

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2122-01
Bill No.: HB 847
Subject: Economic Development Dept.; Licenses - Professional; Pharmacy
Type: Original
Date: April 12, 2005

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Pharmacy	\$0	(\$123,600)	(\$127,308)
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	(\$123,600)	(\$127,308)

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Economic Development - Division of Professional Registration (DED-PR)** state based on a similar program with the Missouri Dental Board, it has estimated that the costs of this program will be \$120,000 annually to cover the operational expenses to enter into a contractual agreement creating, supporting and maintaining a “well-being committee.” It may be necessary to promulgate a fee increase to cover the costs associated with this program. The DED-PR assumes contract costs will not begin until FY 2007.

Officials from the **Office of Secretary of State (SOS)** state the proposal provides for the creation of a committee to help pharmacists who have health or drug problems. Based on experience with other divisions, the rules, regulations and forms issued by the Department of Economic Development could require as many as 4 pages in the Code of State Regulations. For any given rule, roughly one-half again as many pages are published in the Missouri Register as are published in the Code because of cost statements, fiscal notes and notices that are not published in the Code. The estimated cost of a page in the Missouri Register is \$23. The estimated cost of a page in the Code of State Regulations is \$27. The actual cost could be more or less than the numbers given. The impact of this legislation in future years is unknown and depends upon the frequency and length of rules, filed, amended, rescinded, and withdrawn. The SOS estimates the cost of the proposal to be \$246 [(4 pgs. X \$27) + (6 pgs. X \$23)] for FY 06.

ASSUMPTION (continued)

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

<u>FISCAL IMPACT - State Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
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PHARMACY FUND

Costs - Department of Economic
 Development

Well-being committee contract costs	<u>\$0</u>	<u>(\$123,600)</u>	<u>(\$127,308)</u>
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ESTIMATED NET EFFECT ON PHARMACY FUND	<u>\$0</u>	<u>(\$123,600)</u>	<u>(\$127,308)</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

Small business pharmacies could be impacted by this proposal if license fees are increased.

DESCRIPTION

This proposal allows the Missouri State Board for Pharmacy to establish the Well-being Committee to aid pharmacists who suffer from illness, substance abuse, mental illness, or physical impairments. The board will enter into contractual agreements with nonprofit corporations for the purpose of creating, supporting, and maintaining the committee. All communications involving the licensee and the committee are confidential and not considered public records.

The committee may disclose information about an impaired licensee when it is necessary to further the intervention, treatment, or rehabilitation of the licensee; the release is authorized by

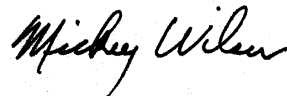
DESCRIPTION (continued)

the licensee; the committee must make a report to the board; or the information is subject to a court order.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Economic Development -
Division of Professional Registration
Office of Secretary of State

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
April 12, 2005