on
7	competition in the sunscreen market;
8	(iv) the impact of such provision on
9	consumer access to sunscreen products;
10	(v) the impact of such provision on
11	the prices of sunscreen products; and
12	(vi) whether the administrative orders
13	initiated by requestors under such section
14	505G have been utilized by sunscreen in-
15	gredient sponsors and whether such proc-
16	ess has been sufficient to encourage the
17	development of sunscreen ingredients that
18	would likely not be otherwise developed, or
19	developed in as timely a manner; and
20	(E) whether the administrative orders ini-
21	tiated by requestors under such section 586C
22	have been sufficient incentive to encourage in-
23	novation in the sunscreen market

1 (c) Conforming Amendment.—Section 751(d)(1) 2 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 379r(d)(1) is amended— 3 4 (1) in the matter preceding subparagraph (A)— (A) by striking "final regulation promul-5 gated" and inserting "final order under section 6 505G"; and 7 (B) by striking "and not misbranded"; and 8 9 (2) in subparagraph (A), by striking "regula-10 tion in effect" and inserting "regulation or order in 11 effect". 12 SEC. 102. MISBRANDING. 13 Section 502 of the Federal Food, Drug, and Cosmetic 14 Act (21 U.S.C. 352) is amended by adding at the end the 15 following: 16 "(ee) If it is a nonprescription drug that is subject to section 505G, is not the subject of an application approved under section 505, and does not comply with the 18 19 requirements under section 505G. 20 "(ff) If it is a drug and it was manufactured, pre-21 pared, propagated, compounded, or processed in a facility for which fees have not been paid as required by section

744M.".

1	SEC. 103. DRUGS EXCLUDED FROM THE OVER-THE-
2	COUNTER DRUG REVIEW.
3	(a) In General.—Nothing in this Act (or the
4	amendments made by this Act) shall apply to any non-
5	prescription drug (as defined in section $505\mathrm{G}(\mathrm{q})$ of the
6	Federal Food, Drug, and Cosmetic Act, as added by sec-
7	tion 101 of this Act) which was excluded by the Food and
8	Drug Administration from the Over-the-Counter Drug Re-
9	view in accordance with the paragraph numbered 25 on
10	page 9466 of volume 37 of the Federal Register, published
11	on May 11, 1972.
12	(b) Rule of Construction.—Nothing in this sec-
13	tion shall be construed to preclude or limit the applica-
14	bility of any other provision of the Federal Food, Drug,
15	and Cosmetic Act (21 U.S.C. 301 et seq.).
16	SEC. 104. TREATMENT OF SUNSCREEN INNOVATION ACT.
17	(a) Review of Nonprescription Sunscreen Ac-
18	TIVE INGREDIENTS.—
19	(1) Applicability of Section 505G for
20	PENDING SUBMISSIONS.—
21	(A) In general.—A sponsor of a non-
22	prescription sunscreen active ingredient or com-
23	bination of nonprescription sunscreen active in-
24	gredients that, as of the date of enactment of
25	this Act, is subject to a proposed sunscreen
26	order under section 586C of the Federal Food,

1	Drug, and Cosmetic Act (21 U.S.C. 360fff-3)
2	may elect, by means of giving written notifica-
3	tion to the Secretary of Health and Human
4	Services within 180 calendar days of the enact-
5	ment of this Act, to transition into the review
6	of such ingredient or combination of ingredients
7	pursuant to the process set out in section 505G
8	of the Federal Food, Drug, and Cosmetic Act,
9	as added by section 101 of this Act.
10	(B) Election exercised.—Upon receipt
11	by the Secretary of Health and Human Services
12	of a timely notification under subparagraph
13	(A)—
14	(i) the proposed sunscreen order in-
15	volved is deemed to be a request for an
16	order under subsection (b) of section 505G
17	of the Federal Food, Drug, and Cosmetic
18	Act, as added by section 101 of this Act;
19	and
20	(ii) such order is deemed to have been
21	accepted for filing under subsection
22	(b)(6)(A)(i) of such section 505G.
23	(C) ELECTION NOT EXERCISED.—If a noti-
24	fication under subparagraph (A) is not received
25	by the Secretary of Health and Human Services

1	within 180 calendar days of the date of enact-
2	ment of this Act, the review of the proposed
3	sunscreen order described in subparagraph
4	(A)—
5	(i) shall continue under section 586C
6	of the Federal Food, Drug, and Cosmetic
7	Act (21 U.S.C. 360fff-3); and
8	(ii) shall not be eligible for review
9	under section 505G, added by section 101
10	of this Act.
11	(2) Definitions.—In this subsection, the
12	terms "sponsor", "nonprescription", "sunscreen ac-
13	tive ingredient", and "proposed sunscreen order"
14	have the meanings given to those terms in section
15	586 of the Federal Food, Drug, and Cosmetic Act
16	(21 U.S.C. 360fff).
17	(b) Amendments to Sunscreen Provisions.—
18	(1) Final sunscreen orders.—Paragraph
19	(3) of section 586C(e) of the Federal Food, Drug,
20	and Cosmetic Act (21 U.S.C. 360fff-3(e)) is amend-
21	ed to read as follows:
22	"(3) Relationship to orders under sec-
23	TION 505G.—A final sunscreen order shall be deemed
24	to be a final order under section 505G.".

