



Senate Fiscal Agency
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Senate Bill 630 (Substitute S-3 as reported)
Sponsor: Senator John Bizon, M.D.
Committee: Health Policy and Human Services

CONTENT

The bill would amend the Public Health Code to do the following:

- Require a wholesale distributor-broker doing business in the State to be licensed by the Department of Licensing and Regulatory Affairs but specify that licensure would not be required for a qualified pharmacy.
- Specify that a pharmacy that was using a wholesale distributor-broker could deliver or trade a drug or device salable on prescription only that it received from certain specified entities.
- Prohibit a drug salable on prescription only from being delivered or traded between pharmacies, or between a pharmacy and a qualified pharmacy, unless certain requirements were met.
- Require an applicant for licensure as a wholesale distributor-broker to demonstrate to the Board of Pharmacy's satisfaction that the applicant facilitated deliveries or trades for at least 50 qualified pharmacies that were each licensed and in good standing in the state of licensure.
- Require a wholesale distributor-broker to provide a transaction history, transaction statement, or transaction information to a pharmacy purchasing a drug or device through the wholesale distributor-broker under certain circumstances.
- Require a wholesale distributor-broker that received notice that a delivery of trade it facilitated involved a drug or device salable on prescription only that was a suspect or illegitimate product to notify the entities specified in the bill.
- Prescribe application and license fees for a wholesale distributor-broker.
- Require the Board to grant a license to a wholesale distributor-broker that met the requirements for licensure.
- Require a wholesale distributor-broker to designate a pharmacist in charge.
- Require an individual who submitted an application for a new wholesale distributor-broker license to provide fingerprints for a criminal history check.
- Allow the Department to prescribe grounds for disciplinary action against a licensed wholesale distributor-broker or an applicant for licensure.
- Require a pharmacy to obtain a license as a wholesale distributor or as a manufacturer under certain circumstances.
- Modify certain fees for practices regulated under Part 177 (Pharmacy Practice and Control).

MCL 333.16111 et al.

Legislative Analyst: Stephen Jackson

FISCAL IMPACT

The bill would not have a significant fiscal impact on the Department of Licensing and Regulatory Affairs and no fiscal impact on local units of government. The Department is unable

to estimate how many organizations likely would apply for a license. The fees set in the bill would be sufficient to cover the implementation and administration of the licensing program. Fines resulting from violations of the bill's provisions would be deposited into the Health Professions Regulatory Fund. The magnitude of these fines would depend upon the judgment of the disciplinary board.

Date Completed: 3-16-20

Fiscal Analyst: Elizabeth Raczkowski