



# Ohio Legislative Service Commission

*Robert Meeker*

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## Fiscal Note & Local Impact Statement

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**Bill:** H.B. 505 of the 131st G.A.

**Date:** May 16, 2016

**Status:** As Passed by the House

**Sponsor:** Reps. Huffman and Pelanda

**Local Impact Statement Procedure Required:** No

**Contents:** Regulation of biological products

### State Fiscal Highlights

- Violations of the bill's prohibited conduct may generate a negligible amount of locally collected court cost revenue annually for deposit into the Indigent Defense Support Fund (Fund 5DY0) and the Victim of Crime/Reparations Fund (Fund 4020).

### Local Fiscal Highlights

- Pharmacists will generally comply with the bill's prohibition, making violations infrequent. It is likely that revenues collected from violators (fines, court costs, and fees) will offset to some degree the costs that counties and municipalities incur to process minor misdemeanors.

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### Detailed Fiscal Analysis

The bill amends Ohio's Pure Food and Drug Law and its Pharmacy Law to authorize a pharmacist to substitute an interchangeable biological product for a prescribed biological product under circumstances and conditions similar to those governing substitution of a generic drug for a prescribed drug under current law.

Failure to comply with the law governing generic drug substitution is a minor misdemeanor under current law. As pharmacists generally will comply with the bill's requirements, violations are going to be relatively infrequent.

Under current law, unchanged by the bill, law enforcement can only issue a citation for a minor misdemeanor; the person being cited generally cannot be arrested. If the person pays the associated fine of up \$150, court costs, and fees, that person is in effect pleading guilty and waiving the requirement that they make a court appearance.

**State fiscal effects**

The amount of locally collected state court costs that might be forwarded to the state treasury annually is likely to be negligible. The state court costs for a misdemeanor conviction generally total \$29, with \$20 of that amount being deposited in the state treasury to the credit of the Indigent Defense Support Fund (Fund 5DY0) and the remainder, or \$9, being credited to the Victims of Crime/Reparations Fund (Fund 4020).

**Local fiscal effects**

The time and cost for a municipal or county court to process a minor misdemeanor is relatively low, with most persons cited typically opting to pay the fine, court costs, and fees, and waive a court appearance. This likely means that in many cases the fine, court costs, and fees collected will offset some, if not all, of the cost associated with processing citations.

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