

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

March 12, 2007

TO: Honorable Jane Nelson, Chair, Senate Committee on Health & Human Services

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: SB414 by Lucio (Relating to the disclosure of certain economic benefits provided by manufacturers or repackagers of prescription drugs; providing penalties.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill requires pharmaceutical manufacturers and repackagers that sell or repackage prescription drugs in this state to submit to the Department of State Health Services (DSHS) annual reports disclosing any economic benefits provided to physicians or their offices, hospitals, nursing homes, pharmacists, health benefit plan administrators, or other persons authorized to dispense or prescribe prescription drugs; exemptions to the economic benefits required to be reported are provided. The reports are to be made available to the public and on the DSHS website. The bill authorizes DSHS to establish administrative penalties for failure to file required reports and allows the Attorney General to bring action for failure to file reports. The Health and Human Services Commission is required to adopt necessary rules and procedures. Any increased costs to develop reporting forms, publish the report, and adopt rules can reasonably be absorbed within existing resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 302 Office of the Attorney General, 529 Health and Human Services Commission, 537 State Health Services, Department of

LBB Staff: JOB, CL, PP, LR