

Legislative Fiscal Office

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Joint Committee on Ways and Means

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To: Human Services Subcommittee

From: Ben Ruef, Legislative Fiscal Office

Date: June 14, 2021

Subject: SB 763 – Relating to pharmaceutical representative licensure
Work Session Recommendations

SB 763 establishes a regulatory program for pharmaceutical representatives and requires representatives to obtain a license from the Department of Consumer and Business Services (DCBS) if they engage in certain activities with a health care provider for compensation. The measure directs DCBS to set application and renewal fees; establishes qualification for licensure; specifies duties for licensees and licensee applicants; establishes education requirements; and requires the DCBS Director to report to Legislative Assembly annually.

The -A5 amendment further defines license requirements to include:

- Required education for licensee on any subjects deemed necessary by the Director.
- Establishes licensing fee amount of \$750.
- License renewal requirements of \$750 fee and 5 hours of continuing education.
- Requires licensee to track and report:
 - documentation of completed education requirements,
 - a list of health care providers in the state that the licensee had contacted,
 - the number of times the licensee contacted each health care provider,
 - location and duration of contract with a health care provider,
 - information on samples, gifts, materials provided to each health care provider.
- Prohibits sales representatives from certain practices, including engaging in deceptive marketing or providing misleading information, and allows the Director to revoke/suspend licensure, and impose penalties for violations.

The fiscal impact of SB 763 is \$698,944 in Other Funds and 2.00 FTE for DCBS to support the new program. The fiscal impact is the same with or without the -A5 amendment.

The -A6 amendment adds \$698,944 in Other Funds limitation to the DCBS budget for the 2021-23 biennium.

Recommended Changes

The Legislative Fiscal Office recommends adoption of the -A5 and -A6 amendments.

Final Subcommittee Action

LFO recommends that SB 763, as amended by the -A5 and -A6 amendments, to be moved to the Ways and Means Full Committee.

Carriers

Full Committee: _____

House Floor: _____

Senate Floor: _____