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STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
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ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN ONLY
TESTIMONY BY CRAIG K. HIRAI
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON JUDICIARY
ON
HOUSE BILL NO. 2237

February 4, 2020
2:05 p.m.
Room 325

RELATING TO DRUG DISPOSAL

The Department of Budget and Finance (B&F) offers comments on the creation of the Drug Disposal Special Fund (DDSF).

House Bill (H.B.) No. 2237 establishes the Drug Disposal Program and the DDSF under the administration of the Department of the Attorney General (AG) to provide for the safe, secure, and environmentally friendly disposal of drugs in the State; allows for the deposit of grants from the federal government; allows for the deposit of grants or donations from private individuals and organizations; appropriates an unspecified amount of general funds into the DDSF for FY 20; and appropriates an unspecified amount of general funds into the DDSF for FY 21 for the purpose of awarding grants administered by the AG.

As a matter of general policy, B&F does not support the creation of any special fund which does not meet the requirements of Section 37-52.3, HRS. Special funds should: 1) serve a need as demonstrated by the purpose, scope of work and an explanation why the program cannot be implemented successfully under the general

fund appropriation process; 2) reflect a clear nexus between the benefits sought and charges made upon the users or beneficiaries or a clear link between the program and the sources of revenue; 3) provide an appropriate means of financing for the program or activity; and 4) demonstrate the capacity to be financially self-sustaining.

Regarding H.B. No. 2237, it is difficult to determine whether the proposed special fund would be self-sustaining.

Thank you for your consideration of our comments.



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
THIRTIETH LEGISLATURE, 2020**

ON THE FOLLOWING MEASURE:

H.B. NO. 2237, RELATING TO DRUG DISPOSAL.

LATE

BEFORE THE:

HOUSE COMMITTEE ON JUDICIARY

DATE: Tuesday, February 4, 2020

TIME: 2:05 p.m.

LOCATION: State Capitol, Room 325

TESTIFIER(S): Clare E. Connors, Attorney General, or
Kathleen S. Ho, Deputy Attorney General

Chair Lee and Members of the Committee:

The Department of the Attorney General opposes this bill.

This bill requires the Department of the Attorney General to establish a Drug Disposal Program to dispose of prescription and over the counter drugs in a safe and secure and environmentally friendly manner.

This proposed Drug Disposal Program does not appear to be necessary because a program that accomplishes the intent of this bill already exists. The Hawaii Medication Drop Box and Disposal Program, currently in existence, is a public health and safety partnership between the Office of the Lieutenant Governor, Department of the Attorney General, Department of Health, Department of Public Safety, and the Hawaii, Maui, and Kauai Police Departments. The roles and responsibilities of these partnering entities are based on a cooperative understanding that initiated and sustains the program by leveraging federal, State, and county resources.

The current program provides the public with the opportunity to drop off unused prescription medication at designated police stations or at state and county buildings. Currently, there are approximately 35 collection sites across the State. The locations of the medication drop boxes (including those at Longs Drugs-CVS) can be viewed at the Hawaii Opioid Initiative website at <https://hawaiiopioid.org/drug-take-back/>.

Accordingly, the appropriation to implement the proposed new drug disposal program appears to be unnecessary in light of the success of the existing program. For

example, from July 2018 – December 2019, more than 3000 pounds of prescription drugs were collected by the Hawaii Medication Drop Box and Disposal Program.

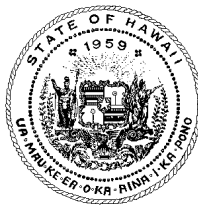
In addition, section 461-10.2, Hawaii Revised Statutes (HRS), authorizes qualified pharmacies to accept the return of any prescription drug. Those pharmacies must use secured collection receptacles that comply with federal regulations. The existing program in conjunction with this statute implements, we believe, the intent of this bill.

We have additional comments and concerns regarding this bill as proposed.

Section 28-D(b) in section 1, at page 5, lines 9-14, purports to allow the Attorney General to award grants to assist in purchasing, operating, and maintaining repositories in the State, or purchasing or distributing home drug disposal receptacles. If the Legislature intends to give the Attorney General the ability to award grants, section 4 of article VII of the State Constitution, which requires that “[n]o grant of public money or property be made except pursuant to standards provided by law,” is applicable here.

