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FISCAL IMPACT REPORT

SPONSOR: Godbey DATE TYPED: 02/01/01 HB HJM 20
 SHORT TITLE: Direct-to-Consumer Drug Advertising SB _____
 ANALYST: Wilson

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY01	FY02	FY01	FY02		
		NFI			

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

Agency on Aging
LFC files

SUMMARY

Synopsis of Bill

HJM 20 requests that Congress review and restrict Federal Food and Drug Administration Guidelines pertaining to direct consumer advertising for prescription drugs.

Significant Issues

Direct-to-consumer advertising has coincided with a national rise in the number of prescriptions written and overall spending on prescription drugs. In 1999, drug manufacturers spent one billion eight hundred million dollars (\$1,800,000,000.) on mass media for direct-to-consumer advertising, a thirty-eight percent (38%) increase from the previous year. Many public health officials fear that this type of advertising will undermine one's willingness to make lifestyle changes necessary to promote appropriate health status and disease prevention. Many also fear that this type of advertising may result in a push by consumers for newer, costlier drugs when less expensive drugs work just as well.

DW/ar