

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

LS 7068
BILL NUMBER: SB 282

NOTE PREPARED: Jan 28, 2026
BILL AMENDED: Jan 28, 2026

SUBJECT: Compounding Drugs; Registration of Medical Spas.

FIRST AUTHOR: Sen. Charbonneau
FIRST SPONSOR:

BILL STATUS: 2nd Reading - 1st House

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: (Amended) *Compounding Pharmacies*: This bill requires specified pharmacies to comply with specified provisions of the federal Food, Drug, and Cosmetic Act and allows the Indiana Board of Pharmacy to investigate and enforce compliance by the pharmacies.

Medical Spas: Beginning January 1, 2027, this bill requires the registration of medical spas under the Medical Licensing Board of Indiana. It requires the Medical Licensing Board to establish and maintain a public data base concerning registered medical spas and requires a medical spa to designate a responsible practitioner that meets certain requirements and specifies duties of the responsible practitioner. It requires a medical spa to notify the Medical Licensing Board after a serious adverse event. It prohibits a medical spa from providing health care services and cosmetic and lifestyle treatments in a location other than the medical spa, a physician's office, or other health care facility. The bill also allows the Medical Licensing Board to take disciplinary action, including the suspension of a medical spa registration.

Effective Date: July 1, 2026.

Explanation of State Expenditures: (Revised) *Compounding Pharmacies*: The bill will increase workload for the Indiana Board of Pharmacy to enforce new requirements concerning compounding pharmacies and investigate alleged violations. The Board of Pharmacy should be able to complete any additional workload withing their existing schedule of 12 to 14 meetings per year.

The bill allows the Attorney General, at the request of the Board of Pharmacy, to bring an injunction against a pharmacy that violates the provisions of the bill. This should be able to be completed within the Attorney General's existing staffing and resource levels.

Medical Spas: The following table presents the estimated costs to establish the proposed medical spa registry and database at the Medical Licensing Board of Indiana, which is a practitioner oversight body that functions as part of the Professional Licensing Agency (PLA).

Estimated PLA Expenditures for Medical Spa Registry (Initial and Ongoing)				
Expense Category	FY 2027		FY 2028 & 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	\$550
Miscellaneous Expenditures****	-	-	\$0	\$2,000
TOTAL NEW EXPENDITURES	\$4,250	\$7,500	\$635	\$4,050
* 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 Medical Licensing Board. **** Estimated cost of reviewing				

Additional Information: The Professional Licensing Agency (PLA) and the Medical Licensing 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 Medical Licensing Board's workload increase could occur beginning in the subsequent years after implementation as possible instances of unregistered medical spas may increase. However, the Medical Licensing Board 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:* The bill allows the Medical Licensing Board to fine a person that operates an unregistered medical spa up to \$5,000, which would be deposited to the state General Fund.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Indiana Board of Pharmacy, Medical Licensing Board of Indiana, Professional Licensing Agency; Office of the Attorney General.

Local Agencies Affected:

Information Sources: OFMA new professional license cost estimator, FY 2026 version;
www.in.gov/pla/professions/pharmacy-home/pharmacy-board;
www.in.gov/pla/professions/physicians-home/medical-board.

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