If this Committee desires to establish a statewide drug disposal program and provide for administrative grants, a section should be added to set forth the grant qualifications, standards and conditions. Further, we recommend that the new section expressly except chapters 103D and 103F, HRS. Part II of chapter 9 and sections 10-17, 210D-11, and 383-128, HRS, are examples of administrative grant standards provided by law.

Based on the foregoing, we respectfully ask this Committee to hold this bill.



STATE OF HAWAII
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No. _____

TESTIMONY ON HOUSE BILL 2237
RELATING TO DRUG DISPOSAL.

By

Nolan P. Espinda, Director

House Committee on Judiciary
Representative Chris Lee, Chair
Representative Joy A San Buenaventura, Vice Chair

LATE

Tuesday, February 4, 2020; 2:05 p.m.
State Capitol, Conference Room 325

Chair Lee, Vice Chair San Buenaventura, and Members of the Committee:

The Department of Public Safety (PSD) appreciates the intent of House Bill (HB) 2237, which proposes to establish a Drug Disposal Program, administered by the Department of the Attorney General, to dispose of prescription and over-the-counter drugs in a safe, secure, and environmentally friendly manner. PSD, however, offers the following comments of concern.

First, all drug take-back programs in the United States are regulated under a lengthy set of rules by the United States Drug Enforcement Administration (DEA). Any drug take-back program must comply with these DEA regulations.

Second, subsection (b) on page 4, lines 3-12, proposes that "[a] state or county government entity, other than the attorney general, may not regulate the proposed Attorney General Drug Disposal Program. PSD's Narcotics Enforcement Division (NED) issues controlled substance registrations to pharmacists and hospitals. If such pharmacists and hospitals participate in the Attorney General Drug Disposal Program, they must also comply with NED's regulations. This proposed subsection (b) prohibits NED from regulating its registrants.

Finally, PSD respectfully submits that this proposal is unnecessary. Under a collaboration involving the Office of the Lieutenant Governor, the State Departments of the Attorney General, Health, and Public Safety, as well as the Kauai, Maui and Hawaii Police Departments, the Hawaii Medication Drop Box Program has placed drop boxes in local police stations on Kauai, Maui, and Hawaii Counties, and in the State NED office on Oahu. Since the beginning of the program in July 2018, approximately 3,000 pounds of unwanted medications have been turned in by the public and destroyed.

PSD defers to the Department of the Attorney General for further comments.

Thank you for the opportunity to testify on this measure.



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
House Committee on Judiciary
Tuesday, February 4, 2020 at 2:05 p.m., Rm 325

By
Bonnie Irwin
Chancellor
And
Carolyn Ma, PharmD, BCOP
Dean
Daniel K. Inouye College of Pharmacy
University of Hawai'i at Hilo

HB 2237 – RELATING TO DRUG DISPOSAL

Chair Lee, Vice Chair San Buenaventura and members of the committee:

Thank you for the opportunity to submit testimony on HB 2237. The University of Hawai'i at Hilo supports this bill to establish a Drug Disposal Program through the Dept. of Attorney General, for prescription and over-the-counter drugs in a safe environment and in a friendly manner and also support the establishment of a Drug Disposal Special Fund.

In partnership with the Narcotics Enforcement Division (NED), the Daniel K. Inouye College of Pharmacy (DKICP) has participated in annual Drug Take Back events since 2012 and annually we hold Drug Take Back events during our DKICP Annual Health Fair in Hilo. In 2014, a publication in the Hawai'i Journal of Medicine and Public Health, described the quantities and types of returned medications in these events. (Ma, CS, Batz, F, Taira Juarez, D. Ladao, L, Drug Take Back in Hawai'i: Partnership Between the University of Hawai'i at Hilo College of Pharmacy and The Narcotics Enforcement Division. HJMPH 2014;73:1(26-31)

In 2018 and 2019, the NED set up 10 drug return kiosks in the police stations on Maui, Kaua'i and Hawai'i Island. The DKICP has been working with NED to also quantify and describe the medication returns in these police station kiosks. Unpublished results indicate high utilization of these medication kiosks. In addition, the NED has a medication take back box at their Honolulu office and data suggests very high usage

Successful 2019 legislation yielded Act 183 that authorizes certain pharmacies to collect prescription drugs for disposal via secured collection bins. Soon after, Longs and CVS Health implemented medication take back boxes in their stores on O'ahu and Maui.

