HB 20-1050

FISCAL NOTE

Drafting Number: LLS 20-0474
Prime Sponsors: Rep. Hooton; Larson
                Sen. Ginal; Tate
Date: January 21, 2020
Bill Status: House Public Health
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Bill Topic: OTHER OUTLET PHARMACIES DRUG DISTRIBUTION

Summary of Fiscal Impact:
- State Revenue
- State Expenditure
- State Transfer
- TABOR Refund
- Local Government
- Statutory Public Entity

The bill permits ambulatory surgical center other outlets, hospice other outlets, and convalescent center other outlets to distribute drugs to registered outlets, wholesalers, or practitioners, and to supply an emergency kit or starter dose to certain facilities. It will increase workload for the State Board of Pharmacy in FY 2020-21 only.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The fiscal note reflects the introduced bill.

Summary of Legislation

Current law permits a registered prescription drug outlet or licensed hospital other outlet to make a casual sale or loan of a drug to another registered outlet or wholesaler, to sell or give a drug to a practitioner, and to supply an emergency kit or starter dose to certain facilities. The bill extends this authority to ambulatory surgical center other outlets, hospice other outlets, and convalescent center other outlets.

Background

The drug outlets affected by this bill are classified as "other outlets." Current law requires prescription drug outlets, wholesale drug outlets, manufacturing drug outlets, and other outlets to register with the State Board of Pharmacy. "Other outlets" are defined in statute as any of the following:
- hospital that does not operate a registered pharmacy;
- rural health clinic;
- federally-qualified health center, as defined in federal law;
- family planning clinic;
- acute treatment unit licensed by the Department of Public Health and Environment;
- school;
- jail;
• county or district public health agency;
• community health clinic;
• university;
• college;
• ambulatory surgical center;
• hospice;
• convalescent care center; or
• telepharmacy outlet.

An ambulatory surgical center is a facility outside a hospital where a patient receives outpatient surgical services.

A casual sale by a drug outlet is defined in statute as not exceeding ten percent of the total number of dosage units dispensed and distributed annually by that outlet.

**State Expenditures**

In FY 2020-21, the bill will increase workload for the State Board of Pharmacy in the Department of Regulatory Agencies to conduct rulemaking, outreach, and education. Any workload increase will be minimal and can be accomplished within existing appropriations.

**Effective Date**

The bill takes effect August 5, 2020, if the General Assembly adjourns on May 6, 2020, as scheduled, and no referendum petition is filed.

**State and Local Government Contacts**

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The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit: [leg.colorado.gov/fiscalnotes](http://leg.colorado.gov/fiscalnotes).