



**State Fiscal Note for Bill  
Number: 2023-H-5191**

**Date of State Budget Office Approval:** Wednesday, May 10, 2023

**Date Requested:**

**Date Due:**

**Impact on Expenditures**

**Impact on Revenues**

FY 2023 N/A

FY 2023 N/A

FY 2024 \$50,000

FY 2024 \$275,465

FY 2025 N/A

FY 2025 \$(554,665)

**Explanation by State Budget Office:**

This act introduces caps and minimum thresholds to license fees and includes new timeliness for license renewals for various pharmacy licenses which are currently determined by regulation. This act caps renewal fees for a pharmacist licenses at no more than two hundred fifty dollars (\$250) and changes the renewal period to biennially, aligning licensing with continuing education requirements. Additionally, this act sets a new minimum nonresident pharmacy license fee at no less than six hundred twenty-five dollars (\$625). The bill also adjusts timelines for licenses dictating licenses for pharmacy interns would be valid for a period not less than five (5) years and licenses for pharmacy technicians valid for not less than two (2) years.

**Comments on Sources of Funds:**

All Pharmacist Licensing Fees paid to the Rhode Island Department of Health are deposited into the general fund.

**Summary of Facts and Assumptions:**

OMB assumes this act would take effect on July 1, 2023.

OMB assumes the number of Licenses by type are consistent with the current number of currently active licenses in the system for FY 2024 and FY 2025.

Current Active Licenses by Type:

- Pharmacist: License – 2,538
- Pharmacist: Temporary License (90 Day) – 13
- Pharmacy Intern: License – 519
- Pharmacy Tech I: License – 2,059
- Pharmacy Tech II: License – 1,127
- Pharmacy – Non-Resident: License – 967

Projected revenue for the above licenses under the current rate structure is estimated as \$1,159,040. To project revenue under the new rates, OMB assumes the following rate changes and timelines:

Proposed Rates:

- Pharmacist: License – From \$280 to \$250
- Pharmacy Intern: License – No change, maintains \$70
- Pharmacy Tech I/II: License – No change, assumes increase to \$50 due to new biennial timeline
- Pharmacy – Non-Resident: License From \$340 to \$625

RIDOH’s licenses renew annually at the beginning of each fiscal year for all active

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licenses in the MyLicense Office (MLO) Online Licensing System. This bill defines new renewal timelines for Pharmacist, Interns and Pharmacy Tech's I and II but does not define a timeline for Non-Resident Pharmacist.

Proposed Timelines:

Pharmacist: License – From annually to biennially

Pharmacy Intern: License – From Annually to every five years

Pharmacy Tech I/II: License – From annually to biennially

Pharmacy – Non-Resident: License – No change, assumes annually

These assumptions represent no change for Interns fees regardless of the change in licensing timelines. Likewise, these assumptions represent no change in timeline for Non-Resident Pharmacists regardless of the change in licensing fee. However, OMB does assume an increase from \$25 to \$50 for Pharmacy Tech's due to the biennial timeline. RIDOH confirms this approach to assumptions although these additional parameters were not defined in the legislation.

Assuming the bill takes effect July 1, 2023, all licenses would renew in FY 2024. Projected revenue under H-5191 is estimated as \$1,434,505 which represents a \$275,465 increase under the current rate structure.

For FY 2025, Pharmacist, Pharmacy Intern, and Pharmacy Tech I/II licenses would not renew. Only Non-Resident Pharmacist licenses are assumed to renew in FY 2025, an estimated \$604,375 in revenue. This represents a \$(554,665) decrease in anticipated revenue.

In addition to the changes in revenue, the proposed renewal timelines for Pharmacist, Pharmacy Intern, and Pharmacy Tech I/II licenses proposed under H-5191 would require a onetime system update to the MyLicense Office (MLO) Online Licensing System. The update would require support from both the system administrator at DOIT/RIDOH as well as work by the vendor (System Automation). DoIT estimates the operational costs for these system updates would not exceed \$50,000. This includes making the changes, testing it, identifying conversion needs for existing licensees/reactivations and then deploying to production.

**Summary of Fiscal Impact:**

FY 2023: No fiscal impact reported due to timing of passage.

Expenditures:

FY 2024: \$50,000

Revenue:

FY 2024: \$275,465

FY 2025: \$(554,665)

*Budget Office Signature:*



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Date: 2023.05.10 14:03:15 -04'00'

*Fiscal Advisor Signature:*

