HB1056/563429/1

BY: Health and Government Operations Committee

<u>AMENDMENTS TO HOUSE BILL 1056</u> (First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike "and Woods" and substitute "<u>Woods</u>, <u>Alston, Bhandari, Chisholm, Cullison, Hutchinson, S. Johnson, Kerr, Kipke,</u> <u>Lopez, Martinez, M. Morgan, Pena-Melnyk, Reilly, Rosenberg, Szeliga, and</u> <u>Taveras</u>"; strike beginning with ", wholesale" in line 4 down through "provider," in line 6; in line 6, after "certain" insert "<u>direct or indirect</u>"; and in line 9, after "Act;" insert "<u>requiring the Maryland Prescription Drug Affordability Board to conduct a study of the</u> <u>340B Program</u>;".

AMENDMENT NO. 2

On page 3, strike beginning with "THIS" in line 12 down through "(C)" in line 18; in lines 8 and 23, in each instance, strike "(D)" and substitute "<u>(C)</u>"; and in line 24, strike "AN ENTITY SUBJECT TO THIS SECTION" and substitute "<u>A 340B</u> <u>MANUFACTURER</u>".

On page 4, in line 3, strike "AN ENTITY SUBJECT TO THIS SECTION" and substitute "<u>A 340B MANUFACTURER</u>"; in lines 6, 7, and 12, strike "(E)", "(I)", and "(II)", respectively, and substitute "(D)", "<u>1</u>.", and "<u>2</u>. <u>A</u>.", respectively; in lines 6, 17, and 20, in each instance, strike "(D)" and substitute "(C)"; in line 6, after "(1)" insert "(I)"; in line 12, strike "SHALL" and substitute "<u>IF THE ALLEGED VIOLATION WAS</u> <u>COMMITTED BY A PERSON THAT IS LICENSED OR PERMITTED BY THE BOARD,</u> <u>SHALL</u>"; in the same line, strike "JOINTLY OR SEPARATELY"; in line 14, after "GENERAL" insert "; OR

B. IF THE ALLEGED VIOLATION WAS COMMITTED BY A PERSON THAT IS NOT LICENSED OR PERMITTED BY THE BOARD, SHALL BE

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INVESTIGATED BY THE CONSUMER PROTECTION DIVISION OF THE OFFICE OF THE ATTORNEY GENERAL";

after line 14, insert:

"(II) AS PART OF AN INVESTIGATION CONDUCTED UNDER PARAGRAPH (1)(I)2 OF THIS SUBSECTION, THE BOARD OR THE CONSUMER PROTECTION DIVISION OF THE OFFICE OF THE ATTORNEY GENERAL MAY INVESTIGATE AN AFFILIATE OR A CONTRACTOR OF THE 340B MANUFACTURER, INCLUDING A WHOLESALER OR THIRD–PARTY LOGISTICS PROVIDER.";

in line 17, strike "**\$50,000**" and substitute "**<u>\$5,000</u>**"; after line 25, insert:

"SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) <u>The Maryland Prescription Drug Affordability Board, in consultation with</u> <u>the Maryland Department of Health:</u>

(1) shall conduct a study on:

(i) the current implementation and scope of the 340B Program in the State;

(ii) <u>the implementation and impact of the implementation of</u> <u>Section 1 of this Act; and</u>

(iii) the finances of the Program in the State, including how covered entities reinvest savings realized from the Program; and

(2) may require covered entities and 340B manufacturers to report information as necessary to complete the study.

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(b) <u>On or before July 1, 2026, the Maryland Prescription Drug Affordability</u> <u>Board shall report its findings and recommendations from the study to the Senate</u> <u>Finance Committee and the House Health and Government Operations Committee, in</u> <u>accordance with § 2-1257 of the State Government Article.</u>";

and in line 26, strike "2." and substitute "3.".