- 1 (2) Meetings.—Paragraph (7) of section 2 586C(b) of the Federal Food, Drug, and Cosmetic 3 Act (21 U.S.C. 360fff–3(b)) is amended—
 - (A) by striking "A sponsor may request" and inserting the following:
 - "(A) IN GENERAL.—A sponsor may request"; and
 - (B) by adding at the end the following:
 - "(B) Confidential meetings.—A sponsor may request one or more confidential meetings with respect to a proposed sunscreen order, including a letter deemed to be a proposed sunscreen order under paragraph (3), to discuss matters relating to data requirements to support a general recognition of safety and effectiveness involving confidential information and public information related to such proposed sunscreen order, as appropriate. The Secretary shall convene a confidential meeting with such sponsor in a reasonable time period. If a sponsor requests more than one confidential meeting for the same proposed sunscreen order, the Secretary may refuse to grant an additional confidential meeting request if the Secretary determines that such additional confidential meeting

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is not reasonably necessary for the sponsor to advance its proposed sunscreen order, or if the request for a confidential meeting fails to include sufficient information upon which to base a substantive discussion. The Secretary shall publish a post-meeting summary of each confidential meeting under this subparagraph that does not disclose confidential commercial information or trade secrets. This subparagraph does not authorize the disclosure of confidential commercial information or trade secrets subject to 552(b)(4) of title 5, United States Code, or section 1905 of title 18, United States Code.".

(3) EXCLUSIVITY.—Section 586C of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 360fff—3) is amended by adding at the end the following:

"(f) Exclusivity.—

"(1) IN GENERAL.—A final sunscreen order shall have the effect of authorizing solely the order requestor (or the licensees, assignees, or successors in interest of such requestor with respect to the subject of such request and listed under paragraph (5)) for a period of 18 months, to market a sunscreen ingredient under this section incorporating changes

- described in paragraph (2) subject to the limitations under paragraph (4), beginning on the date the requestor (or any licensees, assignees, or successors in interest of such requestor with respect to the subject of such request and listed under paragraph (5)) may lawfully market such sunscreen ingredient pursuant to the order.
 - "(2) Changes described.—A change described in this paragraph is a change subject to an order specified in paragraph (1) that permits a sunscreen to contain an active sunscreen ingredient not previously incorporated in a marketed sunscreen listed in paragraph (3).
 - "(3) Marketed sunscreen.—The marketed sunscreen ingredients described in this paragraph are sunscreen ingredients—
 - "(A) marketed in accordance with a final monograph for sunscreen drug products set forth at part 352 of title 21, Code of Federal Regulations (as published at 64 Fed. Reg. 27687); or
- 22 "(B) marketed in accordance with a final order issued under this section.

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"(4) Limitations on exclusivity.—Only one 1 2 18-month period may be granted per ingredient 3 under paragraph (1). "(5) Listing of Licensees, assignees, or 4 5 SUCCESSORS IN INTEREST.—Requestors shall submit 6 to the Secretary at the time when a drug subject to 7 such request is introduced or delivered for introduc-8 tion into interstate commerce, a list of licensees, as-9 signees, or successors in interest under paragraph 10 (1).". 11 (4) SUNSET PROVISION.—Subchapter I of chap-12 ter V of the Federal Food, Drug, and Cosmetic Act 13 (21 U.S.C. 360fff et seq.) is amended by adding at 14 the end the following: 15 "SEC. 586H. SUNSET. 16 "This subchapter shall cease to be effective at the end of fiscal year 2022.". 17 18 (5)TREATMENT OF FINAL SUNSCREEN 19 ORDER.—The Federal Food, Drug, and Cosmetic 20 Act is amended by striking section 586E of such Act 21 (21 U.S.C. 360fff-5). 22 (c) Treatment of Authority Regarding Final-23 IZATION OF SUNSCREEN MONOGRAPH.— 24 (1) In General.—

1	(A) REVISION OF FINAL SUNSCREEN
2	ORDER.—The Secretary of Health and Human
3	Services (referred to in this subsection as the
4	"Secretary") shall amend and revise the final
5	administrative order concerning nonprescription
6	sunscreen (referred to in this subsection as the
7	"sunscreen order") for which the content, prior
8	to the date of enactment of this Act, was rep-
9	resented by the final monograph for sunscreen
10	drug products set forth in part 352 of title 21
11	Code of Federal Regulations (as in effect or
12	May 21, 1999).
13	(B) Issuance of Revised Sunscreen
14	ORDER; EFFECTIVE DATE.—A revised sunscreen
15	order described in subparagraph (A) shall be—
16	(i) issued in accordance with the pro-
17	cedures described in section $505G(b)(2)$ of
18	the Federal Food, Drug, and Cosmetic
19	Act;
20	(ii) issued in proposed form not later
21	than 18 months after the date of enact-
22	ment of this Act; and
23	(iii) issued by the Secretary at least 1
24	year prior to the effective date of the re-
25	vised order

1 (2) Reports.—If a revised sunscreen order 2 issued under paragraph (1) does not include provi-3 sions related to the effectiveness of various sun pro-4 tection factor levels, and does not address all dosage 5 forms known to the Secretary to be used in sun-6 screens marketed in the United States without a new drug application approved under section 505 of 7 8 the Federal Food, Drug, and Cosmetic Act (21 9 U.S.C. 355), the Secretary shall submit a report to 10 the Committee on Energy and Commerce of the 11 House of Representatives and the Committee on 12 Health, Education, Labor, and Pensions of the Sen-13 ate on the rationale for omission of such provisions 14 from such order, and a plan and timeline to compile 15 any information necessary to address such provisions 16 through such order.

