



January 15, 2025

Representative Luke E. Torian
Chairman of the House Appropriations Committee
900 E. Main Street
Richmond, VA 23219

RE: Small business support for H.B. 1724 Prescription Drug Affordability Board established; drug cost affordability review.

Dear Chairman Torian and members of the Committee:

As a representative of Virginia's small business community, Small Business Majority writes today to urge you to pass HB 1724, the Prescription Drug Affordability Board established; drug cost affordability review.

Small Business Majority is a small business organization that empowers diverse entrepreneurs to build a thriving and equitable economy. We engage our network of more than 85,000 small businesses and 1,500 business and community organizations to advocate for public policy solutions and deliver resources to entrepreneurs that promote equitable small business growth.

Virginians are facing a crisis of skyrocketing prescription drug costs, and many are forced to choose between being able to afford prescribed medicine and paying for other essentials like food and utilities. In 2023 alone, pharmaceutical companies hiked up the list prices for [112 drugs at a rate higher than the rate of inflation](#). This is particularly concerning as Virginians spend more money on their prescriptions than most Americans and our [research](#) found that Virginia small businesses cite healthcare costs as one of the top issues they face. What's more, the most popular healthcare policy proposal among small business owners is to bring down the price of prescription drugs, with 90% in support.

This is why Virginia needs a Prescription Drug Affordability Board to make medicines more affordable for entrepreneurs and to rein in out-of-control price hikes that are hurting Virginians. A Prescription Drug Affordability Board will lower the cost of medicine by setting upper payment limits (UPLs), or cost caps, on how much Virginia consumers pay for certain medications. The Board would consider a broad range of economic factors when setting appropriate payment rates for reviewed drugs, allowing pharmaceutical manufacturers the opportunity to justify existing drug costs. Once a fair payment rate is determined, the Board would set an UPL that applies to the entire supply chain.

The Board would be a small, independent group of people with expertise in medicine, health care and economics. They will not represent any stakeholder group and will not have financial conflicts with drug companies.

I urge you to vote yes on HB 1724 to create a Prescription Drug Affordability Board with the ability to deliver real savings for Virginians, including our small business community.

Sincerely,

Awesta Sarkash
Public Policy Director
Small Business Majority