

Multiple Agency Fiscal Note Summary

Bill Number: 5234 SB	Title: Medicine stewardship program
-----------------------------	--

Estimated Cash Receipts

Agency Name	2011-13		2013-15		2015-17	
	GF- State	Total	GF- State	Total	GF- State	Total
Office of State Treasurer	Non-zero but indeterminate cost. Please see discussion."					
Office of Attorney General	0	173,388	0	111,079	0	0
Department of Health	0	368,000	0	736,000	0	736,000
Total \$	0	541,388	0	847,079	0	736,000

Estimated Expenditures

Agency Name	2011-13			2013-15			2015-17		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Office of State Treasurer	.0	0	0	.0	0	0	.0	0	0
Office of Attorney General	.6	0	173,388	.4	0	111,079	.0	0	0
Criminal Justice Training Commission	.0	0	0	.0	0	0	.0	0	0
Department of Health	.8	21,000	219,000	3.3	0	826,000	3.1	0	656,000
Department of Ecology	.1	0	0	.1	0	0	.0	0	0
Total	1.5	\$21,000	\$392,388	3.8	\$0	\$937,079	3.1	\$0	\$656,000

Estimated Capital Budget Impact

NONE

This bill was identified as a proposal governed by the requirements of RCW 43.135.031 (Initiative 960). Therefore, this fiscal analysis includes a projection showing the ten-year cost to tax or fee payers of the proposed taxes or fees.

Prepared by: Nick Lutes, OFM	Phone: 360-902-0570	Date Published: Final
-------------------------------------	-------------------------------	---------------------------------

* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

FNPID 28349

FNS029 Multi Agency rollup

Individual State Agency Fiscal Note

Bill Number: 5234 SB	Title: Medicine stewardship program	Agency: 090-Office of State Treasurer
-----------------------------	--	--

Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

Non-zero but indeterminate cost. Please see discussion.

Estimated Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

This bill was identified as a proposal governed by the requirements of RCW 43.135.031 (Initiative 960). Therefore, this fiscal analysis includes a projection showing the ten-year cost to tax or fee payers of the proposed taxes or fees.

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☐ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☒ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact: Kathy Buchli	Phone: (360) 786-7488	Date: 01/18/2011
Agency Preparation: Dan Mason	Phone: 360-902-9090	Date: 01/19/2011
Agency Approval: Dan Mason	Phone: 360-902-9090	Date: 01/19/2011
OFM Review: Matthew Bridges	Phone: (360) 902-0575	Date: 01/19/2011

Request # 009-1

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

SB 5234 creates the pharmaceutical product stewardship program. Earnings from investments will be credited to the general fund.

Earnings from investments:

Estimated earnings from investments are indeterminable. Without projected cash flows, OST is unable to estimate the earnings from investments. The amount of earnings by an account is a function of the average daily balance of the account and the earnings rate of the investment portfolio. The average daily balance is a function of the beginning balance in the account and the timing & amount of receipts, disbursements, & transfers during the time period in question. Accordingly, even with a beginning balance of zero, two accounts with the same overall level of receipts, disbursements, and transfers can have different average daily balances, and hence different earnings.

Based on the November 2010 Revenue Forecast, the net rate for estimating earnings for FY 11 is 0.12%, FY 12 is 0.10%, and FY 13 is 1.63%. Approximately \$1,200 in FY 11, \$1,000 in FY 12, and \$16,300 in FY 13 in net earnings and \$5,000 in OST management fees would be gained or lost annually for every \$1 million increase or decrease in average daily balance.

Debt Limit:

There may be an impact on the debt service limitation calculation. Any change to the earnings credited to the general fund will change, by an equal amount, general state revenues.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

SB 5234 creates the pharmaceutical product stewardship program. Earnings from investments will be credited to the general fund.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

NONE

Part IV: Capital Budget Impact

NONE

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

Individual State Agency Fiscal Note

Bill Number: 5234 SB	Title: Medicine stewardship program	Agency: 100-Office of Attorney General
-----------------------------	--	---

Part I: Estimates

☐

No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2012	FY 2013	2011-13	2013-15	2015-17
Legal Services Revolving Account-State 405-1	62,309	111,079	173,388	111,079	
Total \$	62,309	111,079	173,388	111,079	

Estimated Expenditures from:

	FY 2012	FY 2013	2011-13	2013-15	2015-17
FTE Staff Years	0.4	0.7	0.6	0.4	0.0
Account					
Legal Services Revolving Account-State 405-1	62,309	111,079	173,388	111,079	0
Total \$	62,309	111,079	173,388	111,079	0

Estimated Capital Budget Impact:

NONE

This bill was identified as a proposal governed by the requirements of RCW 43.135.031 (Initiative 960). Therefore, this fiscal analysis includes a projection showing the ten-year cost to tax or fee payers of the proposed taxes or fees.

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

☒

If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.

☐

If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).

☐

Capital budget impact, complete Part IV.

☐

Requires new rule making, complete Part V.

Legislative Contact: Kathy Buchli	Phone: (360) 786-7488	Date: 01/18/2011
Agency Preparation: Gretchen Leanderson	Phone: 253-597-4434	Date: 02/06/2011
Agency Approval: Sarian Scott	Phone: (360) 586-2104	Date: 02/06/2011
OFM Review: Matthew Bridges	Phone: (360) 902-0575	Date: 02/07/2011

Request # 11-116-2

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

Section 1 is a new section and is the bill intent.

Section 2 is a new section which is the definition section.

