

## FISCAL IMPACT OF PROPOSED LEGISLATION

79th Oregon Legislative Assembly – 2017 Regular Session  
Legislative Fiscal Office

Measure: HB 2645 - 5

*Only Impacts on Original or Engrossed  
Versions are Considered Official*

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### **Measure Description:**

Directs each manufacturer of certain types of drugs that are sold within this state to develop and implement drug take-back program for purpose of collecting from individuals and nonbusiness entities those types of drugs for disposal.

### **Government Unit(s) Affected:**

Department of Environmental Quality (DEQ), Oregon Board of Pharmacy (OBOP)

### **Analysis:**

This fiscal impact statement is for the purpose of transmitting the measure from the House Committee on Health Care to the Joint Committee on Ways and Means.

House Bill 2645 with the -5 amendment requires manufacturers of certain drugs to participate in the drug take-back program detailed in this bill. Each take-back program operator must submit a plan for the collection and disposal of drugs to the Department of Environmental Quality (DEQ) by July 1, 2018. Each drug take-back program must be operational by February 1, 2019. DEQ is required to create the form and establish the process for submission of these plans. DEQ is authorized to review, and approve or deny submitted plans within 90 days of receiving the plan. Program operators have 60 days to revise the plan for resubmission. Program operators are required to submit an updated plan to DEQ every four years. In addition, program operators are mandated to submit to DEQ an annual report on the development, implementation, and operation of their drug take-back programs. DEQ must review and publish these reports on the agency's website. DEQ must ensure program compliance, and the agency is authorized to impose civil penalties, and establish fees to cover the cost of this program. DEQ is required to send notices, explaining penalties that may be incurred for violations, to manufacturers who fail to participate in the take-back program. In addition, the bill directs DEQ to enter into an agreement with the Oregon Board of Pharmacy (OBOP) to inspect take-back stations during the board's routine inspection of outlets. The bill authorizes OBOP to assess fines against manufacturers who do not participate in the drug take-back program and who do not qualify for exemption. With passage of this bill, OBOP and DEQ will need to work together to design the process, determine communication channels, set fines, delineate responsibility for the program. The bill establishes the Secure Drug Take-Back Account. Funds in the account are continuously appropriated to DEQ to carry out the work specified in the bill. DEQ must report to the legislature by September 15, 2019 on the progress of this program. The bill becomes operative on January 1, 2018. The bill takes effect on the 91st day after the date on which the 2017 legislative session adjourns sine die. The program sunsets on September 15, 2029.

The bill is anticipated to have a fiscal impact on the Department of Environmental Quality and the Oregon Board of Pharmacy. The amount of this impact is still being determined. A more complete fiscal analysis on the bill will be prepared as the measure is considered in the Joint Committee on Ways and Means.

# Further Analysis Required