

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS
FISCAL IMPACT STATEMENT**

LS 7065

BILL NUMBER: HB 1399

NOTE PREPARED: Jan 8, 2026

BILL AMENDED:

SUBJECT: Ephedrine and Pseudoephedrine Products.

FIRST AUTHOR: Rep. Isa

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: *Electronic Logging System:* The bill requires the State Police Department (ISP) to oversee an electronic logging system to:

- (1) record and monitor real time purchases of products containing ephedrine and pseudoephedrine;
- (2) monitor ephedrine and pseudoephedrine purchases to prevent or investigate the illegal purchase of ephedrine or pseudoephedrine; and
- (3) block illegal purchases of ephedrine and pseudoephedrine.

It requires the ISP to contract with a third party vendor to operate the system. It requires each manufacturer of products that contain ephedrine and pseudoephedrine to demonstrate to the ISP that they have a valid contract with the vendor to provide electronic tracking of purchases in Indiana. It replaces "NPLeX system" references with "electronic logging system".

Removal of Certain Pharmacy Requirements: The bill removes current restrictions on the sale of ephedrine and pseudoephedrine products to individuals who do not have a relationship on record with a pharmacy or have not completed a consultation with a pharmacy to determine if there is a legitimate medical or pharmaceutical need for the products.

Effective Date: July 1, 2026.

Explanation of State Expenditures: *Summary:* The bill could shift workload and expenditures from the Office of Judicial Administration (OJA) to the ISP to oversee the electronic logging system for products containing ephedrine and pseudoephedrine. The bill could potentially increase expenditures, depending on administrative decisions.

Additional Information:

Electronic Logging System: The bill requires the ISP to oversee the electronic logging system and requires them to contract with a third party vendor to operate the system. The OJA currently uses the NPLeX system, as required under current law. The bill removes references to NPLeX system. Therefore, additional increases

in expenditures would depend on legislative decisions regarding state General Fund appropriations for the OJA and ISP, as well as ISP decisions regarding third party vendors. By September 1 of each year, each manufacturer of products that contain these ingredients must demonstrate to the ISP that they have a valid contract with the vendor. The bill allows the ISP to adopt rules to administer the provisions.

States that pass legislation requiring that state agencies, pharmacies, retailers, and law enforcement track information on pseudoephedrine sales (as currently required and required under the bill) are not charged for using NPLEX. Currently, 38 states use NPLEX.

Removal of Certain Pharmacy Requirements: The bill removes requirements for the Indiana Board of Pharmacy to adopt rules concerning current restrictions that are eliminated by the bill.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Board of Pharmacy, Indiana State Police, Office of Judicial Administration.

Local Agencies Affected:

Information Sources:

<https://totalverify.equifax.com/solutions/nplex>

<https://times.courts.in.gov/2016/12/15/data-sharing-partnership-nplex-recording-methamphetamine-related-felony-convictions/>

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