

1 SENATE BILL NO. 278

2 AMENDMENT IN THE NATURE OF A SUBSTITUTE

3 (Proposed by the Senate Committee on Education and Health

4 on January 29, 2026)

5 (Patron Prior to Substitute—Senator Srinivasan)

6 *A BILL to amend the Code of Virginia by adding a section numbered 54.1-3408.06, relating to drug*
7 *manufacturers; restrictions on limiting 340B-covered drugs; civil penalty.*8 **Be it enacted by the General Assembly of Virginia:**9 **1. That the Code of Virginia is amended by adding a section numbered 54.1-3408.06 as follows:**10 *§ 54.1-3408.06. Drug manufacturers; restrictions on limiting 340B-covered drugs; civil penalty.*11 *A. Any drug manufacturer with a permit under § 54.1-3437, or a nonresident drug manufacturer*
12 *registered under § 54.1-3442.01, shall certify annually with the Board that it (i) complies with subdivision A*
13 *5 of § 38.2-3467 and (ii) does not limit the number of contract pharmacies or covered entities, as defined in*
14 *§ 38.2-3465, to which it ships 340B-covered drugs.*15 *B. Any drug manufacturer that violates this section is subject to a civil penalty of \$5,000. Each refusal to*
16 *fulfill a covered entity's purchase order for a 340B-covered drug for delivery to a contract pharmacy*
17 *constitutes a separate violation. Such penalty shall be collected by the Board and the proceeds shall be*
18 *deposited into the general fund.*