- 17 (d) Treatment of Non-Sunscreen Time and Ex-18 Tent Applications.—
- 19 (1) IN GENERAL.—Any application described in 20 section 586F of the Federal Food, Drug, and Cos-21 metic Act (21 U.S.C. 360fff-6) that was submitted 22 to the Secretary pursuant to section 330.14 of title 23 21, Code of Federal Regulations, as such provisions 24 were in effect immediately prior to the date of enact-

1	ment date of this Act, shall be extinguished as of
2	such date of enactment, subject to paragraph (2).
3	(2) Order request.—Nothing in paragraph
4	(1) precludes the submission of an order request
5	under section 505G(b) of the Federal Food, Drug
6	and Cosmetic Act, as added by section 101 of this
7	Act, with respect to a drug that was the subject of
8	an application extinguished under paragraph (1).
9	SEC. 105. ANNUAL UPDATE TO CONGRESS ON APPRO-
10	PRIATE PEDIATRIC INDICATION FOR CER
11	TAIN OTC COUGH AND COLD DRUGS.
12	(a) In General.—Subject to subsection (c), the Sec-
13	retary of Health and Human Services shall, beginning not
14	later than 1 year after the date of enactment of this Act
15	annually submit to the Committee on Energy and Com-
16	merce of the House of Representatives and the Committee
17	on Health, Education, Labor, and Pensions of the Senate
18	a letter describing the progress of the Food and Drug Ad-
19	ministration—
20	(1) in evaluating the cough and cold monograph
21	described in subsection (b) with respect to children
22	under age 6; and
23	(2) as appropriate, revising such cough and cold
24	monograph to address such children through the
25	order process under section 505G(b) of the Federal

- 1 Food, Drug, and Cosmetic Act, as added by section
- 2 101 of this Act.
- 3 (b) Cough and Cold Monograph Described.—
- 4 The cough and cold monograph described in this sub-
- 5 section consists of the conditions under which nonprescrip-
- 6 tion drugs containing antitussive, expectorant, nasal de-
- 7 congestant, or antihistamine active ingredients (or com-
- 8 binations thereof) are generally recognized as safe and ef-
- 9 fective, as specified in part 341 of title 21, Code of Federal
- 10 Regulations (as in effect immediately prior to the date of
- 11 enactment of this Act), and included in an order deemed
- 12 to be established under section 505G(b) of the Federal
- 13 Food, Drug, and Cosmetic Act, as added by section 101
- 14 of this Act.
- (c) Duration of Authority.—The requirement
- 16 under subsection (a) shall terminate as of the date of a
- 17 letter submitted by the Secretary of Health and Human
- 18 Services pursuant to such subsection in which the Sec-
- 19 retary indicates that the Food and Drug Administration
- 20 has completed its evaluation and revised, in a final order,
- 21 as applicable, the cough and cold monograph as described
- 22 in subsection (a)(2).
- 23 SEC. 106. TECHNICAL CORRECTIONS.
- 24 (a) Imports and Exports.—Section
- 25 801(e)(4)(E)(iii) of the Federal Food, Drug, and Cosmetic

- 1 Act (21 U.S.C. 381(e)(4)(E)(iii)) is amended by striking
- 2 "subparagraph" each place such term appears and insert-
- 3 ing "paragraph".
- 4 (b) FDA REAUTHORIZATION ACT OF 2017.—
- 5 (1) IN GENERAL.—Section 905(b)(4) of the
- 6 FDA Reauthorization Act of 2017 (Public Law 115–
- 7 52) is amended by striking "Section 744H(e)(2)(B)"
- 8 and inserting "Section 744H(f)(2)(B)".
- 9 (2) Effective date.—The amendment made
- by paragraph (1) shall take effect as of the enact-
- ment of the FDA Reauthorization Act of 2017
- 12 (Public Law 115–52).

13 TITLE II—USER FEES

- 14 SEC. 201. SHORT TITLE; FINDING.
- 15 (a) Short Title.—This title may be cited as the
- 16 "Over-the-Counter Monograph User Fee Act of 2019".
- 17 (b) FINDING.—The Congress finds that the fees au-
- 18 thorized by the amendments made in this title will be dedi-
- 19 cated to OTC monograph drug activities, as set forth in
- 20 the goals identified for purposes of part 10 of subchapter
- 21 C of chapter VII of the Federal Food, Drug, and Cosmetic
- 22 Act, in the letters from the Secretary of Health and
- 23 Human Services to the Chairman of the Committee on
- 24 Health, Education, Labor, and Pensions of the Senate and
- 25 the Chairman of the Committee on Energy and Commerce

1	of the House of Representatives, as set forth in the Con-
2	gressional Record.
3	SEC. 202. FEES RELATING TO OVER-THE-COUNTER DRUGS.
4	Subchapter C of chapter VII of the Federal Food,
5	Drug, and Cosmetic Act (21 U.S.C. 379f et seq.) is
6	amended by inserting after part 9 the following:
7	"PART 10—FEES RELATING TO OVER-THE-
8	COUNTER DRUGS
9	"SEC. 744L. DEFINITIONS.
10	"In this part:
11	"(1) The term 'affiliate' means a business enti-
12	ty that has a relationship with a second business en-
13	tity if, directly or indirectly—
14	"(A) one business entity controls, or has
15	the power to control, the other business entity;
16	or
17	"(B) a third party controls, or has power
18	to control, both of the business entities.
19	"(2) The term 'contract manufacturing organi-
20	zation facility' means an OTC monograph drug facil-
21	ity where neither the owner of such manufacturing
22	facility nor any affiliate of such owner or facility
23	sells the OTC monograph drug produced at such fa-
24	cility directly to wholesalers, retailers, or consumers
25	in the United States.

