

2009 Regular Legislative Session
FISCAL ANALYSIS OF PROPOSED LEGISLATION
Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: HB 2376

STATUS: A Engrossed

SUBJECT: Requires pharmaceutical manufacturer to annually report to the Department of Justice (DOJ), imposes civil penalties, requires DOJ provide certain reports, establishes a fund and appropriates money.

GOVERNMENT UNIT AFFECTED: Department of Justice

PREPARED BY: Tim Walker

REVIEWED BY: Doug Wilson

DATE: April 6, 2009

	<u>2009-2011</u>	<u>2011-2013</u>
EXPENDITURES:		
Department of Justice		
Personal Services – Other Funds	\$ 41,813	\$ 41,813
Services and Supplies – Other Funds	\$ 16,411	\$ 16,411
Total	\$ 58,224	\$ 58,244
 POSITIONS / FTE:		
Information Systems Spec. 6	1/0.28	1/0.28

EFFECTIVE DATE: On Passage.

GOVERNOR’S BUDGET: This bill is not anticipated by the Governor’s recommended budget.

LOCAL GOVERNMENT MANDATE: This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

ANALYSIS: This bill would require pharmaceutical manufacturers to report gifts, fees, payments, subsidies or other economic benefits the manufacturer provides to purchasers, providers or dispensers of manufacturer’s drugs in the state to the Department of Justice (DOJ). In addition, the bill requires DOJ to establish a readily searchable database and a website for the public to search the database and to provide reports to the Legislative Assembly and the Governor on the information received and enforcement actions taken.

The costs of this program would be paid out of the Consumer Protection and Education Fund (CPE) that is supported by fines generated by enforcement actions related to Consumer Protection. DOJ will prioritize all enforcement actions and, depending upon the severity of the infraction, DOJ may or may not pursue enforcement. The costs outlined above only are to build and maintain the database and the web interface so that the public can readily access the information contained in the database. It is assumed that rulemaking will be absorbed by the CPE as part of their normal rulemaking activity. DOJ would need to prioritize any enforcement activities associated with this bill with all other on-going activities funded by the CPE.