

# FISCAL NOTE

**STATE OF ALASKA**  
**2023 LEGISLATIVE SESSION**

Bill Version HB112  
 Fiscal Note Number \_\_\_\_\_  
 () Publish Date \_\_\_\_\_

Identifier (file name) HB112-DCCED-CBPL-04-05-23 Dept. Affected Commerce, Community, & Economic Dev.  
 Title PROFESSION OF PHARMACY Appropriation CBPL  
 Allocation Corporations, Business, and Professional Licensing  
 Sponsor REPRESENTATIVE RUFFRIDGE  
 Requester (H) HEALTH & SOCIAL SERVICES OMB Component Number 2360

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	FY2024 Appropriation Requested	Included in Governor's FY2024 Request	Out-Year Cost Estimates					
			FY2024	FY2025	FY2026	FY2027	FY2028	FY2029
<b>OPERATING EXPENDITURES</b>								
Personal Services	496.2		496.2	496.2	496.2	496.2	496.2	496.2
Travel	30.0		30.0	30.0	30.0	30.0	30.0	30.0
Services	129.4		225.0	225.0	225.0	225.0	225.0	225.0
Commodities	50.0							
Capital Outlay								
Grants, Benefits								
Miscellaneous								
<b>TOTAL OPERATING</b>	<b>705.6</b>	<b>0.0</b>	<b>751.2</b>	<b>751.2</b>	<b>751.2</b>	<b>751.2</b>	<b>751.2</b>	<b>751.2</b>

<b>FUND SOURCE</b>		(Thousands of Dollars)					
		FY2024	FY2025	FY2026	FY2027	FY2028	FY2029
1156	Rcpt Svcs (DGF)	526.2	481.8	481.8	481.8	481.8	481.8
1003	GF/Match (UGF)						
1004	Gen Fund (UGF)	179.4	269.4	269.4	269.4	269.4	269.4
1005	GF/Prgm (DGF)						
1007	I/A Rcpts (Other)						
1037	GF/MH (UGF)						
	<b>TOTAL</b>	<b>705.6</b>	<b>0.0</b>	<b>751.2</b>	<b>751.2</b>	<b>751.2</b>	<b>751.2</b>

<b>POSITIONS</b>							
	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	
Full-time	5	5	5	5	5	5	
Part-time							
Temporary							

<b>CHANGE IN REVENUES</b>		FY2024	FY2025	FY2026	FY2027	FY2028	FY2029
1156	Rcpt Svcs (DGF)	526.2	481.8	481.8	481.8	481.8	481.8
1002	Fed Rcpts (Fed)						
	<b>TOTAL CHANGE IN REVENUES</b>	<b>526.2</b>	<b>0.0</b>	<b>481.8</b>	<b>481.8</b>	<b>481.8</b>	<b>481.8</b>

Estimated SUPPLEMENTAL (FY2023) operating costs 0.0 (separate supplemental appropriation required)

Estimated CAPITAL (FY2024) costs 0.0 (separate capital appropriation required)

Does the bill create or modify a fund or account? No  
 (Supplemental/Capital/New Fund- discuss reasons and fund source(s) in analysis section)

**ASSOCIATED REGULATIONS**  
 Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Yes  
 If yes, by what date are the regulations to be adopted, amended, or repealed? 6/30/2024 Discuss details in analysis section.

**Why this fiscal note differs from previous version/comments (if initial version, please note as such)**

Updated personal services expenditures.

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 Division Division of Corporations, Business and Professional Licensing  
 Approved by Hannah Lager, Administrative Services Director  
 Agency Commerce, Community, and Economic Development

Phone 465-2524  
 Date/Time 4/5/23 10:30 AM  
 Date 4/5/2023

FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2023 LEGISLATIVE SESSION

BILL NO. HB112

Analysis

HB 112 changes the membership of the Board of Pharmacy to include a pharmacy technician; creates license types for manufacturers and internet-based pharmacies and gives the board the authority to regulate and inspect those facilities; allows for fingerprint-based criminal background checks for pharmacists and pharmacy technicians; allows pharmacists to administer epinephrine; allows the board to create the standards for an epinephrine auto-injector training program and removes such authority from the Department of Health; creates a “retired” status for pharmacist licenses; provides for the salary of board’s executive administrator to be different if the incumbent is a licensed pharmacist; and updates other sections of Alaska’s pharmacy laws (AS 08.80) to better align with national standards.

If this bill passes, one administrative assistant 1 (AA1) would be required to process fingerprint cards for pharmacists and pharmacy technicians and to assist with the increase in documentation received by the pharmacy licensing team. One records and licensing supervisor (RLS) would be required to assist in the coordination of the program with the added licensure requirements for manufacturers, internet-based pharmacies, and the retired status for pharmacists. Additionally, the division would require two occupational licensing examiners (OLE) to review and process applications. One investigator 3 would be required to inspect out-of-state pharmacies and manufacturers, review background checks received from fingerprint cards as needed, and investigate these additional licensees as needed. The FDA estimated there are 35,000 internet-based pharmacies in operation.

If the bill passes the following expenses will be incurred and paid from either Receipt Supported Services, fund code 1156 (RSS 1156) or general funds, fund code 1004 (GF 1004), as noted below:

Personal Services:

- FY24 and beyond: \$83.9 for one full-time Administrative Assistant 1 (R12) (RSS 1156)
- FY24 and beyond: \$111.6 for one full-time Records and Licensing Supervisor (R16) (RSS 1156)
- FY24 and beyond: \$186.3 for two full-time Occupational Licensing Examiner (R14) (RSS 1156)
- FY24 and beyond: \$114.4 for one full-time Investigator 3 (R18) (GF 1004)

Travel:

- FY24 and beyond: \$30.0 for training and investigations (GF 1004)

Services:

- FY24 only: \$4.4 for legal costs to amend regulations, printing, and postage (RSS 1156)
- FY24 and beyond: \$100.0 in each year for core services charges for AA1, RLS, and OLE (RSS 1156)
- \$25.0 in each year for core services charges for Investigator 3 (GF 1004)
- FY25 and beyond: \$100.0 Legal cost related to investigations (GF 1004)

Commodities:

- FY24 only: \$40.0 for one-time set up costs for AA1, RLS, and OLE (RSS 1156)
- FY24 only: \$10.0 for one-time set up costs for Investigator 3 (GF 1004)

*Professional licensing programs within the Division of Corporations, Business and Professional Licensing are funded by Receipt Supported Services (fund source 1156 Rcpt Svcs (DGF)). Licensing fees for each occupation are set per AS 08.01.065. The total amount of revenue collected approximately equals each occupation’s actual regulatory costs.*

*Investigative costs are funded by General Fund (fund source 1004 Gen Fund (UGF)).*