



Legislative
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HB 20-1050

FINAL FISCAL NOTE

Drafting Number:	LLS 20-0474	Date:	August 7, 2020
Prime Sponsors:	Rep. Hooton; Larson Sen. Ginal; Tate	Bill Status:	Signed into Law
		Fiscal Analyst:	Matt Bishop 303-866-4796 Matt.Bishop@state.co.us

Bill Topic: OTHER OUTLET PHARMACIES DRUG DISTRIBUTION

Summary of Fiscal Impact:	<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
	<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> Local Government
	<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill permits ambulatory surgical center other outlets, hospice other outlets, and convalescent center other outlets to distribute drugs to registered outlets, wholesalers, or practitioners, and to supply an emergency kit or starter dose to certain facilities. It will increase workload for the State Board of Pharmacy in FY 2020-21 only.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The fiscal note reflects the enacted bill.

Summary of Legislation

Current law permits a registered prescription drug outlet or licensed hospital other outlet to make a casual sale or loan of a drug to another registered outlet or wholesaler, to sell or give a drug to a practitioner, and to supply an emergency kit or starter dose to certain facilities. The bill extends this authority to ambulatory surgical center other outlets, hospice other outlets, and convalescent center other outlets.

Background

The drug outlets affected by this bill are classified as "other outlets." Current law requires prescription drug outlets, wholesale drug outlets, manufacturing drug outlets, and other outlets to register with the State Board of Pharmacy. "Other outlets" are defined in statute as any of the following:

- hospital that does not operate a registered pharmacy;
- rural health clinic;
- federally-qualified health center, as defined in federal law;
- family planning clinic;
- acute treatment unit licensed by the Department of Public Health and Environment;
- school;
- jail;

- county or district public health agency;
- community health clinic;
- university;
- college;
- ambulatory surgical center;
- hospice;
- convalescent care center; or
- telepharmacy outlet.

An ambulatory surgical center is a facility outside a hospital where a patient receives outpatient surgical services.

A casual sale by a drug outlet is defined in statute as not exceeding ten percent of the total number of dosage units dispensed and distributed annually by that outlet.

State Expenditures

In FY 2020-21, the bill will increase workload for the State Board of Pharmacy in the Department of Regulatory Agencies to conduct rulemaking, outreach, and education. Any workload increase will be minimal and can be accomplished within existing appropriations.

Effective Date

The bill was signed into law by the Governor on March 24, 2020, and takes effect on September 14, 2020, assuming no referendum petition is filed.

State and Local Government Contacts

Human Services
Public Health and Environment

Information Technology
Regulatory Agencies