

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 11, 2011

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

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

IN RE: SB1081 by Van de Putte (Relating to the dispensing of pharmaceuticals with an aesthetic purpose by physicians and therapeutic optometrists.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1081, Committee Report 1st House, Substituted: an impact of \$0 through the biennium ending August 31, 2013.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2012	\$0
2013	\$0
2014	\$0
2015	\$0
2016	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	Probable Revenue Gain/ (Loss) from <i>General Revenue Fund</i> 1	Change in Number of State Employees from FY 2011
2012	(\$28,622)	\$28,622	0.5
2013	(\$17,622)	\$17,622	0.5
2014	(\$17,622)	\$17,622	0.5
2015	(\$17,622)	\$17,622	0.5
2016	(\$17,622)	\$17,622	0.5

Fiscal Analysis

The bill would amend the Occupations Code relating to the dispensing of pharmaceuticals with an aesthetic purpose by physicians and therapeutic optometrists. The bill provides an exception to the prohibition in the Texas Pharmacy Act that prohibits the dispensing of prescription medications and charging a fee by persons or entities that are not licensed by the Texas State Board of Pharmacy. The exemption only applies to physicians and therapeutic optometrists dispensing an identified pharmaceutical with an aesthetic purpose. The bill allows the Texas Medical Board and Optometry Board to adopt fees necessary to implement the provisions of the bill.

The Texas Medical Board and Texas Optometry Board shall adopt rules for the implementation of this

bill no later than March 1, 2012. The bill would take effect immediately upon receiving a two-thirds majority vote in each house. If the bill does not receive a two-thirds vote in each house, the bill would take effect September 1, 2011.

Methodology

For the purpose of this analysis, the Texas Optometry Board assumes additional costs associated with implementing the provisions of the bill. The agency anticipates additional workload due to the inspection of the premises of locations dispensing the medications, issuing and renewing licenses, investigating complaints, and imposing disciplinary actions. The agency estimates a one-time programming cost of \$12,000 in fiscal year 2012 to make changes to the agency's database system. In addition, the agency estimates it will need a part-time Administrative Assistant I (Salary of \$13,000 each year) to assist with developing registration and renewal documents and procedures, and to prepare recording requirements and inspection procedures. The agency also estimates travel costs of \$1,000 starting in fiscal year 2013.

Based on the analysis of the agency, it is assumed that the Optometry Board would adjust license fees to cover any additional costs associated with the implementation of the bill.

Based on the analysis of the Texas Medical Board and the Board of Pharmacy, it is assumed that duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

Technology

The Texas Optometry Board estimates a one-time programming cost of \$12,000 in fiscal year 2012 to make changes to the agency's database.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 503 Texas Medical Board, 514 Optometry Board, 515 Board of Pharmacy

LBB Staff: JOB, CL, MW, NV, EH