

Joint Committee on Ways and Means

Carrier – House: Reps. Greelick and Tomei
Carrier – Senate: Sen. Bates

Revenue: No Revenue Impact

Fiscal: Fiscal Impact Statement Issued

Action: Do Pass as Amended and Be Printed Engrossed

Vote: 14 – 7 – 2

House

Yeas: Buckley, Edwards, C., Edwards, D., Galizio, Jenson, Kotek, Nathanson, Shields

Nays: Garrard, Gilman, Richardson, Smith, G

Exc:

Senate

Yeas: Bates, Verger, Monroe, Carter, Girod, Courtney

Nays: Nelson, Whitsett, Johnson

Exc: Walker, Winters

Prepared By: Kim To, Legislative Fiscal Office

Meeting Date: June 19, 2009

WHAT THE MEASURE DOES: House Bill 2376 requires manufacturers of pharmaceuticals and other medical products to report to the Department of Justice gifts, fees, payments subsidies or other economic benefits the manufacturer provides to purchasers, providers or dispensers of the manufacturer's drugs in the state. The bill also requires the Department of Justice to establish a readily searchable database and website for the public to search the database. The Department is also required to report to the Legislative Assembly and the Governor on the information received and the enforcement actions taken.

ISSUES DISCUSSED:

- Impact of bill on clinical trials and research

EFFECT OF COMMITTEE AMENDMENT: The A-Engrossed specifies that gifts that do not exceed \$100 during the calendar year do not need to be reported. The amendment changes this amount from \$100 to \$500.

BACKGROUND: According to the National Conference of State Legislatures, five states (California, Maine, Minnesota, Vermont, and West Virginia) and the District of Columbia have enacted legislation regulating pharmaceutical marketing and advertising practices, including the banning of industry gifts to prescribers, and requiring drug and device manufacturers to publicly disclose any permitted financial relationships with physicians and other health care providers.

Industry representatives have indicated that state legislation is unnecessary in light of the efforts made by individual companies, trade groups and medical institutions.

Key stakeholders agree in principle on the goal of greater transparency of the relationships between physicians and drug and device manufacturers, but discussions focus on the methods chosen to achieve this goal.