

**COMMONWEALTH OF KENTUCKY FISCAL NOTE STATEMENT
LEGISLATIVE RESEARCH COMMISSION
2024 REGULAR SESSION**

MEASURE

2024 BR NUMBER 1985

HOUSE BILL NUMBER 490

TITLE AN ACT relating to pharmaceutical drug price discrimination.

SPONSOR Representative Wade Williams

FISCAL SUMMARY

STATE FISCAL IMPACT: YES NO UNCERTAIN

OTHER FISCAL STATEMENT(S) THAT MAY APPLY: ACTUARIAL ANALYSIS
 LOCAL MANDATE CORRECTIONS IMPACT HEALTH BENEFIT MANDATE

APPROPRIATION UNIT(S) IMPACTED: Attorney General

FUND(S) IMPACTED: GENERAL ROAD FEDERAL RESTRICTED Attorney General-
Consumer Protection Fund

FISCAL ESTIMATES	2023-2024	2024-2025	2025-2026	ANNUAL IMPACT AT FULL IMPLEMENTATION
REVENUES				
EXPENDITURES		\$450,000	\$450,000	\$450,000
NET EFFECT		(\$450,000)	(\$450,000)	(\$450,000)

() indicates a decrease/negative

PURPOSE OF MEASURE: The purpose of this measure is to prevent a pharmaceutical manufacturer participating in Medicaid from engaging in price discrimination.

FISCAL EXPLANATION: HB490 allows the Office of the Attorney General to investigate complaints of price discrimination against pharmaceutical manufacturers. It would likely require an additional attorney, paralegal, and investigator. The estimated fiscal impact is \$450,000 annually for salary and operating costs.

DATA SOURCE(S): LRC Staff, Office of the Attorney General

PREPARER: Joey Holt **NOTE NUMBER:** 91 **REVIEW:** JB **DATE:** 3/1/2024