1	"(3) The term 'costs of resources allocated for
2	OTC monograph drug activities' means the expenses
3	in connection with OTC monograph drug activities
4	for—
5	"(A) officers and employees of the Food
6	and Drug Administration, contractors of the
7	Food and Drug Administration, advisory com-
8	mittees, and costs related to such officers, em-
9	ployees, and committees and costs related to
10	contracts with such contractors;
11	"(B) management of information, and the
12	acquisition, maintenance, and repair of com-
13	puter resources;
14	"(C) leasing, maintenance, renovation, and
15	repair of facilities and acquisition, maintenance,
16	and repair of fixtures, furniture, scientific
17	equipment, and other necessary materials and
18	supplies; and
19	"(D) collecting fees under section 744M
20	and accounting for resources allocated for OTC
21	monograph drug activities.
22	"(4) The term 'FDA establishment identifier' is
23	the unique number automatically generated by Food
24	and Drug Administration's Field Accomplishments

1	and Compliance Tracking System (FACTS) (or any
2	successor system).
3	"(5) The term 'OTC monograph drug' means a
4	nonprescription drug without an approved new drug
5	application which is governed by the provisions of
6	section 505G.
7	"(6) The term 'OTC monograph drug activities'
8	means activities of the Secretary associated with
9	OTC monograph drugs and inspection of facilities
10	associated with such products, including the fol-
11	lowing activities:
12	"(A) The activities necessary for review
13	and evaluation of OTC monographs and OTC
14	monograph order requests, including—
15	"(i) orders proposing or finalizing ap-
16	plicable conditions of use for OTC mono-
17	graph drugs;
18	"(ii) orders affecting status regarding
19	general recognition of safety and effective-
20	ness of an OTC monograph ingredient or
21	combination of ingredients under specified
22	conditions of use;
23	"(iii) all OTC monograph drug devel-
24	opment and review activities, including
25	intra-agency collaboration;

1	"(iv) regulation and policy develop-
2	ment activities related to OTC monograph
3	drugs;
4	"(v) development of product standards
5	for products subject to review and evalua-
6	tion;
7	"(vi) meetings referred to in section
8	505G(i);
9	"(vii) review of labeling prior to
10	issuance of orders related to OTC mono-
11	graph drugs or conditions of use; and
12	"(viii) regulatory science activities re-
13	lated to OTC monograph drugs.
14	"(B) Inspections related to OTC mono-
15	graph drugs.
16	"(C) Monitoring of clinical and other re-
17	search conducted in connection with OTC
18	monograph drugs.
19	"(D) Safety activities with respect to OTC
20	monograph drugs, including—
21	"(i) collecting, developing, and review-
22	ing safety information on OTC monograph
23	drugs, including adverse event reports;
24	"(ii) developing and using improved
25	adverse event data-collection systems, in-

1	cluding information technology systems;
2	and
3	"(iii) developing and using improved
4	analytical tools to assess potential safety
5	risks, including access to external data-
6	bases.
7	"(E) Other activities necessary for imple-
8	mentation of section 505G.
9	"(7) The term 'OTC monograph order request'
10	means a request for an order submitted under sec-
11	tion $505G(b)(5)$.
12	"(8) The term 'Tier 1 OTC monograph order
13	request' means any OTC monograph order request
14	not determined to be a Tier 2 OTC monograph
15	order request.
16	"(9)(A) The term 'Tier 2 OTC monograph
17	order request' means, subject to subparagraph (B),
18	an OTC monograph order request for—
19	"(i) the reordering of existing information
20	in the drug facts label of an OTC monograph
21	drug;
22	"(ii) the addition of information to the
23	other information section of the drug facts label
24	of an OTC monograph drug, as limited by sec-

1	tion 201.66(c)(7) of title 21, Code of Federal
2	Regulations (or any successor regulations);
3	"(iii) modification to the directions for use
4	section of the drug facts label of an OTC mono-
5	graph drug, if such changes conform to changes
6	made pursuant to section 505G(c)(3)(A);
7	"(iv) the standardization of the concentra-
8	tion or dose of a specific finalized ingredient
9	within a particular finalized monograph;
10	"(v) a change to ingredient nomenclature
11	to align with nomenclature of a standards-set-
12	ting organization; or
13	"(vi) addition of an interchangeable term
14	in accordance with section 330.1 of title 21,
15	Code of Federal Regulations (or any successor
16	regulations).
17	"(B) The Secretary may, based on program im-
18	plementation experience or other factors found ap-
19	propriate by the Secretary, characterize any OTC
20	monograph order request as a Tier 2 OTC mono-
21	graph order request (including recharacterizing a re-
22	quest from Tier 1 to Tier 2) and publish such deter-
23	mination in a proposed order issued pursuant to sec-
24	tion 505G.

1	"(10)(A) The term 'OTC monograph drug facil-
2	ity' means a foreign or domestic business or other
3	entity that—
4	"(i) is—
5	"(I) under one management, either di-
6	rect or indirect; and
7	"(II) at one geographic location or ad-
8	dress engaged in manufacturing or proc-
9	essing the finished dosage form of an OTC
10	monograph drug;
11	"(ii) includes a finished dosage form man-
12	ufacturer facility in a contractual relationship
13	with the sponsor of one or more OTC mono-
14	graph drugs to manufacture or process such
15	drugs; and
16	"(iii) does not include a business or other
17	entity whose only manufacturing or processing
18	activities are one or more of the following: pro-
19	duction of clinical research supplies, testing, or
20	placement of outer packaging on packages con-
21	taining multiple products, for such purposes as
22	creating multipacks, when each monograph
23	drug product contained within the overpack-
24	aging is already in a final packaged form prior
25	to placement in the outer overpackaging.

