Honolulu, Hawaii

, 2020

FEB 0 3

RE: H.B. No. 1608

H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirtieth State Legislature Regular Session of 2020 State of Hawaii

Sir:

Your Committee on Health, to which was referred H.B. No. 1608 entitled:

"A BILL FOR AN ACT RELATING TO PRESCRIPTION DRUGS,"

begs leave to report as follows:

The purpose of this measure is to address prescription drug inflation by authorizing the Department of Health to implement a program for wholesale importation of prescription drugs.

Your Committee received testimony in support of this measure from AARP Hawaii, Health Committee of the Democratic Party of Hawaii, and Hawaii Medical Service Association. Your Committee received testimony in opposition to this measure from the Healthcare Distribution Alliance, Pharmaceutical Research and Manufacturers of America, and The Partnership for Safe Medicines. Your Committee received comments on this measure from the Department of Health and Department of the Attorney General.

Your Committee notes that the United States Department of Health and Human Services published proposed rules on December 18, 2019, to regulate wholesale importation of prescription drug programs. However, the rules, if finalized, may not take effect until April 2020. Testimony from the Department of Health also noted that a program for the wholesale importation of prescription drugs may require a considerable amount of funds to implement

including hiring of necessary staff and leasing of storage space. Should your Committee on Consumer Protection and Commerce deliberate on this measure, your Committee respectfully requests that it consider tasking the Department of Commerce and Consumer Affairs, rather than the Department of Health, with implementing this measure.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1608, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1608, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

Respectfully submitted on behalf of the members of the Committee on Health,

State of Hawaii House of Representatives The THIRTIETH Legislature

Record of Votes of the Committee on Health

Bill/Resolution No.: JB 1608	Committee Referral:	J Date	1-28-	20
☐ The committee is reconsidering its previous	, ,			
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)				
HLT Members	Ayes	Ayes (WR)	Nays	Excused
1. MIZUNO, John M. (C)				
2. KOBAYASHI, Bertrand (VC)	V		_	
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3. BELATTI, Della Au	V			
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4. NAKAMURA, Nadine K.		V		
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5. SAN BUENAVENTURA, Joy A.				
6. SAY, Calvin K.Y.		V		
7. TOKIOKA, James Kunane		V		
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