



**House  
Legislative  
Analysis  
Section**

Washington Square Building, Suite 1025  
Lansing, Michigan 48909  
Phone 517/373-6466

**PRESCRIPTION DRUG ABUSE**

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House Bill 4500 as enrolled  
Sponsor: Rep. David M. Gubow  
Third Analysis (2-12-88)

House Bill 4512 as enrolled  
Sponsor: Rep. William Browne

House Bill 4554 as enrolled  
Sponsor: Rep. Dennis M. Dutko  
Second Analysis (2-12-88)

House Committee: Public Health  
Senate Committees: Judiciary (House Bills 4500 and  
4512) and Health Policy (House Bill 4554)

PLB 4300 ET AL (4-1-1-00)

***THE APPARENT PROBLEM:***

The abuse of prescription drugs is a nationwide problem. According to a report by the U.S. Comptroller General, more Americans have abused or misused prescription drugs than they have illegal drugs such as cocaine, hallucinogens, or heroin.

A state Prescription Abuse Data Synthesis committee (known as "PADS") was formed by gubernatorial directive in 1983 to coordinate the efforts and resources of state and federal agencies, law enforcement officials, and state professional associations in order to analyze the problem of prescription drug abuse and to recommend solutions. The committee held a conference on prescription drug diversion and abuse in 1985 and published reports and recommendations in 1984 and 1985. With the cooperation of the Department of Licensing and Regulation, a number of the committee's recommendations have been developed into proposed legislation.

***THE CONTENT OF THE BILLS:***

House Bill 4500 would amend the Public Health Code to specify that people who had been convicted for a criminal offense relating to prescription drugs would be prohibited for three years from having a "direct financial interest" in the manufacture, distribution, prescription, or dispensation of prescription drugs or from working at a job that involved direct access to prescription drugs. Violators would be subject to a civil fine of up to \$25,000. The bill would not apply to people who had been convicted of misdemeanors that either (a) were not directly related to the manufacture, delivery, possession, use, or distribution of a controlled substance or (b) were the result of unintentional clerical or record-keeping errors.

MCL 333.7311

House Bill 4512 would require mandatory minimum 3-year revocation of the prescription drug license of any licensee convicted of a drug-related criminal offense. The bill also specifies conditions under which a license revoked under the bill could be reinstated.

MCL 333.7311 et al.

House Bill 4554 would require a quarterly written report of all schedule 2 controlled substances, and those schedule 3 to 5 substances designated by the administrator, sold to

licensed practitioners and retail pharmacies. The report could be transmitted electronically, if the transmission was ultimately reduced to writing.

MCL 333.7303

All three bills would take effect 6 months after they were enacted into law.

***FISCAL IMPLICATIONS:***

According to the Senate Fiscal Agency, House Bill 4500 would result in increased fine revenues to the state, in an undetermined amount. House Bill 4512 would have an undetermined impact on state revenues. (1-13-88) House Bill 4554 would result in an increase in administrative costs associated with processing quarterly reports. (1-22-88)

***ARGUMENTS:***

***For:***

According to U.S. Drug Enforcement Administration (DEA) data, in 1983 Michigan ranked number one among the states in per-capita consumption of commonly abused prescription drugs. By the second quarter of 1986 (the most recent date for which DEA information is available), and after amphetamine rule amendments were adopted by the state Boards of Medicine and of Osteopathic Medicine and Surgery, Michigan's ranking of per-capita prescription drug consumption dropped dramatically in several categories.

Illegal drug diversion by licensed practitioners is one major way in which prescription drug abuse is abetted. Adding civil fines, mandating license revocations, and tightening prescription drug reporting requirements will make illegal diversion more difficult and costly for the one to two percent of the licensed practitioners engaged in illegal drug diversion, and reduce this problem even further.