



Maryland Municipal League
The Association of Maryland's Cities and Towns

TESTIMONY

February 5, 2025

Committee: Senate Finance Committee

Bill: SB 303 - Pharmacy Benefits Managers - Definition of Purchaser and Alteration of Application of Law

Position: Unfavorable

Reason for Position:

The Maryland Municipal League strongly opposes SB 303, which effectively limits the tools Pharmacy Benefits Managers (PBMs) can use to negotiate pharmaceutical prices on behalf of their clients, including local governments.

By restricting the ability to design all aspects of benefits plans, to have full management over contracting with vendors to provide benefits, and to create the checks and balances employers deem necessary to protect staff and their financial contributions to the plan, this legislation increases the cost of co-pays and overall plans, infringing on an employer's ability to offer affordable benefits.

Our 157 towns and cities employ almost 25,000 Maryland residents across the State. Most municipalities cannot afford to pay the salaries offered in the private sector; providing comprehensive and affordable benefits is one of the few tools we have to attract and retain staff and thereby provide quality services to our residents. Increasing the cost of providing those benefits will be detrimental to our members and their employees.

For these reasons, the Maryland Municipal League respectfully requests an unfavorable report on Senate Bill 303. For more information, please contact Bill Jorch, Director, Public Policy and Research at billj@mdmunicipal.org. Thank you for your consideration.

The Maryland Municipal League uses its collective voice to advocate, empower and protect the interests of our 160 local governments members and elevates local leadership, delivers impactful solutions for our communities, and builds an inclusive culture for the 2 million Marylanders we serve.