Section 3 is a new section that establishes the Medicine Return Association (MRA) as a nonprofit stewardship organization to finance and operate a Product Stewardship Program for the collection, transportation, and disposal of unwanted covered drugs. The MRA is to be managed by a board of directors initially appointed by the Secretary of the Department of Health (DOH). The board of directors is to be comprised of representatives of producers whose covered drugs are sold in the state. This section requires the board and the MRA to prepare articles of MRA and bylaws and adopt a general plan of operation and procedures, including a dispute mechanism for a producer to challenge an assessment determination. The board and the MRA shall submit a proposed Product Stewardship Program to the Board of Pharmacy (BOP) by January 1, 2013 and begin the Stewardship Program by January 1, 2014. This section requires the MRA to provide the Product Stewardship Program without using state or local government funds. BOP is given audit authorization over the activities of the MRA as necessary. BOP, Department of Ecology (ECY) or DOH staff may access any facilities or property of the MRA as necessary to conduct inspections or investigate complaints.

Section 4 is a new section that requires the MRA to provide notice of public hearings of the proposed Product Stewardship Program to DOH, BOP, ECY, the Washington Association of Sheriffs and Police Chiefs (WASPC) and other identified professionals. The MRA must submit its proposed plan to BOP by January 1, 2013 for review. The BOP must approve or reject the proposed plan within 90 days of its receipt. This section provides appeal rights. This section requires the MRA to update its program at least every four years.

Section 5 is a new section that provides a listing of what the Product Stewardship Program must include, which consists of a description of the proposed collection system for unwanted covered drugs; incorporate drop off collection sites; a description of the handling and disposal system; a description of how the MRA will use existing providers of waste pharmaceuticals; a description of how covered drugs will be separated from packaging; policies and procedures of those in charge of unwanted covered drugs; a description of how the collected drugs are tracked through final disposal; a description of how the patient information will be kept secure; a description of public education efforts; and the contact information for all drug producers.

Section 6 is a new section that requires the MRA pay all administrative and operational costs related to the program. The MRA costs must be financed by producers who sell covered drugs in the state. Producers are not to impose a visible fee on consumers when covered drugs are purchased or returned. This section sets a limit on the total annual cost to the MRA, notwithstanding penalties or fines, as \$2.5 million per calendar year. Subsection (5) authorizes the Secretary of DOH to establish fees for administering this chapter as provided by RCW 43.70.250. The fees may be charged to the MRA. Fees may be established to fully recover expenses incurred by the BOP.

Section 7 is a new section that provides that collectors may include law enforcement, pharmacies, and other listed public

and private locations.

Section 8 is a new section that requires approval of the BOP prior to any proposed change to the Product Stewardship Program. The program must also inform the BOP at least 15 days prior to changes in collection sites.

Section 9 is a new section that requires MRA to prepare an annual report to BOP describing the Product Stewardship Program's activities. This report is first due by June 30, 2015, and annually thereafter.

Section 10 is a new section that requires the MRA to establish a toll free telephone number and website. It also requires the DOH, ECY, and local governments to promote the Product Stewardship Program and its toll free number and website through existing educational methods.

Section 11 is a new section that requires the covered drugs collected under the program to be disposed of at a properly permitted hazardous waste disposal facility. The MRA may petition ECY for a waiver of requirements for use of hazardous waste disposal for all or some of the collected drugs from residential sources if regulatory restrictions prevent reasonable use of hazardous waste disposal facilities. Waivers are to be reviewed biennially by ECY. MRA may also petition the ECY for approval to use final disposal technologies that provide superior environmental and human health protection.

Section 12 is a new section that authorizes the BOP to suspend the Product Stewardship Program, in whole or in part, if it determines that it is necessary to protect the public from imminent danger. BOP may refuse, suspend, or revoke the license of the Product Stewardship Program as provided in RCW 18.64.200. The MRA may appeal penalties through procedures in RCW 34.50, the Administrative Procedures Act (APA).

Section 13 is a new section that requires the BOP send a written warning, a copy of this chapter, and any rules adopted to implement the chapter to a producer who is not participating in the program or who has not remitted full payment and whose covered drug is being sold in the state. A penalty of up to \$10,000 for each calendar year may be assessed against the producer by BOP. Appeals go through the APA. This section requires all penalties levied to be deposited into the Pharmaceutical Product Stewardship Program Account.

Section 14 is a new section that requires wholesalers, beginning in 2012, to provide a list of producers of covered drugs to the BOP.

Section 15 is a new section that authorizes the BOP to adopt rules necessary to implement this chapter and establish performance standards for the Product Stewardship Program.

Section 16 is a new section that requires the creation of the Pharmaceutical Product Stewardship Program Account in the State Treasury.

Section 17 amends RCW 69.41.030 to authorize the Product Stewardship Program to possess and transport drugs provided to the program, and to comply with chapter 69.41.030.

Section 18 amends RCW 18.64.005 to authorizes BOP to adopt rules to implement, administer and enforce the laws on

the collection, transportation, disposal and possession of unwanted covered drugs from the residential sources through producer-provided and funded Product Stewardship Programs.

Section 19 is a new section in RCW 42.56 that exempts from public disclosure any producer information provided to the MRA or to the BOP under section 6 of this act to determine apportionment of costs.

Section 20 is a new section that declares that nothing in the chapter changes or limits the authority of the Washington Utilities and Transportation Commission to regulate collection of solid waste.

Section 21 is a new section that provides that nothing in this chapter applies to hospitals whose wastes are disposed of under rules and policies adopted by the ECY.

