

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7145

BILL NUMBER: HB 1169

NOTE PREPARED: Feb 17, 2022

BILL AMENDED: Jan 24, 2022

SUBJECT: Department of Health Matters.

FIRST AUTHOR: Rep. Clere

FIRST SPONSOR: Sen. Crider

BILL STATUS: CR Adopted - 2nd House

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill has the following provisions:

Repeal and or Relocate - The bill repeals and relocates laws concerning:

- (1) rules regulating the sanitary operation of tattoo parlors and body piercing facilities;
- (2) allowing the executive board of the State Department of Health (IDOH) to adopt rules on behalf of the IDOH;
- (3) allowing the board to adopt emergency rules;
- (4) sanitation of public buildings and institutions; and
- (5) authority to adopt rules concerning the federal Clinical Laboratory Improvement Amendments.

The bill repeals laws concerning:

- (1) safety guidelines for children during bad weather conditions;
- (2) automated external defibrillator rules in health clubs;
- (3) requiring the State Health Commissioner to comment on certain rules;
- (4) fees for serological tests;
- (5) the administrative unit for special institutions;
- (6) protection and regulation of department property; and
- (7) the registry of blind persons.

Removal of Local Health Officers - The bill removes intemperance as a reason to remove a local health officer.

Administrative Law Proceedings - The bill specifies that the IDOH may request the Office of Administrative Law Proceedings to designate a person to administer a proceeding.

Office of Oral Health - The bill requires the IDOH to provide facilities and disseminate information to the public concerning oral public health.

Poison Control - The bill allows the IDOH to have a designee to maintain a 24 hour poisons answering service.

Prenatal Care Information - The bill adds information on prenatal care to the IDOH's telephone information service concerning children with long term health care needs.

Substance Use Disorder - The bill changes the reference from "illegal drug use" to "substance use disorder" for purposes of partnership and joint ventures with the IDOH.

Chief Medical Officer - The bill requires the IDOH to employ a licensed physician as the Chief Medical Officer. It allows the Chief Medical officer to perform the functions of the commissioner when the commissioner is not available.

State Health Laboratory - The bill specifies that the laboratory must be used to support public health. It changes the title of the person who manages the laboratory. It removes certain requirements concerning the appointment of the laboratory director and chemist. It removes a requirement that a director must report to the commissioner.

Certificate of Public Advantage (COPA) - The bill requires holders of a COPA to pay for reasonable charges incurred by the IDOH.

Chronic Disease Registry - The changes the requirement that the IDOH "shall" to "may" use information compiled by a public or private entity to the greatest extent possible to develop a chronic disease registry.

Certificate of Free Sale - The bill allows the IDOH to issue a certificate of free sale to a business that meets certain requirements.

Health Improvement Grants - The bill amends the definition of "person" for purposes of the State Health Improvement Plan and Grant Program.

Deaf or Hard of Hearing Definition - The bill amends the definition of "deaf or hard of hearing" for purposes of the laws governing language development for children who are deaf or hard of hearing.

County Coroners - The bill provides that a county coroner may not certify the cause of death for certain infants as a sudden unexplained infant death until a comprehensive death investigation is performed.

The bill also makes technical and conforming changes.

Effective Date: Upon passage; July 1, 2022.

Explanation of State Expenditures: *Certificate of Free Sale* - The IDOH may issue a certificate of free sale to Indiana food manufacturers that meet certain requirements, including a fee to be paid to the IDOH. These requirements may increase workload, yet these activities are currently undergone within the IDOH Food Protection Division and in collaboration with the FDA. The IDOH reports approximately 5,000 to 6,000 certificates are currently issued annually. The expenses of administering the program are to be paid from the

fees, and thus the net fiscal and workload impact is anticipated to be minimal.

Health Improvement Grants - The bill expands the definition of eligible applicants for the Health Issues and Challenges Grant Program to include counties. This could increase applications and the rate of approved grant awards, yet is not anticipated to impact total funding or expenditures. HEA 1001-2021 appropriated \$25 M in each year of the FY 2022 - FY 2023 biennium from the Federal American Rescue Plan Act (ARPA).

Miscellaneous and Technical Provisions - The bill has many provisions that repeal, move, clarify, or update sections of code that have no measurable fiscal impact and conform to IDOH practice and current activities.

Explanation of State Revenues: *Certificates of Public Advantage (COPA)* - The bill strengthens the language in existing statute requiring COPA applicants and holders to pay fees assessed by the IDOH to fund the agency's costs for COPA review and monitoring activities. The bill also adds a requirement for COPA applicants to pay additional charges for expenses incurred by the IDOH in excess of application fees collected. All COPA fees collected would be deposited in the General Fund.

Certificate of Free Sale Fund - The bill establishes the nonreverting Certificate of Free Sale Fund to be administered by the IDOH. The IDOH may charge a fee for each certificate, which is specific to each product of export. The fee for each original certificate shall be \$40, with a \$10 fee for additional copies. This may bring in an estimated \$200,000 to \$240,000 in fee revenue annually, given the current annual number of certificates cited by the IDOH. The expenses of administering the program are to be paid from the fees.

Explanation of Local Expenditures: *School Corporations* - The bill amends the definition of "deaf or hard of hearing" for purposes of the laws governing language development for children who are deaf or hard of hearing. These changes are for clarification purposes only and are not expected to impact expenditures related to individualized education plans (IEPs).

Explanation of Local Revenues: *Local Health Departments* - The bill expands the definition of eligible applicants for the Health Issues and Challenges Grant Program to include counties. This could increase revenue to local units specific to receipt of grant funds from the Federal ARPA for eligible projects to improve public health.

State Agencies Affected: Department of Health, Department of Education.

Local Agencies Affected: Counties, local health departments, school corporations.

Information Sources: Micha Burkert, Indiana Department of Health.

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