1	"(B) For purposes of subparagraph $(A)(i)(II)$
2	separate buildings or locations within close proximity
3	are considered to be at one geographic location or
4	address if the activities conducted in such buildings
5	or locations are—
6	"(i) closely related to the same business
7	enterprise;
8	"(ii) under the supervision of the same
9	local management; and
10	"(iii) under a single FDA establishment
11	identifier and capable of being inspected by the
12	Food and Drug Administration during a single
13	inspection.
14	"(C) If a business or other entity would meet
15	criteria specified in subparagraph (A), but for being
16	under multiple management, the business or other
17	entity is deemed to constitute multiple facilities, one
18	per management entity, for purposes of this para-
19	graph.
20	"(11) The term 'OTC monograph drug meet-
21	ing' means any meeting regarding the content of ϵ
22	proposed OTC monograph order request.
23	"(12) The term 'person' includes an affiliate of
24	a nerson

1	"(13) The terms 'requestor' and 'sponsor' have
2	the meanings given such terms in section 505G.
3	"SEC. 744M. AUTHORITY TO ASSESS AND USE OTC MONO-
4	GRAPH FEES.
5	"(a) Types of Fees.—Beginning with fiscal year
6	2021, the Secretary shall assess and collect fees in accord-
7	ance with this section as follows:
8	"(1) FACILITY FEE.—
9	"(A) IN GENERAL.—Each person that
10	owns a facility identified as an OTC monograph
11	drug facility on December 31 of the fiscal year
12	or at any time during the preceding 12-month
13	period shall be assessed an annual fee for each
14	such facility as determined under subsection
15	(e).
16	"(B) Exceptions.—
17	"(i) Facilities that cease activi-
18	TIES.—A fee shall not be assessed under
19	subparagraph (A) if the identified OTC
20	monograph drug facility—
21	"(I) has ceased all activities re-
22	lated to OTC monograph drugs prior
23	to December 31 of the year imme-
24	diately preceding the applicable fiscal
25	vear; and

1	"(II) has updated its registration
2	to reflect such change under the re-
3	quirements for drug establishment
4	registration set forth in section 510.
5	"(ii) Contract manufacturing or-
6	GANIZATIONS.—The amount of the fee for
7	a contract manufacturing organization fa-
8	cility shall be equal to two-thirds of the
9	amount of the fee for an OTC monograph
10	drug facility that is not a contract manu-
11	facturing organization facility.
12	"(C) Amount.—The amount of fees estab-
13	lished under subparagraph (A) shall be estab-
14	lished under subsection (c).
15	"(D) Due date.—
16	"(i) For first program year.—For
17	fiscal year 2021, the facility fees required
18	under subparagraph (A) shall be due on
19	the later of—
20	"(I) the first business day of
21	June of 2020; or
22	"(II) 45 calendar days after pub-
23	lication of the Federal Register notice
24	provided for under subsection
25	(c)(4)(A).

1	"(ii) Subsequent fiscal years.—
2	For each fiscal year after fiscal year 2021,
3	the facility fees required under subpara-
4	graph (A) shall be due on the later of—
5	"(I) the first business day of
6	June of such year; or
7	"(II) the first business day after
8	the enactment of an appropriations
9	Act providing for the collection and
10	obligation of fees under this section
11	for such year.
12	"(2) OTC MONOGRAPH ORDER REQUEST
13	$\mathrm{FEE}.$ —
14	"(A) IN GENERAL.—Each person that sub-
15	mits an OTC monograph order request shall be
16	subject to a fee for an OTC monograph order
17	request. The amount of such fee shall be—
18	"(i) for a Tier 1 OTC monograph
19	order request, \$500,000, adjusted for in-
20	flation for the fiscal year (as determined
21	under subsection $(c)(1)(B)$; and
22	"(ii) for a Tier 2 OTC monograph
23	order request, \$100,000, adjusted for in-
24	flation for the fiscal year (as determined
25	under subsection $(c)(1)(B)$.

1	"(B) DUE DATE.—The OTC monograph
2	order request fees required under subparagraph
3	(A) shall be due on the date of submission of
4	the OTC monograph order request.
5	"(C) EXCEPTION FOR CERTAIN SAFETY
6	CHANGES.—A person who is named as the re-
7	questor in an OTC monograph order shall not
8	be subject to a fee under subparagraph (A) if
9	the Secretary finds that the OTC monograph
10	order request seeks to change the drug facts la-
11	beling of an OTC monograph drug in a way
12	that would add to or strengthen—
13	"(i) a contraindication, warning, or
14	precaution;
15	"(ii) a statement about risk associated
16	with misuse or abuse; or
17	"(iii) an instruction about dosage and
18	administration that is intended to increase
19	the safe use of the OTC monograph drug.
20	"(D) Refund of fee if order request
21	IS RECATEGORIZED AS A TIER 2 OTC MONO-
22	GRAPH ORDER REQUEST.—If the Secretary de-
23	termines that an OTC monograph request ini-
24	tially characterized as Tier 1 shall be re-charac-
25	terized as a Tier 2 OTC monograph order re-

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quest, and the requestor has paid a Tier 1 fee in accordance with subparagraph (A)(i), the Secretary shall refund the requestor the difference between the Tier 1 and Tier 2 fees determined under subparagraphs (A)(i) and (A)(ii), respectively.

- "(E) REFUND OF FEE IF ORDER REQUEST REFUSED FOR FILING OR WITHDRAWN BEFORE FILING.—The Secretary shall refund 75 percent of the fee paid under subparagraph (B) for any order request which is refused for filing or was withdrawn before being accepted or refused for filing.
- "(F) FEES FOR ORDER REQUESTS PRE-VIOUSLY REFUSED FOR FILING OR WITHDRAWN BEFORE FILING.—An OTC monograph order request that was submitted but was refused for filing, or was withdrawn before being accepted or refused for filing, shall be subject to the full fee under subparagraph (A) upon being resubmitted or filed over protest.
- "(G) REFUND OF FEE IF ORDER REQUEST WITHDRAWN.—If an order request is withdrawn after the order request was filed, the Secretary may refund the fee or a portion of the fee if no

substantial work was performed on the order request after the application was filed. The Secretary shall have the sole discretion to refund a fee or a portion of the fee under this subparagraph. A determination by the Secretary concerning a refund under this subparagraph shall not be reviewable.