The Attorney General's Office (AGO) estimates a workload impact of 0.3 Assistant Attorney General (AAG) and 0.1 Legal Assistant (LA) at a cost of \$62,309 in Fiscal Year (FY) 2012, 0.4 AAG, 0.2 Paralegal (PL), and 0.1 LA at a cost of \$111,079 in FY2013, 0.3 AAG, 0.2 PL, and 0.1 LA at a cost of \$90,309 in FY2014, and 0.1 AAG at a cost of \$20,770 in FY2015. The workload impact is to provide legal services for the review of Federal Drug Enforcement Agency rules, Product Stewardship Program compliance, challenges, and waiver advise.

We estimate direct litigation costs of \$10,000 in FY2013 and FY2014, which are included in this cost.

This bill is assumed effective July 1, 2011.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

Funds are assumed to be Legal Service Revolving Account dollars. Legal services costs incurred by the AGO will be billed through the revolving fund to the client agency.

The client agency is assumed to be DOH.

Please note that these cash receipts represent the AGO authority to bill and are not a direct appropriation to the AGO. The direct appropriation is reflected in the client agencies fiscal note. Appropriation authority is necessary in the AGO budget.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

The AGO estimates a workload impact of 0.3 AAG and 0.1 LA at a cost of \$62,309 in FY2012, 0.4 AAG, 0.2 PL, and 0.1 LA at a cost of \$111,079 in FY2013, 0.3 AAG, 0.2 PL, and 0.1 LA at a cost of \$90,309 in FY2014, and 0.1 AAG at a cost of \$20,770 in FY2015.

We estimate direct litigation costs of \$10,000 in FY2013 and FY2014, which are included in this cost.

Assumptions

1. We assume legal services for the review of Federal Drug Enforcement Agency rules that are not yet developed. These federal rules will need to be reviewed to assure the Product Stewardship Program is consistent with the federal requirements.
2. We assume legal services associated with the Product Stewardship Program and producers who choose not to comply with state law.
3. We assume legal challenges associated with the enactment of this bill.
4. We assume legal services associated with enforcement actions.
5. We assume legal advice to address legal issues for BOP in review of the proposed Product Stewardship Program.
6. We assume legal services associated with the enactment of this bill will be concluded by the end of FY2015.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2012	FY 2013	2011-13	2013-15	2015-17
FTE Staff Years	0.4	0.7	0.6	0.4	
A-Salaries and Wages	32,054	52,181	84,235	52,182	
B-Employee Benefits	8,976	14,611	23,587	14,612	
C-Personal Service Contracts		10,000	10,000	10,000	
E-Goods and Services	16,744	30,007	46,751	30,005	
G-Travel	1,335	2,180	3,515	2,180	
J-Capital Outlays	3,200	2,100	5,300	2,100	
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total:	\$62,309	\$111,079	\$173,388	\$111,079	\$0

III. B - Detail: List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA

Job Classification	Salary	FY 2012	FY 2013	2011-13	2013-15	2015-17
Assistant Attorney General	89,952	0.3	0.4	0.4	0.2	
Legal Assistant II	42,588	0.1	0.2	0.2	0.1	
Paralegal II	58,656		0.1	0.1	0.1	
Total FTE's	191,196	0.4	0.7	0.6	0.4	0.0

III. C - Expenditures By Program (optional)

Program	FY 2012	FY 2013	2011-13	2013-15	2015-17
Agriculture and Health Division (AHD)	62,309	111,079	173,388	111,079	
Total \$	62,309	111,079	173,388	111,079	

Part IV: Capital Budget Impact

NONE

None.

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

None.

Individual State Agency Fiscal Note

Bill Number: 5234 SB	Title: Medicine stewardship program	Agency: 227-Wa St Criminal Justice Train Comm
-----------------------------	--	---

Part I: Estimates

☒ No Fiscal Impact

This bill was identified as a proposal governed by the requirements of RCW 43.135.031 (Initiative 960). Therefore, this fiscal analysis includes a projection showing the ten-year cost to tax or fee payers of the proposed taxes or fees.

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☐ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact: Kathy Buchli	Phone: (360) 786-7488	Date: 01/18/2011
Agency Preparation: Brian Elliott	Phone: 360-486-2436	Date: 01/19/2011
Agency Approval: Brian Elliott	Phone: 360-486-2436	Date: 01/19/2011
OFM Review: Alyson Cummings	Phone: 360-902-0576	Date: 01/19/2011

Request # 2011-07-1

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

Part IV: Capital Budget Impact

NONE

Individual State Agency Fiscal Note

Bill Number: 5234 SB	Title: Medicine stewardship program	Agency: 303-Department of Health
-----------------------------	--	---

Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2012	FY 2013	2011-13	2013-15	2015-17
Pharmaceutical Prod Stewardship Acct-Non-Appropriated NEW-6		368,000	368,000	736,000	736,000
Total \$		368,000	368,000	736,000	736,000

Estimated Expenditures from:

	FY 2012	FY 2013	2011-13	2013-15	2015-17
FTE Staff Years	0.1	1.5	0.8	3.3	3.1
Account					
General Fund-State 001-1	17,000	4,000	21,000	0	0
Pharm Prod Stewardship Acct-Non-Appropriated NEW-6	0	198,000	198,000	826,000	656,000
Total \$	17,000	202,000	219,000	826,000	656,000

Estimated Capital Budget Impact:

NONE

This bill was identified as a proposal governed by the requirements of RCW 43.135.031 (Initiative 960). Therefore, this fiscal analysis includes a projection showing the ten-year cost to tax or fee payers of the proposed taxes or fees.

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☒ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☒ Requires new rule making, complete Part V.

