

Fiscal Note

State of Alaska
2023 Legislative Session

Bill Version: SB 94
Fiscal Note Number: _____
() Publish Date: _____

Identifier: SB094CS(L&C)-DCCED-CBPL-04-28-23
Title: PROFESSION OF PHARMACY
Sponsor: GIESSEL BY REQUEST
Requester: (S) Finance

Department: Department of Commerce, Community and
Economic Development
Appropriation: Corporations, Business and Professional
Licensing
Allocation: Corporations, Business and Professional
Licensing
OMB Component Number: 2360

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2024 Appropriation Requested	Included in Governor's FY2024 Request	Out-Year Cost Estimates					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
OPERATING EXPENDITURES								
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								
Total Operating	705.6	0.0	751.2	751.2	751.2	751.2	751.2	751.2

Fund Source (Operating Only)

1004 Gen Fund (UGF)	179.4		269.4	269.4	269.4	269.4	269.4	269.4
1156 Rcpt Svcs (DGF)	526.2		481.8	481.8	481.8	481.8	481.8	481.8
Total	705.6	0.0	751.2	751.2	751.2	751.2	751.2	751.2

Positions

Full-time	5.0		5.0	5.0	5.0	5.0	5.0
Part-time							
Temporary							

Change in Revenues

1156 Rcpt Svcs (DGF)	526.2		481.8	481.8	481.1	481.8	481.8
Total	526.2	0.0	481.8	481.8	481.1	481.8	481.8

Estimated SUPPLEMENTAL (FY2023) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2024) cost: 0.0 *(separate capital appropriation required)*

Does the bill create or modify a new 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If yes, by what date are the regulations to be adopted, amended or repealed? 06/30/24

Why this fiscal note differs from previous version/comments:

Updated to reflect new committee substitute.

Prepared By: <u>Sylvan Robb, Division Director</u>	Phone: <u>(907)465-2524</u>
Division: <u>Division of Corporations, Business and Professional Licensing</u>	Date: <u>04/28/2023</u>
Approved By: <u>Hannah Lager, Administrative Services Director</u>	Date: <u>04/28/23</u>
Agency: <u>Commerce, Community, and Economic Development</u>	

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2023 LEGISLATIVE SESSION

BILL NO. CSSB 94

Analysis

SB 94 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 the 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 legislation 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 Food and Drug Administration estimated there are 35,000 internet-based pharmacies in operation.

If the Legislation 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:

FY2024 and beyond: \$83.9 for one full-time Administrative Assistant 1 (R12) (RSS 1156),
\$111.6 for one full-time Records and Licensing Supervisor (R16) (RSS 1156)
\$186.3 for two full-time Occupational Licensing Examiners (R14) (RSS 1156)
\$114.4 for one full-time Investigator 3 (R18) (GF 1004)

Travel: FY2024 and beyond: \$30.0 for training and investigations (GF 1004)

Services: FY2024 only: \$4.4 for legal costs to amend regulations, printing, and postage (RSS 1156)
FY2024 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)
FY2025 and beyond: \$100.0 Legal cost related to investigations (GF 1004)

Commodities: FY2024 only: \$40.0 for one-time set up costs for AA1, RLS, and 2 OLE positions (RSS 1156)
FY2024 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 primarily 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)).