

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 2379 - SB 2374

February 18, 2020

SUMMARY OF BILL: Urges the Board of Pharmacy (BOP) to conduct a study of the effects of prescription drug advertising in pharmacies in this state. Requires the study to address advertising targeted at the consumer and to be submitted to the General Assembly on or before January 15, 2021.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$25,000/FY20-21/Board of Pharmacy

Other Fiscal Impact - Pursuant to Tenn. Code Ann. § 4-29-121, all health related boards are required to be self-supporting over a two-year period. The BOP had an annual surplus of \$811,793 in FY17-18, an annual surplus of \$484,999 in FY18-19, and a cumulative reserve balance of \$3,539,045 on June 30, 2019.

Assumptions:

- The BOP is unable to accommodate the proposed legislation utilizing existing resources. The BOP will contract with a research company to complete the study.
- The one-time increase in state expenditures is estimated to be \$25,000 in FY20-21.
- Pursuant to Tenn. Code Ann. § 4-29-121, all health related boards are required to be self-supporting over a two-year period. The BOP had an annual surplus of \$811,793 in FY17-18, an annual surplus of \$484,999 in FY18-19, and a cumulative reserve balance of \$3,539,045 on June 30, 2019.

IMPACT TO COMMERCE:

Increase Business Revenue - \$25,000/FY20-21

Increase Business Expenditures – Less than \$25,000/FY20-21

Assumptions:

- The research company the BOP contracts with will experience an increase in business revenue for providing services.

- The one-time increase in business revenue is estimated to be \$25,000 in FY20-21.
- For companies to retain solvency, any increased expenditures will be less than the amount of increased revenues collected. Therefore, the increase in business expenditures is estimated to be less than \$25,000 in FY20-21.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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