Legislative Contact: Kathy Buchli	Phone: (360) 786-7488	Date: 01/18/2011
Agency Preparation: Danny Howard	Phone: (360) 236-4625	Date: 02/10/2011
Agency Approval: Catherine Suter	Phone: 360-236-4544	Date: 02/10/2011
OFM Review: Nick Lutes	Phone: 360-902-0570	Date: 02/11/2011

Request # 11-038-2-2

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

Section 3: Creates a product stewardship program through the establishment of a nonprofit association that is responsible for the collection, transportation, and disposal of unwanted drugs from residential sources. The association is established and managed by a board of directors that will initially be appointed by the secretary of the Department of Health (DOH). The board will submit its stewardship program to the Board of Pharmacy (BOP) for approval and licensure by January 1, 2013, so that operations can begin on January 1, 2014. Operations of the association are subject to audit and inspections by BOP, DOH, and the Department of Ecology (ECY).

Sections 4 & 8: DOH and BOP will establish a new license type for the product stewardship program. Every producer of covered products sold in or into Washington State must participate in the product stewardship program beginning January 1, 2014. The initial stewardship plan must be submitted to BOP for review by January 1, 2013. BOP shall consult with ECY and the Washington Association of Sheriffs and Police Chiefs regarding details of the disposal procedures and security, respectively. BOP will have 90 days to approve or reject the association's submitted program for operation. If rejected, the association may submit a revised program within 60 days or appeal the BOP decision under the Administrative Procedures Act, chapter 34.05 RCW. The association must submit proposed program updates and revisions at least every four years to BOP for review and approval. BOP must use information provided by the association that was collected annually from individuals and organizations when reviewing the proposals.

Section 6: DOH may establish fees to administer this program and charge them to the association as provided under RCW 43.70.250. These fees may not exceed 15 percent of the total annual costs to the association and annual costs of the association are capped by this bill at \$2.5 million per calendar year. Fees paid must be deposited into the pharmaceutical product stewardship program account under section 16 of this act. Any producer may appeal an assessment of charges or apportionment of costs to BOP.

Section 9: On or before June 30, 2015, and in each subsequent year, the association must submit an annual report to BOP describing the program's activities during the previous calendar year. BOP must make the annual reports available to the public.

Section 10: DOH must promote the use of the stewardship program and the association's toll-free telephone number and Web site through existing educational methods.

Section 12: BOP will have the authority to amend, suspend, or cancel approval of the stewardship program if necessary to protect the public from imminent danger as provided in RCW 18.64.200. BOP may issue a written warning to the association if found in noncompliance. If the association is still in noncompliance after 30 days, BOP may assess a \$5,000 penalty for the first violation and \$10,000 for each subsequent violation. These penalties will be deposited into the pharmaceutical product stewardship program account.

Section 13: BOP will be required to send a warning letter, a copy of the bill, and any rules adopted to implement the product stewardship program to a producer who is selling a covered product in or into the state and is not participating in the stewardship program or not remitting its full payment to the association. If, after learning of the requirements, a

producer does not participate in the stewardship program within 60 days, BOP will have the authority to assess a penalty of \$10,000 for each calendar day that the violation continues. The producer has the right to appeal these penalties under the Administrative Procedures Act, chapter RCW 34.05. Any penalties assessed will be deposited into the pharmaceutical product stewardship program account.

Section 14: Beginning in 2012, each pharmaceutical wholesaler selling covered products in or into the state must provide a list of producers of covered products to BOP. Wholesalers must update the list by January 15th of each year.

Sections 15: Allows BOP to adopt rules to implement, administer, and enforce the laws on the collection, transportation, disposal, and possession of unwanted drugs from residential sources through the stewardship program. This bill also allows BOP to establish performance measures, in consultation with ECY, for the association. BOP will report to the legislature by December 31, 2016, the status of the product stewardship program and any recommendations for changes to the provisions in the law.

Section 16: Establishes the Pharmaceutical Product Stewardship Program Account in the custody of the State Treasurer and administered by the Department of Health. All receipts from fees and penalties collected under this chapter will be deposit into the new account. The account will be subject to allotment procedures under RCW 43.88, but an appropriation will not be necessary for expenditures.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

Sections 2 & 6: BOP costs to implement and administer this program will be charged by creating a fee to the association, but are limited to 15 percent of the association's total annual costs. The bill limits the annual cost responsibility to the association, notwithstanding penalties or fines, to \$2.5 million per year starting in 2012. BOP assumes that the association will incur expenses of \$2.5 million and this will therefore cap BOP fee revenue to the association at \$375,000 per year. Starting in fiscal year (FY) 2013, DOH is assuming revenue of \$368,000 each year. While individual fee levels will be determined during the rules process, total collections over time will balance with expenditures.

Sections 12, 13, & 16: Because compliance, penalties, and penalty appeals cannot be known at this point for this new type of licensure program, cash receipts from these three sections are indeterminate.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

Note: The 2010 Legislature addressed a similar bill, 2SSB 5279. The difference in fiscal estimates is mainly a result of a significant increase of inspection/investigation functions in this session's bill. First, the department will inspect the approximately 200 facilities that will host medicine collection sites on an annual basis to insure compliance with rules for the collection, handling, and disposal of the returned drugs. These inspections were not included in the 2010 legislation. In addition, the 2011 bill provides that the BOP may audit, not only respond to complaints about, the association that will run the medicine stewardship program.

Assumption: Costs in FY 2012 will be funded by General Fund-State because no fee revenue will be collected and deposited in the new Pharmaceutical Product Stewardship Program Account until FY 2013.

