



Healthcare Distribution Alliance

The Honorable Heather Bagnall
Chair, House Health Committee
Maryland House of Delegates
Annapolis, Maryland

March 11, 2026

RE: HB 1420 | Friendly Amendment Request

Dear Chair Bagnall and Members of the House Health Committee:

On behalf of the Healthcare Distribution Alliance (HDA), the national trade association representing pharmaceutical wholesale distributors, thank you for the opportunity to provide comments on House Bill 1420. HDA members operate the pharmaceutical distribution infrastructure that safely delivers medicines and healthcare products from manufacturers to pharmacies, hospitals, clinics, and other providers across Maryland and the United States. Healthcare distributors serve as logistics providers within the pharmaceutical supply chain and do not manufacture, prescribe, or dispense medications.

HDA appreciates the General Assembly's efforts to ensure consistent criminal history records check procedures across licensing programs. We understand HB 1420 reflects recommendations from a Department of Legislative Services audit regarding background check compliance across state boards. While we support the objective of strengthening licensing safeguards, we respectfully note a potential operational concern related to the bill's application to **out-of-state wholesale distributor permit holders** regulated by the Maryland Board of Pharmacy.

As drafted, **page 37, lines 9–12** provide that an out-of-state wholesale distributor may not renew its permit unless both the **designated representative and the designated representative's immediate supervisor** submit to a criminal history records check through the Criminal Justice Information System Central Repository. Wholesale distributors operate highly regulated national distribution facilities that serve multiple states and healthcare providers simultaneously. Within these operations, supervisory structures may vary across facilities and compliance functions. The requirement to identify and fingerprint an "immediate supervisor" may therefore create ambiguity regarding which individual must be identified for permit renewal and could introduce unnecessary administrative challenges for out-of-state facilities.

To address this concern while preserving the bill's intent, HDA respectfully requests consideration of the following **friendly clarifying amendment**:

On **page 37, lines 10–11**, strike "and the designated representative's immediate supervisor" and insert: "and any individual designated by the permit holder who has direct managerial responsibility for the wholesale distributor's regulatory compliance operations." This technical clarification would maintain the legislature's goal of ensuring appropriate background checks while providing necessary flexibility for distributors whose compliance leadership structures may differ across facilities.

Thank you so much for your consideration, and we are happy to connect further for discussion via kmemphis@hda.org or outreach to our local counsel Old Line Lobbying.

Sincerely,
Kelly Memphis