

Department of Legislative Services
 Maryland General Assembly
 2009 Session

FISCAL AND POLICY NOTE
 Revised

House Bill 229 (Delegate Morhaim)
 Health and Government Operations

Prescribers - Controlled Dangerous Substances - Exemption from Registration

This bill removes the requirement for an authorized prescriber to register with the Department of Health and Mental Hygiene (DHMH) to prescribe a controlled dangerous substance in the State.

Fiscal Summary

State Effect: General fund revenues decrease by \$1,050,000 annually beginning in FY 2010 from the loss of permit holder applicant revenue. Potential decrease in general fund expenditures in FY 2010 and future years.

(in dollars)	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
GF Revenue	(\$1,050,000)	(\$1,050,000)	(\$1,050,000)	(\$1,050,000)	(\$1,050,000)
GF Expenditure	(-)	(-)	(-)	(-)	(-)
Net Effect	(\$1,050,000)	(\$1,050,000)	(\$1,050,000)	(\$1,050,000)	(\$1,050,000)

Note: (-) = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Current Law: Controlled dangerous substances include a wide variety of prescription medications as well as illicit drugs such as heroin, cocaine, and marijuana. Substances are listed in one of five schedules (Schedule I through V) depending on their potential for abuse and acceptance for medical use.

A person has to be registered with DHMH to manufacture, distribute, or dispense a controlled dangerous substance in the State, and only an authorized provider can be registered to prescribe a controlled dangerous substance. An authorized provider is a person, pharmacy, laboratory, hospital, or other institution licensed, registered, or otherwise allowed to administer, distribute, dispense, or conduct research on a controlled dangerous substance in the State in the course of professional practice or research. An authorized provider includes a scientific investigator and an individual authorized by the State to practice medicine, dentistry, or veterinary medicine. The State registration fee, valid for two years, is \$120.

The federal Controlled Substances Act requires that all manufacturers, distributors, dispensers, importers, and exporters of controlled substances and List I chemicals obtain an annual registration with DEA. State controlled dangerous substance registration is not required to obtain a DEA registration number.

State Effect: Because the bill makes the existing State registration optional, Legislative Services assumes all current permit holders choose to maintain only DEA authorization to prescribe controlled dangerous substances. DHMH advises that there are 17,500 registered permit holders in the State and that registration is staggered, with about half of all permit holders renewing each year. Therefore, general fund revenues decrease by \$1,050,000 annually beginning in fiscal 2010 as 8,750 current permit holders choose not to renew each year at \$120 each.

Potential decrease in general fund expenditures in fiscal 2010 and future years. However, given current staffing constraints, it is more likely that the three staff members who review registration applications on a part-time basis and the inspector who inspects establishments as part of other job functions are instead redirected to other activities.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Health and Mental Hygiene, Judiciary (Administrative Office of the Courts), Office of the Attorney General, Department of Legislative Services

Fiscal Note History:
ncs/mwc

First Reader - February 6, 2009
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