

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2313H.01I
Bill No.: HB 1036
Subject: Drugs and Controlled Substances; Crimes and Punishment; Business and
Commerce
Type: Original
Date: March 18, 2025

Bill Summary: This proposal modifies provisions relating to limits on selling or purchasing certain drugs.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on FTE	0	0	0

- ☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- ☐ Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§§195.417 and 579.060 – Limits on selling or purchasing specific drugs

Officials from the **Department of Health and Senior Services (DHSS)** state §195.417.4(3) of the proposed legislation increases the amount of meth-precursor or pseudoephedrine products that can be sold to a citizen in a one-year period from 43 grams to up to 61.2 grams.

Section 195.417.7 requires “any manufacturer of any compound, mixture, or preparation specified in this section that is sold in or into the state shall, on a monthly basis, pay fees to the administrator of the real-time electronic pseudoephedrine tracking system.” The Department of Health and Senior Services (DHSS), Division of Regulation and Licensure’s (DRL) Bureau of Narcotics and Dangerous Drugs (BNDD) administers the pseudoephedrine tracking system. The proposed legislation would require BNDD to set the fee amount and use said fees to pay for the pseudoephedrine tracking database.

Currently, manufacturers in Missouri pay a fee to the BNDD for the privilege of manufacturing, distributing, and selling controlled substances such as pseudoephedrine. The fee is set at \$66 per year. The bill does not specify who the fee applies to, Missouri manufacturers only or all manufactures nation-wide, nor does it state whether the fee established in §195.417.7 is in addition to the fee currently paid to BNDD by Missouri manufacturers. Upon a search of nationwide manufacturers, there are 25 manufacturers who make pseudoephedrine products and 13 manufacturers that make ephedrine products. It is estimated that up to \$2,508 (38 manufacturers times \$66 annual fee) could be collected by BNDD in new registrations.

In addition, the current real-time pseudoephedrine tracking database is paid for by a federal association of drug manufacturers and distributors. BNDD has a contract with Appriss Insights, LLC for the database, which is provided free to all 50 states.

It is assumed that the DHSS can absorb the costs of this bill with current resources. However, if the workload significantly increased or other legislation was enacted, additional resources would be requested through the appropriation process.

Oversight has no information to the contrary. Oversight assumes the DHSS has sufficient staff and resources to absorb the minimal fiscal impact of this proposal and, therefore, will assume no fiscal impact relating to the provisions of this proposal.

Officials from the **Department of Commerce and Insurance**, the **Department of Elementary and Secondary Education**, the **Department of Public Safety - Missouri Highway Patrol**, the

Office of the State Public Defender, the Phelps County Sheriff's Department, the Branson Police Department, the Kansas City Police Department, the St. Louis County Police Department, the Missouri Office of Prosecution Services and the Office of the State Courts Administrator each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Oversight only reflects the responses received from state agencies and political subdivisions; however, other sheriffs and police departments were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

Oversight notes, per information from the Office of the State Courts Administrator, there were no guilty dispositions (class A misdemeanor) for Section 579.060 for the FY 2023 – FY 2020.

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

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 Commerce and Insurance
Department of Elementary and Secondary Education
Department of Health and Senior Services
Department of Public Safety - Missouri Highway Patrol
Office of the State Public Defender
Phelps County Sheriff's Department
Branson Police Department
Kansas City Police Department
St. Louis County Police Department
Missouri Office of Prosecution Services
Office of the State Courts Administrator



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March 18, 2025



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