

Specialist 1) for \$207,092 and pay for their associated services and supplies of \$48,908. These would be one-time expenditures for the 2007-09 biennium and will be phased-out of the Board's budget during the 2009-11 biennium. The revenue source for the on going funding of the database or the Commission expenditures past the 2007-09 biennium has not been identified.

The Legislative Fiscal Office (LFO) has four concerns with this measure:

- 1) The Board's fiscal impact is premised on the \$300,000 of federal grants funding it has received rather than a clearly articulated plan (and associated budget) detailing how the data will be acquired, validated, managed, stored, secured, and analyzed. Thus, the actual cost of this measure, both for the 2007-09 biennium as well as beyond, is uncertain;
- 2) A similar concern applies to revenue. There is no identified source of revenue beyond the existing federal grant to cover potential expenditures in excess of \$300,000 or for the funding in future biennia; Without such detail, there is a presumption that the Board may be required to use existing Other Funds revenue sources or its ending Other Funds balance to fund this measure in the future or if a deficit arises in the 2007-09 biennium. Of note is that the Board does not have any Other Funds expenditure limitation associated with this measure;
- 3) There is also a question as to whether Commission member travel and other expenses are an appropriate federal grant expense or if such costs must be reimbursed with the Other Funds revenue of the Board (e.g., licensee fees); and
- 4) Lastly, the Board's fiscal impact made no provision for civil penalty revenue, which is to be deposited into the Pharmacy Account.

For these aforementioned reasons, LFO believes this measure warrants a subsequent referral to the Joint Committee on Ways and Means Committee.