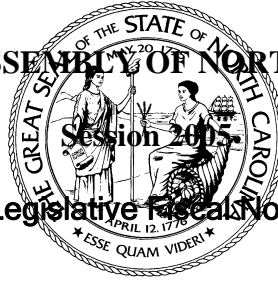


GENERAL ASSEMBLY OF NORTH CAROLINA



Legislative Fiscal Note

BILL NUMBER: House Bill 1196 (Second Edition)

SHORT TITLE: Reduce Wholesale Drug Distributor License Fee.

SPONSOR(S): Representative Church

FISCAL IMPACT					
	Yes (X)	No ()	No Estimate Available ()		
	<u>FY 2006-07</u>	<u>FY 2007-08</u>	<u>FY 2008-09</u>	<u>FY 2009-10</u>	<u>FY 2010-11</u>
REVENUES:					
General Fund			No Impact to General Fund		
Department of Agriculture			Negligible decrease in fee revenues; see Assumptions & Methodology		
POSITIONS (cumulative):					
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: Department of Agriculture					
EFFECTIVE DATE: When law.					

BILL SUMMARY: The proposed committee substitute for House Bill 1196 would reduce the license fee for a wholesale distributor of prescription drugs if the applicant's wholesale distribution facility does not exceed 800 square feet of floor space. Instead of paying \$500 for a manufacturer or \$350 for any other applicant, the applicant's fee would be reduced to \$100.

ASSUMPTIONS AND METHODOLOGY: An application for an initial license or a renewed license as a wholesale distributor must be accompanied by a nonrefundable \$500 fee for a manufacturer or \$350 for any other person. These fees are used to conduct the State licensing program. The proposed committee substitute to House Bill 1196 would reduce the licensure fee to \$100 for a facility of 800 square feet or less.

The Department of Agriculture is aware of only one wholesaler whose distribution facility is less than 800 square feet; therefore, the fiscal impact of this change is negligible.

SOURCES OF DATA: Department of Agriculture

TECHNICAL CONSIDERATIONS: None

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Division of Fiscal Research



DATE: July 17, 2006

Signed Copy Located in the NCGA Principal Clerk's Offices