Rulemaking

Section 15: There will be one-time rulemaking costs in FY 2012 and FY 2013 to adopt rules to implement, administer, create fees, and enforce the laws on the collection, transportation, disposal, and possession of unwanted drugs from residential sources through stewardship program. BOP is anticipating rulemaking will be controversial because these rules will require producers, drug wholesalers, and manufacturers to pay additional fees and participate in the stewardship program to be able to do business in Washington State. Further, the rules will establish performance standards, enforcement criteria, penalty assessments and processes, as well as set licensing fees. BOP will hold two stakeholder meetings, one in Kent and one in Spokane, as well as one formal rules hearing in Tumwater. All meetings will be held in free facilities. Costs will include staff and associated costs, BOP member time, Office of the Attorney General (OAG) time, printing, postage, and travel. Total rulemaking costs in FY 2012 will be 0.1 FTE and \$15,000, and \$4,000 in FY 2013.

Program Implementation and Administration

Sections 4 & 8: During FY 2013, BOP will have costs for implementing the new licensure program for the association. This will include developing the initial application and renewal templates, developing the license, adding the pharmaceutical product stewardship program as a new credential type to the department's Integrated Licensing and Reporting System database, and adding this credential to the Online Provider Credential Search tool. In January 2013, BOP and staff will review the product stewardship plan in consultation with ECY. Credentialing costs starting in FY 2013 will be for staff to review and process the application and provide technical assistance.

Sections 9 & 10: BOP is assuming the annual reports will be posted on BOP web site for public availability, therefore having minimal costs. Promotion of the stewardship program and its toll free number and Web site will be done through existing methods; therefore no additional costs are assumed for this workload.

Section 14: Currently, BOP licenses 907 pharmaceutical wholesalers, and therefore will receive 907 reports annually. Staff will analyze, review, and compare the reports for producer names not participating in the stewardship program. BOP estimates it will take approximately one hour of staff time to review each annual report. If a non-complaint producer is found, the process for a non-compliant program identified below will follow. Ongoing costs for program administration starting in FY 2012 will include BOP and staff meetings, travel, staff and associated costs for data collection, postage, plan changes and technical assistance. Total program implementation and administration costs will be \$2,000 in FY 2012, 0.7 FTE and \$79,000 in FY 2013, and 1.0 FTE and \$113,000 in FY 2014 and ongoing.

Inspection and Investigations

Section 3: The bill requires that there be a minimum of one collection site in every county and one collection site in all cities with a population greater than 10,000. Given these bill requirements, BOP anticipates there will be 200 or more drug return facilities state-wide that will be inspected on an annual basis. In addition, BOP will be required to investigate

complaints against operations of the stewardship program. Based upon current rates against pharmacies, BOP anticipates a complaint rate of six percent in the first year of operation, falling to four percent in the second year, and then two percent for the third year and ongoing. OAG time will be significant for the first three years of this new program (\$41,000 in FY13, \$81,000 in FY 14, and \$41,000 in FY15). Total costs for investigations will be 0.3 FTE and \$103,000 in FY 2013, 1.3 FTE and \$303,000 FY 2014, 1.3 FTE and \$249,000 in FY 2015, and will level off at 1.3 FTE and \$198,000 starting in FY 2016.

Non-Compliance

Section 4: This section allows the medicine stewardship association to appeal a BOP denial of the association's proposed stewardship plan, but the association is also allowed to resubmit its plan within sixty days. BOP assumes that should the plan be rejected, the association will amend and resubmit the plan for approval. If the association appeals a rejection of its plan, it is not clear whether the appeal will be heard by BOP in an administrative proceeding under the APA or in a judicial review proceeding in superior court.

Section 12: BOP anticipates that penalties assessed against the association are likely to be contested due to the large fine amount dictated by the bill. Any appeal would be an adjudicative proceeding before BOP, involving the department's Adjudicative Services Unit (ASU).

Section 13: This section requires BOP to fine a producer who either fails to participate in the program, or fails to pay their assessment to the association. Penalties will be contentious as the producers test the implementation of the bill. DOH assumes that DOH jurisdiction to impose fines may be contested by firms that do not sell pharmaceuticals directly into Washington. The bill language does not specify if the case will be heard through ASU or superior court.

For appeals that are heard by BOP in an administrative hearing, or by ASU, the department will have direct hearing costs. For any appeals that are heard through superior court, ASU has no involvement in proceedings and therefore will not have direct costs. However, DOH will have costs relating to the association. The disputes might be all settled by the stewardship association, or DOH could have hundreds of appeals of fines if they are not settled. Thus, the impact on ASU, BOP, and the department in total are indeterminate.

Department of Ecology

Section 4: BOP will consult with ECY on transportation and disposal systems, tracking and handling, recycling, and public education. Consulting costs billed to DOH from ECY will be \$10,000 in FY 2013 and \$13,000 in FY 2014. In fiscal years after 2014 ECY anticipates costs to be negligible because consultation will be accomplished within ECY's current resources, with slight delays to its other work.

