

Department of Legislative Services  
Maryland General Assembly  
2009 Session

FISCAL AND POLICY NOTE  
Revised

Senate Bill 309

(Senator Conway)

Education, Health, and Environmental Affairs

Health and Government Operations

---

State Board of Pharmacy - Pharmacy Permit - Term and Renewal

---

This bill extends the term that a pharmacy permit is valid from one to two years and requires the State Board of Pharmacy to send each permit holder a renewal notice by October 1 of the year in which the permit expires, rather than by November 1. Finally, the bill removes the requirement that, along with a renewal notice, the board send a renewal application to a permit holder.

The bill takes effect July 1, 2009.

---

Fiscal Summary

**State Effect:** Assuming the board maintains the same fee rate by doubling the current annual fee to be a biennial fee, board revenues over the long term are not affected, but annual revenues related to pharmacy permit renewal fluctuate from year to year. Special fund revenues increase for the board to collect \$1,000 rather than \$500 from each pharmacy permit holder in FY 2010. Likewise, FY 2011 revenues decrease by a corresponding amount since the board does not collect permit renewal fees that year. Special fund expenditures related to permit renewal, which can include overtime pay and/or contractual costs, decrease biennially beginning in FY 2011 since the board is relieved of pharmacy renewal permit review in alternate years.

**Local Effect:** None.

**Small Business Effect:** Potential minimal.

---

## Analysis

**Current Law:** A person has to hold a pharmacy permit issued by the board in order to establish or operate a pharmacy in Maryland. A pharmacy permit expires on the December 31 after its effective date unless it is renewed for a one-year term. The board has to send each permit holder a renewal notice and renewal application form on or before November 1 of each year.

**Background:** According to the board, there are 1,219 pharmacies and 341 nonresident pharmacies holding Maryland permits.

---

### Additional Information

**Prior Introductions:** None.

**Cross File:** HB 252 (Delegate Costa) - Health and Government Operations.

**Information Source(s):** Department of Legislative Services

**Fiscal Note History:** First Reader - February 17, 2009  
mcp/mcr Revised - Senate Third Reader - March 30, 2009  
Revised - Enrolled Bill - May 13, 2009

---

Analysis by: Sarah K. Volker

Direct Inquiries to:  
(410) 946-5510  
(301) 970-5510