

Department of Planning and Budget 2004 Fiscal Impact Statement

1. Bill Number: SB607

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Wampler

3. Committee: Education and Health

4. Title: Licensure conditions for certain methadone clinics; emergency.

5. Summary/Purpose: This bill prohibits the granting of an initial license to a facility for the provision of detoxification, treatment or rehabilitation of drug addicts through the use of the controlled substance, methadone, or other such controlled substances, if such facility is to be located within a one-half mile of a public or private day care center or K-12 school. In addition, the Commissioner is required to notify the local governing body of and the community services board serving the jurisdiction in which such facility is to be located within 15 days of receiving notice of a proposal or an application to obtain initial licensure for methadone clinics. The local governing body and the community services board may submit comments on the proposal or application. The local governing body must notify the Commissioner within 30 days of the date of the notice concerning the compliance of the applicant with the location condition and applicable local ordinances. The Commissioner is also required to hold a public hearing on any application for a new methadone clinic and to publish a summary of the application in a newspaper of general circulation in the locality for at least seven days prior to the date on which the public hearing is to be held. The Commissioner can issue no license until the conditions of this provision for notice, receipt of comments, public hearing, and compliance with the location restriction are satisfied. Existing clinics, i.e., licensed and operating in accordance with the law and regulations in effect on January 1, 2004, are grandfathered. Two enactment clauses provide that: (i) the Board of Mental Health, Mental Retardation and Substance Abuse Services must promulgate emergency regulations; and (ii) the Commissioner must not grant or issue any initial license for a methadone clinic after the date of the enactment of this provision, unless the facility is in compliance with the location restriction, notwithstanding any regulations to the contrary.

6. No fiscal impact.

7. Budget amendment necessary:

8. Fiscal implications: Current data indicates DMHMRSAS receives an average of two applications per year to license providers of these treatment services. This bill would require (1) promulgation of emergency and final regulations for enactment and (2) public hearings and newspaper notifications to announce proposed applicants to be licensed. It is anticipated that the additional workload requirements for these activities and licensing of these new providers would be absorbed within existing staff resources. Costs for hearings and

newspaper notifications, based on an average of two applications per year are projected at \$5,500 per year. If costs exceed this projection, additional funds may be needed.

9. Specific agency or political subdivisions affected: Department of Mental Health, Mental Retardation and Substance Abuse Services; local jurisdictions.

10. Technical amendment necessary: No.

11. Other comments: None.

Date: 2/2/04 / jlv

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cc: Secretary of Health and Human Resources