In FY 2013, expenditures for all components of the bill also include salary, benefits, and related staff costs for 0.2 FTE Health Services Consultant 1 and 0.2 FTE Fiscal Analyst 2 to assist with the increased administrative workload.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2012	FY 2013	2011-13	2013-15	2015-17
FTE Staff Years	0.1	1.5	0.8	3.3	3.1
A-Salaries and Wages	7,000	94,000	101,000	441,000	422,000
B-Employee Benefits	2,000	26,000	28,000	124,000	118,000
C-Personal Service Contracts		10,000	10,000	13,000	
E-Goods and Services	7,000	61,000	68,000	204,000	74,000
G-Travel	1,000		1,000		
J-Capital Outlays		3,000	3,000	1,000	
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements		2,000	2,000	8,000	8,000
9-					
Total:	\$17,000	\$196,000	\$213,000	\$791,000	\$622,000

III. B - Detail: List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA

Job Classification	Salary	FY 2012	FY 2013	2011-13	2013-15	2015-17
ADMINISTRATIVE ASST 2	36,756		0.1	0.0	0.2	0.2
Board Member	13,000	0.1	0.1	0.1	0.0	0.1
Fiscal Analyst 2	45,828		0.2	0.1	0.6	0.4
Health Svcs Conslt 1	44,712		0.2	0.1	0.5	0.3
HEALTH SVCS CONSLT 3	61,632	0.1	0.7	0.4	1.0	1.0
HEARINGS EXAMINER 3	78,900		0.0	0.0	0.1	0.1
PHARMACIST - INVESTIGATOR	96,144	0.0	0.3	0.1	1.0	1.0
Total FTE's	376,972	0.1	1.5	0.8	3.3	3.1

III. C - Expenditures By Program (optional)

Program	FY 2012	FY 2013	2011-13	2013-15	2015-17
Hlth Systems Quality Assurance (060)	15,000	176,000	191,000	706,000	554,000
Administration (090)	2,000	20,000	22,000	85,000	68,000
Total \$	17,000	196,000	213,000	791,000	622,000

Part IV: Capital Budget Impact

NONE

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

Section 15: Allows BOP to adopt rules to implement, administer, establish fees for, and enforce the new pharmaceutical product stewardship program.

Individual State Agency Fiscal Note

Bill Number: 5234 SB	Title: Medicine stewardship program	Agency: 461-Department of Ecology
-----------------------------	--	--

Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Expenditures from:

	FY 2012	FY 2013	2011-13	2013-15	2015-17
FTE Staff Years	0.0	0.1	0.1	0.1	0.0
Account					
Total \$					

Estimated Capital Budget Impact:

NONE

This bill was identified as a proposal governed by the requirements of RCW 43.135.031 (Initiative 960). Therefore, this fiscal analysis includes a projection showing the ten-year cost to tax or fee payers of the proposed taxes or fees.

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☐ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☒ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact:	Kathy Buchli	Phone: (360) 786-7488	Date: 01/18/2011
Agency Preparation:	Jessica Moore	Phone: 360-407-6996	Date: 01/27/2011
Agency Approval:	Patricia McLain	Phone: 360-407-7005	Date: 01/27/2011
OFM Review:	Linda Steinmann	Phone: 360-902-0573	Date: 01/27/2011

Request # 11-045-2

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

Ecology's role in this bill would be similar to that described in 2SSB 5279 from the 2010 session. Under this bill, the Board of Pharmacy would be required to work with a pharmaceutical producers association to run a program for the safe collection and disposal of unwanted pharmaceutical drugs. Ecology would participate by consulting with the Board of Pharmacy on elements of product stewardship programs and on performance standards for implementing these programs.

Under current law Ecology does not regulate residential pharmaceutical waste. This bill would require pharmaceutical producers to supply a method for the safe collection and disposal of unwanted drugs from residential sources. The Department of Health would be the lead agency on this bill and Ecology would assume a supporting role.

The following sections would impact Ecology:

Section 3:

An association of producers would be established as a nonprofit product stewardship organization managed by a board of directors, initially appointed by the secretary of the Department of Health. (The Department of Health's existing Board of Pharmacy would provide oversight and administration of this chapter and is different from the Board of the association of producers.) Ecology would have the authority to access any facilities or property associated with the association of producers in order to conduct inspections or investigate complaints.

Section 4:

The association of producers would be required to notify Ecology of the public comment opportunity in developing a proposed product stewardship program. The Board of Pharmacy would be required to review and approve the product stewardship program submittal by the board of the association of producers for the safe collection and disposal of unwanted drugs from residential sources. The initial program would be required to be submitted by January 1, 2013. Programs would be required to be updated at least every four years thereafter. Ecology would be required to consult with the Board of Pharmacy on program components including, but not limited to, transportation and disposal systems, secure tracking and handling, package recycling, and public education.

Section 6:

The association of producers would be required to pay all administrative and operation costs related to the product stewardship program including state agency oversight costs required to administer and enforce the program. The Department of Health would have the authority to charge fees to cover the cost of implementing the provisions of this bill. The Board of Pharmacy would be permitted to use revenues from fees charged to reimburse Ecology for costs associated with the work required by this bill.

Section 10:

The association of producers would be required to establish a toll-free telephone number as well as a website for the purposes of providing public education and outreach. Ecology would be required to promote the use of the toll-free telephone number and the website through existing education methods.

Section 11:

All unwanted products would be disposed at a properly permitted hazardous waste facility. The association of producers would be permitted to petition Ecology to use a properly permitted solid waste incineration facility if the unwanted product is from residential sources where regulatory restrictions prevent the reasonable use of a hazardous waste disposal facility. Ecology would be required to review all waivers biennially. The association of producers would also be permitted to petition Ecology to use disposal methods other than hazardous waste facilities if the proposed method would provide superior environmental and human health protection.

Section 15:

The Board of Pharmacy would be allowed to adopt rules to implement this bill and to establish performance standards. Ecology would be permitted to consult with the Board of Pharmacy to establish performance standards for product stewardship programs.

Section 16:

The Pharmaceutical Product Stewardship Program Account would be created and managed by the Department of Health.

