

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

LS 7068
BILL NUMBER: SB 282

NOTE PREPARED: Jan 7, 2026
BILL AMENDED:

SUBJECT: Compounding Drugs and Medical Spas.

FIRST AUTHOR: Sen. Charbonneau
FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
 X DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: *Drug Compounding:* This bill restricts compounding of drugs using bulk drug substances unless certain requirements are met and requires persons selling, transferring, or distributing compounded drugs to maintain specified records. It requires the Indiana Department of Health (IDOH) to prepare a report concerning the oversight of drug compounding and the posed risks of compounding.

Medical Spas: Beginning January 1, 2027, this bill requires the registration of medical spas under the Indiana Board of Pharmacy. It requires the Board of Pharmacy to establish and maintain a public data base concerning registered medical spas and requires a medical spa to designate a responsible person that is physically present for a sufficient time to ensure compliance with requirements as part of registration. It requires a medical spa to notify the Board of Pharmacy after a serious adverse event. The bill also allows the Board of Pharmacy to take disciplinary action, including the suspension of a medical spa registration.

Effective Date: July 1, 2026.

Explanation of State Expenditures: *Drug Compounding:* The bill's various requirements concerning drug compounding will increase workload for the IDOH but the work can be implemented using existing staffing and resources. *[The IDOH's administrative expenditures are currently paid from the Tobacco Master Settlement Fund, a dedicated fund.]*

Medical Spas: The following table presents the estimated expenditures for the initial and ongoing expenditures of the proposed registry at the Board of Pharmacy.

Estimated PLA Expenditures for Medical Spa Registry (Initial and Ongoing)				
Expense Category	FY 2026		FY 2027 & Subsequent Years	
	<u>Low Estimate</u>	<u>High Estimate</u>	<u>Low Estimate</u>	<u>High Estimate</u>
Existing PLA Staff Costs to Implement *	minimal	\$52,000	-	-
Registry Database Development with Web Integration and Maintenance**	\$4,250	\$7,500	\$635	\$1,500
Board Expenditures***	-	-	\$0	\$530
Miscellaneous Expenditures****	-	-	\$0	\$2,000
TOTAL NEW EXPENDITURES	\$4,250	\$7,500	\$635	\$4,030
* Estimated salary cost of existing staff to complete the medical spa registry, or if current staff cannot complete the development, the cost to hire an additional staff member to complete the development. ** Assumes about 50 hours to develop at \$85 to \$150 per hour rate of development. Ongoing maintenance expenditures are estimated at 15% to 20% of development cost annually. *** Estimate of per diem and mileage expenditures for additional meeting of the Board of Pharmacy. **** Estimated cost of reviewing				

Additional Information– The Professional Licensing Agency (PLA) and Board of Pharmacy (Board) would have an increase in workload as a result of the bill. The PLA’s workload would increase in the first year of implementation in order to establish the medical spa registry as required by the bill.

The Board’s workload increase could occur beginning in the subsequent years after implementation as complaints against registrations may increase. However, the BOP meets on average about 11 times per calendar year and would likely be able to hear the additional complaints the proposed registry may generate.

Database development would likely be a new expenditure that the PLA would incur. Total development costs would depend on whether the PLA could incorporate the new database into their existing licensing system and public license verification tool or if it is a from-scratch development. However, given the small number of potential records and four data points to be included in the registry database it is anticipated the cost would not be overly significant. The above cost estimate reflects the approach to integrate a new registry into the PLA’s existing licensing database and website tool.

Explanation of State Revenues: *Medical Spa Registry*– If more complaints of violations are brought before the Board as a result of the bill, the Board could levy additional fines up to \$1,000 per determined violation or for registry noncompliance.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Indiana Department of Health; Professional Licensing Agency, Board of Pharmacy.

Local Agencies Affected:

Information Sources: OFMA new professional license cost estimator, FY 2026 version.

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