"(3) Refunds.—

- "(A) IN GENERAL.—Other than refunds provided pursuant to any of subparagraphs (D) through (G) of paragraph (2), the Secretary shall not refund any fee paid under paragraph (1) except as provided in subparagraph (B).
- "(B) DISPUTES CONCERNING FEES.—To qualify for the return of a fee claimed to have been paid in error under paragraph (1) or (2), a person shall submit to the Secretary a written request justifying such return within 180 calendar days after such fee was paid.
- "(4) Notice.—Within the timeframe specified in subsection (c), the Secretary shall publish in the Federal Register the amount of the fees under paragraph (1) for such fiscal year.
- 24 "(b) FEE REVENUE AMOUNTS.—

1	"(1) FISCAL YEAR 2021.—For fiscal year 2021,
2	fees under subsection (a)(1) shall be established to
3	generate a total facility fee revenue amount equal to
4	the sum of—
5	"(A) the annual base revenue for fiscal
6	year 2021 (as determined under paragraph
7	(3));
8	"(B) the dollar amount equal to the oper-
9	ating reserve adjustment for the fiscal year, if
10	applicable (as determined under subsection
11	(c)(2); and
12	"(C) additional direct cost adjustments (as
13	determined under subsection $(c)(3)$.
14	"(2) Subsequent fiscal years.—For each of
15	the fiscal years 2022 through 2025, fees under sub-
16	section (a)(1) shall be established to generate a total
17	facility fee revenue amount equal to the sum of—
18	"(A) the annual base revenue for the fiscal
19	year (as determined under paragraph (3));
20	"(B) the dollar amount equal to the infla-
21	tion adjustment for the fiscal year (as deter-
22	mined under subsection $(c)(1)$;
23	"(C) the dollar amount equal to the oper-
24	ating reserve adjustment for the fiscal year, if

1	applicable (as determined under subsection
2	(c)(2));
3	"(D) additional direct cost adjustments (as
4	determined under subsection (c)(3)); and
5	"(E) additional dollar amounts for each
6	fiscal year as follows:
7	"(i) \$7,000,000 for fiscal year 2022.
8	"(ii) \$6,000,000 for fiscal year 2023.
9	"(iii) \$7,000,000 for fiscal year 2024.
10	"(iv) \$3,000,000 for fiscal year 2025.
11	"(3) Annual base revenue.—For purposes
12	of paragraphs (1)(A) and (2)(A), the dollar amount
13	of the annual base revenue for a fiscal year shall
14	be—
15	"(A) for fiscal year 2021, \$8,000,000; and
16	"(B) for fiscal years 2022 through 2025,
17	the dollar amount of the total revenue amount
18	established under this subsection for the pre-
19	vious fiscal year, not including any adjustments
20	made under subsection $(c)(2)$ or $(c)(3)$.
21	"(c) Adjustments; Annual Fee Setting.—
22	"(1) Inflation adjustment.—
23	"(A) In general.—For purposes of sub-
24	section (b)(2)(B), the dollar amount of the in-
25	flation adjustment to the annual base revenue

1	for fiscal year 2022 and each subsequent fiscal
2	year shall be equal to the product of—
3	"(i) such annual base revenue for the
4	fiscal year under subsection (b)(2); and
5	"(ii) the inflation adjustment percent-
6	age under subparagraph (C).
7	"(B) OTC MONOGRAPH ORDER REQUEST
8	FEES.—For purposes of subsection (a)(2), the
9	dollar amount of the inflation adjustment to the
10	fee for OTC monograph order requests for fis-
11	cal year 2022 and each subsequent fiscal year
12	shall be equal to the product of—
13	"(i) the applicable fee under sub-
14	section (a)(2) for the preceding fiscal year;
15	and
16	"(ii) the inflation adjustment percent-
17	age under subparagraph (C).
18	"(C) Inflation adjustment percent-
19	AGE.—The inflation adjustment percentage
20	under this subparagraph for a fiscal year is
21	equal to—
22	"(i) for each of fiscal years 2022 and
23	2023, the average annual percent change
24	that occurred in the Consumer Price Index
25	for urban consumers (Washington-Balti-

1	more, DC-MD-VA-WV; Not Seasonally
2	Adjusted; All items; Annual Index) for the
3	first 3 years of the preceding 4 years of
4	available data; and
5	"(ii) for each of fiscal years 2024 and
6	2025, the sum of—
7	"(I) the average annual percent
8	change in the cost, per full-time equiv-
9	alent position of the Food and Drug
10	Administration, of all personnel com-
11	pensation and benefits paid with re-
12	spect to such positions for the first 3
13	years of the preceding 4 fiscal years,
14	multiplied by the proportion of per-
15	sonnel compensation and benefits
16	costs to total costs of OTC mono-
17	graph drug activities for the first 3
18	years of the preceding 4 fiscal years;
19	and
20	"(II) the average annual percent
21	change that occurred in the Consumer
22	Price Index for urban consumers
23	(Washington-Baltimore, DC-MD-VA-
24	WV; Not Seasonally Adjusted; All
25	items: Annual Index) for the first 3