Section 21:

Pharmaceutical waste disposed of according to Ecology's policies and rules under current law, by hospitals that are licensed under RCW 70.41, would be exempt from the requirements under this bill.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

DOH would collect and administer the revenue for the Pharmaceutical Product Stewardship Program Account so all receipts into this account are shown in the DOH fiscal note.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

Section 4:

The board of pharmacy would be required to review and approve the product stewardship program submittal by the association of producers for the safe collection and disposal of unwanted drugs from residential sources. The initial program would be required to be submitted by January 1, 2013. Programs would be required to be updated at least every four years thereafter. Ecology would be required to consult with the board of pharmacy on program components including, but not limited to, transportation and disposal systems, secure tracking and handling, package recycling, and public education. The Department of Health estimates that 956 producers would participate jointly with others or enter into an agreement with a stewardship association organization. Ecology assumes that there would be between 1 and 3 programs submitted to the Board of Pharmacy and estimates that program consultation would require approximately 8-10 hours per program submitted, based on the electronic product stewardship program review process. Ecology estimates that this would require approximately 30 hours (Environmental Planner 5) every four years. This is a negligible

amount of work that would be accomplished within current resources with slight delays to other work.

Section 6:

The association of producers would be required to pay all administrative and operation costs related to the product stewardship program including state agency oversight costs required to administer and enforce the program. The Board of Pharmacy may use this revenue to reimburse Ecology for its costs. Funding for Ecology's costs would be provided through an interagency agreement with the Department of Health.

Section 10:

The association of producers would be required to establish a toll-free number as well as a website for the purposes of providing public education and outreach. Ecology would be required to promote the use of the toll-free number and the website through existing education methods. Ecology assumes that the toll-free number and the website would be promoted through agency websites and newsletters. Ecology estimates that this effort would require 0.25 FTE (Information Technology Specialist 3) and 0.25 FTE (Community Outreach and Environmental Education Specialist 3) from January 1, 2014 to March 31, 2014.

Section 11:

The association of producers would be permitted to petition Ecology to use a properly permitted solid waste incineration facility if the unwanted product is from residential sources where regulatory restrictions prevent the reasonable use of hazardous waste disposal facility. Ecology would be required to review all waivers biennially. (Ecology assumes that the intent of the bill is to review all previously approved waivers biennially and that as waivers are received they will be reviewed more quickly than once per biennium.) In addition, the association of producers would be permitted to petition Ecology to use disposal methods other than hazardous waste incinerators if the proposed method would provide superior environmental and human health protection. Based on Ecology's existing knowledge of pharmaceutical drug content, we estimate that the association would submit 18 petitions to Ecology for the purposes of using a properly permitted solid waste incineration facility in lieu of a hazardous waste disposal facility or to propose the use of an alternative disposal method. Ecology estimates that 0.10 FTE (Environmental Specialist 4) would be required in FY13 to review and approve petitions for disposal methods other than hazardous waste incinerators.

Note: In SSB 5279, from the 2010 session, DOH estimated that there would be approximately 360 producers. Ecology estimated that approximately 5% or 18 of the pharmaceutical producers would submit alternative disposal method plans. Then in 2SSB 5279, also from the 2010 session, DOH estimated that there would be approximately 900 producers. At that time Ecology assumed that there would be a limited number of alternative methods that could be used to dispose of unwanted residential drugs and maintained the assumption that 18 pharmaceutical producers would submit alternative plans. DOH estimates approximately 956 producers for SB 5234 and Ecology is also maintaining the assumption that 18 alternative disposal method plans would be submitted under SB 5234.

Section 15:

The Board of Pharmacy would be allowed to adopt rules to implement this bill and to establish performance standards. Ecology could consult with the board to establish performance standards for product stewardship programs. The Department of Health estimates that there would be two or three meetings in which performance standards would be discussed. Ecology would attend these meetings and provide consultation as required. Ecology estimates that this would require approximately 12 hours (Environmental Planner 5). This is expected to take a minimal amount of time that would

be accomplished within current resources with slight delays in other work.

Notes on costs by object:

Salary estimates are based on current actual rates in effect for each job classification, and are calculated at the step corresponding to the experience level required.

Employee Benefits are calculated at the agency average of 30.4% of salaries.

Goods and Services standard costs are calculated at the agency average rate of \$4,316 per direct program FTE.

Travel expenditures are calculated at the agency average rate of \$1,021 per direct program FTE.

Start-up Equipment costs for the first year are calculated at the agency average rate of \$7,552 per direct program FTE based on current costs for 1/5 motor pool vehicle, basic computer equipment, and an office chair.

Interagency Agreement: Funding for Ecology's costs would be provided through an interagency agreement with the Department of Health.

Agency Administrative Overhead is calculated at the federal indirect rate of 32.8% of program salaries and benefits, and is identified in Expenditures by Object as 9-Agency Administrative Overhead. Administration program FTEs are included at 0.15 FTE per direct program FTE, and are identified in the Part III-B FTE Detail table as Fiscal Analyst 2.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2012	FY 2013	2011-13	2013-15	2015-17
FTE Staff Years		0.1	0.1	0.1	
A-Salaries and Wages		5,186	5,186	6,996	
B-Employee Benefits		1,577	1,577	2,127	
C-Personal Service Contracts					
E-Goods and Services		432	432	518	
G-Travel		102	102	123	
J-Capital Outlays		755	755	151	
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements		(10,270)	(10,270)	(12,907)	
T-Intra-Agency Reimbursements					
9-Agency Administrative Overhead		2,218	2,218	2,992	
Total:	\$0	\$0	\$0	\$0	\$0

III. B - Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2012	FY 2013	2011-13	2013-15	2015-17
Comm. Outreach & Env. Ed. Spec. 3	51,864				0.0	
Environmental Specialist 4	51,864		0.1	0.1		
Fiscal Analyst 2			0.0	0.0	0.0	
Information Technology Specialist 3	64,740				0.0	
Total FTE's	168,468		0.1	0.1	0.1	0.0

Part IV: Capital Budget Impact

NONE

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.



