

FISCAL NOTE
Requested by Legislative Council
02/10/2021

Amendment to: SB 2209

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2019-2021 Biennium		2021-2023 Biennium		2023-2025 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$486,000		\$972,000
Expenditures				\$169,341		\$165,216
Appropriations				\$0		\$0

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2019-2021 Biennium	2021-2023 Biennium	2023-2025 Biennium
Counties			
Cities			
School Districts			
Townships			

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

The amendments to the bill allows the state department of health to contract with another state for the importation of prescription drugs from Canada.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 2 outlines the responsibilities of the Department of Health to implement a program through a contract with another state and to oversee its operation.

Section 3 outlines the license fee increases for the Board of Pharmacy to offset the expenditures of which can be determined by the Board up to \$1000 per year.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

Relating to the Board of Pharmacy the legislation provides the ability to raise license fees on certain business types licensed under the state's wholesaler statutes to offset costs. It is important to note that there is variability given to raise the fees "up to" \$1000 per year from the existing \$400 yearly fee. The Board would exercise discretion in the raising of fees to only cover the cost of implementing and operating a drug importation program. The fiscal note represents an increase of each category to the maximum of \$1000 (\$600 increase) which affects 810 currently licensed facilities (810 x \$600 = \$486000/year)

- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

Costs for the Department of Health to implement the program would include the following:

2021-2023 biennium expenditures - \$169,341

- Salary/Fringe - \$160,968 for Program Manager
- IT connectivity and telephone costs - \$4,248

One-time Operating Expenses:

- Equipment and office - \$4,125

2023-2025 biennium expenditures - \$165,216

- Salary/Fringe - \$160,968 for Program Manager
- IT connectivity and telephone costs - \$4,248

The cost to contract with another state is not determinable at this time.

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

No appropriation is necessary as the program operates under a continuing appropriation from the drug importation fund.

Name: Brenda M Weisz

Agency: ND Department of Health

Telephone: 701-328-4542

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