1	years of the preceding 4 years of
2	available data multiplied by the pro-
3	portion of all costs other than per-
4	sonnel compensation and benefits
5	costs to total costs of OTC mono-
6	graph drug activities for the first 3
7	years of the preceding 4 fiscal years.
8	"(2) Operating reserve adjustment.—
9	"(A) In general.—For fiscal year 2021
10	and subsequent fiscal years, for purposes of
11	subsections $(b)(1)(B)$ and $(b)(2)(C)$, the Sec-
12	retary may, in addition to adjustments under
13	paragraph (1), further increase the fee revenue
14	and fees if such an adjustment is necessary to
15	provide operating reserves of carryover user
16	fees for OTC monograph drug activities for not
17	more than the number of weeks specified in
18	subparagraph (B).
19	"(B) Number of weeks.—The number of
20	weeks specified in this subparagraph is—
21	"(i) 3 weeks for fiscal year 2021;
22	"(ii) 7 weeks for fiscal year 2022;
23	"(iii) 10 weeks for fiscal year 2023;
24	"(iv) 10 weeks for fiscal year 2024;
25	and

1	"(v) 10 weeks for fiscal year 2025.
2	"(C) Decrease.—If the Secretary has
3	carryover balances for such process in excess of
4	10 weeks of the operating reserves referred to
5	in subparagraph (A), the Secretary shall de-
6	crease the fee revenue and fees referred to in
7	such subparagraph to provide for not more than
8	10 weeks of such operating reserves.
9	"(D) RATIONALE FOR ADJUSTMENT.—If
10	an adjustment under this paragraph is made,
11	the rationale for the amount of the increase or
12	decrease (as applicable) in fee revenue and fees
13	shall be contained in the annual Federal Reg-
14	ister notice under paragraph (4) establishing
15	fee revenue and fees for the fiscal year involved.
16	"(3) Additional direct cost adjust-
17	MENT.—The Secretary shall, in addition to adjust-
18	ments under paragraphs (1) and (2), further in-
19	crease the fee revenue and fees for purposes of sub-
20	section (b)(2)(D) by an amount equal to—
21	"(A) \$14,000,000 for fiscal year 2021;
22	"(B) \$7,000,000 for fiscal year 2022;
23	"(C) \$4,000,000 for fiscal year 2023;
24	"(D) $$3,000,000$ for fiscal year 2024; and
25	"(E) \$3.000.000 for fiscal year 2025.

1	"(4) Annual fee setting.—
2	"(A) FISCAL YEAR 2021.—The Secretary
3	shall, not later than the second Monday in
4	March of 2020—
5	"(i) establish OTC monograph drug
6	facility fees for fiscal year 2021 under sub-
7	section (a), based on the revenue amount
8	for such year under subsection (b) and the
9	adjustments provided under this sub-
10	section; and
11	"(ii) publish fee revenue, facility fees
12	and OTC monograph order requests in the
13	Federal Register.
14	"(B) Subsequent fiscal years.—The
15	Secretary shall, for each fiscal year that begins
16	after September 30, 2021, not later than the
17	second Monday in March that precedes such fis-
18	cal year—
19	"(i) establish for such fiscal year
20	based on the revenue amounts under sub-
21	section (b) and the adjustments provided
22	under this subsection—
23	"(I) OTC monograph drug facil-
24	ity fees under subsection (a)(1); and

1	"(II) OTC monograph order re-
2	quest fees under subsection (a)(2);
3	and
4	"(ii) publish such fee revenue
5	amounts, facility fees, and OTC mono-
6	graph order request fees in the Federal
7	Register.
8	"(d) Identification of Facilities.—Each person
9	that owns an OTC monograph drug facility shall submit
10	to the Secretary the information required under this sub-
11	section each year. Such information shall, for each fiscal
12	year—
13	"(1) be submitted as part of the requirements
14	for drug establishment registration set forth in sec-
15	tion 510; and
16	"(2) include for each such facility, at a min-
17	imum, identification of the facility's business oper-
18	ation as that of an OTC monograph drug facility.
19	"(e) Effect of Failure To Pay Fees.—
20	"(1) OTC MONOGRAPH DRUG FACILITY FEE.—
21	"(A) IN GENERAL.—Failure to pay the fee
22	under subsection (a)(1) within 20 calendar days
23	of the due date as specified in subparagraph
24	(D) of such subsection shall result in the fol-
25	lowing:

1	"(i) The Secretary shall place the fa-
2	cility on a publicly available arrears list.
3	"(ii) All OTC monograph drugs man-
4	ufactured in such a facility or containing
5	an ingredient manufactured in such a facil-
6	ity shall be deemed misbranded under sec-
7	tion 502(ff).
8	"(B) APPLICATION OF PENALTIES.—The
9	penalties under this paragraph shall apply until
10	the fee established by subsection $(a)(1)$ is paid.
11	"(2) Order requests.—An OTC monograph
12	order request submitted by a person subject to fees
13	under subsection (a) shall be considered incomplete
14	and shall not be accepted for filing by the Secretary
15	until all fees owed by such person under this section
16	have been paid.
17	"(3) Meetings.—A person subject to fees
18	under this section shall be considered ineligible for
19	OTC monograph drug meetings until all such fees
20	owed by such person have been paid.
21	"(f) Crediting and Availability of Fees.—
22	"(1) In general.—Fees authorized under sub-
23	section (a) shall be collected and available for obliga-
24	tion only to the extent and in the amount provided
25	in advance in appropriations Acts. Such fees are au-

thorized to remain available until expended. Such sums as may be necessary may be transferred from the Food and Drug Administration salaries and expenses appropriation account without fiscal year limitation to such appropriation account for salaries and expenses with such fiscal year limitation. The sums transferred shall be available solely for OTC monograph drug activities.