Multiple Agency Ten-Year Analysis Summary

Bill Number	Title
5234 SB	Medicine stewardship program

This ten-year analysis is limited to the estimated cash receipts associated with the proposed tax or fee increases.

Estimated Cash Receipts

Agency Name	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	2012-21 TOTAL
Office of State Treasurer	0	0	0	0	0	0	0	0	0	0	0
Office of Attorney General	0	0	0	0	0	0	0	0	0	0	0
Wa St Criminal Justice Train Comm	0	0	0	0	0	0	0	0	0	0	0
Department of Health	0	368,000	368,000	368,000	368,000	368,000	368,000	368,000	368,000	368,000	3,312,000
Department of Ecology	0	0	0	0	0	0	0	0	0	0	0
Total	0	368,000	368,000	368,000	368,000	368,000	368,000	368,000	368,000	368,000	3,312,000



Ten-Year Analysis

Bill Number 5234 SB	Title Medicine stewardship program	Agency 090 Office of State Treasurer
-------------------------------	--	--

This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Estimates

☒ **No Cash Receipts** ☐ **Indeterminate Cash Receipts**

Name of Tax or Fee	Acct Code											
--------------------	-----------	--	--	--	--	--	--	--	--	--	--	--

Agency Preparation: Dan Mason	Phone: 360-902-9090	Date: 1/19/2011 9:01:33 am
Agency Approval: Dan Mason	Phone: 360-902-9090	Date: 1/19/2011 9:01:33 am
OFM Review: Nick Lutes	Phone: 360-902-0570	Date: 2/11/2011 3:41:59 pm



Ten-Year Analysis

Bill Number 5234 SB	Title Medicine stewardship program	Agency 100 Office of Attorney General
-------------------------------	--	---

This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Estimates

☒ **No Cash Receipts** ☐ **Indeterminate Cash Receipts**

Name of Tax or Fee	Acct Code											
--------------------	-----------	--	--	--	--	--	--	--	--	--	--	--

Agency Preparation: Gretchen Leanderson	Phone: 253-597-4434	Date: 2/6/2011 7:54:32 pm
Agency Approval: Sarian Scott	Phone: (360) 586-2104	Date: 2/6/2011 7:54:32 pm
OFM Review: Nick Lutes	Phone: 360-902-0570	Date: 2/11/2011 3:41:59 pm



Ten-Year Analysis

Bill Number 5234 SB	Title Medicine stewardship program	Agency 227 Wa St Criminal Justice Train Comm
-------------------------------	--	--

This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Estimates

☒ **No Cash Receipts** ☐ **Indeterminate Cash Receipts**

Name of Tax or Fee	Acct Code											
--------------------	-----------	--	--	--	--	--	--	--	--	--	--	--

Agency Preparation: Brian Elliott	Phone: 360-486-2436	Date: 1/19/2011 11:27:47 am
Agency Approval: Brian Elliott	Phone: 360-486-2436	Date: 1/19/2011 11:27:47 am
OFM Review: Nick Lutes	Phone: 360-902-0570	Date: 2/11/2011 3:41:59 pm



Ten-Year Analysis

Bill Number 5234 SB	Title Medicine stewardship program	Agency 303 Department of Health
-------------------------------	--	---

This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Estimates

☐ **No Cash Receipts**
☐ **Indeterminate Cash Receipts**

Estimated Cash Receipts

Name of Tax or Fee	Acct Code	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	2012-21 TOTAL
Pharmaceutical Product Stewardship Prog Acct	NEW		368,000	368,000	368,000	368,000	368,000	368,000	368,000	368,000	368,000	3,312,000
Total			368,000	368,000	368,000	368,000	368,000	368,000	368,000	368,000	368,000	3,312,000

Biennial Totals	368,000	736,000	736,000	736,000	736,000	3,312,000
------------------------	---------	---------	---------	---------	---------	-----------

Narrative Explanation (Required for Indeterminate Cash Receipts)

Cash receipts from the medicine stewardship association are limited to 15% of the association's costs, which are limited to \$2,500,000 per year, adjusted for inflation. This fiscal note assumes maximum association costs, but for this analysis will not take inflation into consideration due to the inability to forecast what it will be in future years.

Agency Preparation: Danny Howard	Phone: (360) 236-4625	Date: 2/10/2011 6:43:56 pm
Agency Approval: Catherine Suter	Phone: 360-236-4544	Date: 2/10/2011 6:43:56 pm
OFM Review: Nick Lutes	Phone: 360-902-0570	Date: 2/11/2011 3:41:59 pm



Ten-Year Analysis

Bill Number 5234 SB	Title Medicine stewardship program	Agency 461 Department of Ecology
-------------------------------	--	--

This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Estimates

☒ **No Cash Receipts** ☐ **Indeterminate Cash Receipts**

Name of Tax or Fee	Acct Code											
--------------------	-----------	--	--	--	--	--	--	--	--	--	--	--

Narrative Explanation (Required for Indeterminate Cash Receipts)

DOH would collect and administer the revenue for the Pharmaceutical Product Stewardship Program Account so all receipts into this account are shown in the DOH fiscal note.

Agency Preparation: Jessica Moore	Phone: 360-407-6996	Date: 1/27/2011 2:37:41 pm
Agency Approval: Patricia McLain	Phone: 360-407-7005	Date: 1/27/2011 2:37:41 pm
OFM Review: Nick Lutes	Phone: 360-902-0570	Date: 2/11/2011 3:41:59 pm