



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2021 Biennium

Bill #	HB0710	Title:	Require reporting of prescription drug cost information
Primary Sponsor:	Sullivan, Katie	Status:	As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2020</u> <u>Difference</u>	<u>FY 2021</u> <u>Difference</u>	<u>FY 2022</u> <u>Difference</u>	<u>FY 2023</u> <u>Difference</u>
Expenditures:				
General Fund	\$145,520	\$136,720	\$138,769	\$140,851
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>(\$145,520)</u>	<u>(\$136,720)</u>	<u>(\$138,769)</u>	<u>(\$140,851)</u>

Description of fiscal impact: HB 710 will require drug manufacturers to report to the Department of Justice (DOJ) price factors for prescription drugs. The increased workload to administer the program and the development of a reporting procedure will require 1.25 FTE in DOJ.

FISCAL ANALYSIS

Assumptions:

1. This bill will require 1.25 FTE to manage technical work including data collection, reporting, compliance, and enforcement.
2. A 1.0 FTE Compliance Manager will cost \$94,228 in salary and benefits and \$10,892 in operating costs in FY 2020. Included in the operating costs are one-time only expenses of \$4,400 for new employee set-up.
3. A .25 FTE Attorney will cost \$29,508 in salary and benefits and \$10,892 in operating costs in FY 2020. Included in the operating costs are one-time only expenses of \$4,400 for new employee set-up.

FTE	1.25	1.25	1.25	1.25
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Expenditures:

Personal Services	\$123,736	\$123,736	\$125,591	\$127,475
Operating Expenses	\$21,784	\$12,984	\$13,178	\$13,376
TOTAL Expenditures	\$145,520	\$136,720	\$138,769	\$140,851

Funding of Expenditures:

General Fund (01)	\$145,520	\$136,720	\$138,769	\$140,851
TOTAL Funding of Exp.	\$145,520	\$136,720	\$138,769	\$140,851

Revenues:

General Fund (01)	\$0	\$0	\$0	\$0
TOTAL Revenues	\$0	\$0	\$0	\$0

Net Impact to Fund Balance (Revenue minus Funding of Expenditures):

General Fund (01)	(\$145,520)	(\$136,720)	(\$138,769)	(\$140,851)
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Sponsor's Initials

Date

Budget Director's Initials

Date