"(2) COLLECTIONS AND APPROPRIATION ACTS.—

"(A) IN GENERAL.—Subject to subparagraph (C), the fees authorized by this section shall be collected and available in each fiscal year in an amount not to exceed the amount specified in appropriation Acts, or otherwise made available for obligation, for such fiscal year.

"(B) USE OF FEES AND LIMITATION.—
The fees authorized by this section shall be available to defray increases in the costs of the resources allocated for OTC monograph drug activities (including increases in such costs for an additional number of full-time equivalent positions in the Department of Health and Human Services to be engaged in such activi-

ties), only if the Secretary allocates for such
purpose an amount for such fiscal year (excluding amounts from fees collected under this section) no less than \$12,000,000, multiplied by
the adjustment factor applicable to the fiscal
year involved under subsection (c)(1).

- "(C) COMPLIANCE.—The Secretary shall be considered to have met the requirements of subparagraph (B) in any fiscal year if the costs funded by appropriations and allocated for OTC monograph drug activities are not more than 15 percent below the level specified in such subparagraph.
- "(D) Provision for Early Payments in subsequent years.—Payment of fees authorized under this section for a fiscal year (after fiscal year 2021), prior to the due date for such fees, may be accepted by the Secretary in accordance with authority provided in advance in a prior year appropriations Act.
- "(3) AUTHORIZATION OF APPROPRIATIONS.—
 For each of the fiscal years 2021 through 2025,
 there is authorized to be appropriated for fees under
 this section an amount equal to the total amount of
 fees assessed for such fiscal year under this section.

- 1 "(g) Collection of Unpaid Fees.—In any case
- 2 where the Secretary does not receive payment of a fee as-
- 3 sessed under subsection (a) within 30 calendar days after
- 4 it is due, such fee shall be treated as a claim of the United
- 5 States Government subject to subchapter II of chapter 37
- 6 of title 31, United States Code.
- 7 "(h) Construction.—This section may not be con-
- 8 strued to require that the number of full-time equivalent
- 9 positions in the Department of Health and Human Serv-
- 10 ices, for officers, employers, and advisory committees not
- 11 engaged in OTC monograph drug activities, be reduced
- 12 to offset the number of officers, employees, and advisory
- 13 committees so engaged.
- 14 "SEC. 744N. REAUTHORIZATION; REPORTING REQUIRE-
- 15 MENTS.
- 16 "(a) Performance Report.—Beginning with fiscal
- 17 year 2021, and not later than 120 calendar days after the
- 18 end of each fiscal year thereafter for which fees are col-
- 19 lected under this part, the Secretary shall prepare and
- 20 submit to the Committee on Energy and Commerce of the
- 21 House of Representatives and the Committee on Health,
- 22 Education, Labor, and Pensions of the Senate a report
- 23 concerning the progress of the Food and Drug Adminis-
- 24 tration in achieving the goals identified in the letters de-
- 25 scribed in section 201(b) of the Over-the-Counter Mono-

- 1 graph Safety, Innovation, and Reform Act of 2019 during
- 2 such fiscal year and the future plans of the Food and
- 3 Drug Administration for meeting such goals.
- 4 "(b) FISCAL REPORT.—Not later than 120 calendar
- 5 days after the end of fiscal year 2021 and each subsequent
- 6 fiscal year for which fees are collected under this part,
- 7 the Secretary shall prepare and submit to the Committee
- 8 on Energy and Commerce of the House of Representatives
- 9 and the Committee on Health, Education, Labor, and
- 10 Pensions of the Senate a report on the implementation
- 11 of the authority for such fees during such fiscal year and
- 12 the use, by the Food and Drug Administration, of the fees
- 13 collected for such fiscal year.
- 14 "(c) Public Availability.—The Secretary shall
- 15 make the reports required under subsections (a) and (b)
- 16 available to the public on the internet website of the Food
- 17 and Drug Administration.
- 18 "(d) Reauthorization.—
- 19 "(1) Consultation.—In developing rec-
- ommendations to present to the Congress with re-
- spect to the goals described in subsection (a), and
- plans for meeting the goals, for OTC monograph
- drug activities for the first 5 fiscal years after fiscal
- year 2025, and for the reauthorization of this part

1	for such fiscal years, the Secretary shall consult
2	with—
3	"(A) the Committee on Energy and Com-
4	merce of the House of Representatives;
5	"(B) the Committee on Health, Education
6	Labor, and Pensions of the Senate;
7	"(C) scientific and academic experts;
8	"(D) health care professionals;
9	"(E) representatives of patient and con-
10	sumer advocacy groups; and
11	"(F) the regulated industry.
12	"(2) Public review of recommenda-
13	TIONS.—After negotiations with the regulated indus-
14	try, the Secretary shall—
15	"(A) present the recommendations devel-
16	oped under paragraph (1) to the congressional
17	committees specified in such paragraph;
18	"(B) publish such recommendations in the
19	Federal Register;
20	"(C) provide for a period of 30 calendar
21	days for the public to provide written comments
22	on such recommendations;
23	"(D) hold a meeting at which the public
24	may present its views on such recommenda-
25	tions; and

1	"(E) after consideration of such public
2	views and comments, revise such recommenda-
3	tions as necessary.
4	"(3) Transmittal of recommendations.—
5	Not later than January 15, 2025, the Secretary
6	shall transmit to the Congress the revised rec-
7	ommendations under paragraph (2), a summary of
8	the views and comments received under such para-

10 tions in response to such views and comments.".

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the views and comments received under such para-

graph, and any changes made to the recommenda-

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