

## Department of Planning and Budget 2010 Fiscal Impact Statement

**1. Bill Number:** HB 1343

House of Origin      X      Introduced                  Substitute                  Engrossed  
Second House                 In Committee              Substitute                  Enrolled

**2. Patron:**        Gilbert

**3. Committee:** Courts of Justice

**4. Title:**        Ephedrine and pseudoephedrine; Board of Pharmacy to establish program to implement tracking sales

**5. Summary:** This bill requires the Board of Pharmacy, in conjunction with local law-enforcement officials, to establish a mandatory pilot program in the Counties of Page, Clarke, Frederick, Rockingham, Shenandoah, and Warren to implement an electronic recordkeeping system of the transactions involving the distribution of ephedrine and pseudoephedrine as required by state law. This bill is contingent upon funds being provided by a third party or agency, such that there will be no cost to participating pharmacies.

**6. Minimal Fiscal impact**

**7. Budget Amendment Necessary:** No. The bill contains an enactment clause stipulating that costs associated with this bill cannot be borne by the participating pharmacies and must be provided by a third-party or state agency. It is assumed that the bill only requires the Board of Pharmacy to establish the pilot and does not require any state agency or board cover the potential participation costs associated with purchasing equipment or monthly internet costs.

**8. Fiscal Implications:** The Department of Health Professions estimates that the cost of establishing the mandated pilot will not be significant; however there may be costs associated with pharmacies being able to participate.

In order to establish the pilot, the department assumes that it would use the National Precursor Log Exchange (NPLEx) program. NPLEx is a free service currently available for the tracking methamphetamine precursors. It is assumed that this service would be available for the pilot project and there would be no cost associated with the necessary software and software support. In addition, the roll-out of NPLEx, the Board of Pharmacy estimates that it would, at a minimum, need a part-time position to support the impacted localities and answer questions related to the program.

Participation in the pilot however might have a cost for impacted pharmacies. Since the bill requires electronic record keeping any participating pharmacy must have an adequate computer with internet connectivity. This would allow access to NPLEx and the exchange of real-time information. The department estimates that most pharmacies in the impacted areas do not have full internet connectivity; with many pharmacies not having internet services at all. The cost of providing this service would likely be significant; however since

the number of type of service providers in the areas is unknown, no specific costs can be estimated. It is assumed that these potential costs are not related to establishing the pilot and will not be borne by the Board of Pharmacy or any other state agency. Moreover, based on the bill's enactment clause, its provisions will not go into effect unless a source of agency or third-party funding can be identified.

**9. Specific Agency or Political Subdivisions Affected:**

Department of Health Professions

**10. Technical Amendment Necessary:** No

**11. Other Comments:** None

**Date:** 1/29/2010

**Document:** G:\2010 Fiscal Year\10 General Assembly\2010 EFIS\HB1343.Doc