The Drug Enforcement Agency (DEA) also continues to hold successful annual drug take back events twice yearly throughout the state.

Although medication take back events and kiosks provide an effective method to reduce the presence of medications in the home, the elderly or remotely rural citizen may not be able to take advantage of take back opportunities due to transportation or geographic challenges. Understanding these access issues the DKICP received grant funding from the Amerisource Bergan Foundation. The grant provides funding for our students and faculty to provide education on the hazards of unused medications and help with medication destruction using Dispose RX packets that were provided by the grant. DKICP has partnered with Hawai'i Pacific Health to dispense Dispose RX packets with every opioid prescription, allowing a patient to destroy any unused opioids in the pill bottle. On Oahu, faculty and students have provided education sessions and medication destruction events on a quarterly basis at two long-term care facilities and will be expanding soon to senior centers.

The various forms of medications can present a challenge to destruction or take back. Dosage forms such as liquids, patches, suppositories, may require a different method of destruction. Not all medications are packaged loosely in a prescription bottle. Many pharmacies now package individual pills in foil wrapped sleeves, or a daily medication regimen in one plastic envelope. Many elderly patients will bring these types of pill sleeves to our medication destruction events where we must individually pop out each pill into a container then utilize the Dispose RX packets.

Having a centralized Drug Disposal program may help to coordinate these various efforts to tackle the problem of collecting or destroying unused medications. There are significant costs associated with collection and transport of collected medication and medication destruction is labor intensive with manpower, equipment and transportation needs. The establishment of a fund would be helpful to make sure that mounting costs are not barriers to continue or expand different types of programs.

We appreciate the opportunity to submit testimony and fully support this bill.

COMMITTEE ON JUDICIARY
Rep. Chris Lee, Chair
Rep. Joy A. San Buenaventura, Vice Chair

LATE

Mr. Steven Palmer
Verde Technologies
303.619.3967

Tuesday, February 4, 2020
2:00 p.m.

Comment for HB2237
Relating to Drug Disposal Program

Thank you for allowing me to testify today, my name is Steven Palmer, and I work with Verde Technologies, the maker of the Detera at-home drug deactivation system.

While for some, abuse and misuse start with a legitimate prescription, more than half of opioid misusers got the drug from a family member or friend and 80 percent of heroin users were introduced to opioids through a prescription.

Those are sobering statistics and remind us quite clearly of the need for Hawaii families to safely deactivate their unused or unwanted prescription drugs. That's why we are excited to see the effort the Hawaii legislature is putting into this important topic. As you've wisely realized, the best way to avoid misuse and abuse, and ultimately overdose, is through ensuring Hawaii's patients and others never struggle with misusing opioids in the first place.

Recent JAMA studies have demonstrated that at-home drug disposal options are significantly more likely to lead to proper deactivation of unused and unwanted drugs. Work done by scientists at the University of Michigan and Ohio State University indicate patients are 43 times more likely to properly dispose of their drugs if they're provided a Detera pouch. I want to stress, these were from academic studies done independent of our work, we're happy to provide them for the record or for anyone's review.

Those findings, however, demonstrate that while takeback boxes can be a significant tool in any state's effort, to be most successful, the state needs an at-home component, patients are, again, much more likely to follow through. The legislation we're currently discussing makes some reference to it, but we would like to propose slight amendments to the bill, as drafted, to ensure the state is best able to provide Hawaii's families with these options. And notably, providing take-home options can be done in a way that is cost-effective, potentially even a cost-savings given the downstream savings found in less misuse, addiction, overdoses, and treatment required, while also saving lives.

In that spirit, it is our hope that HB2237 is amended to both ensure at-home options are available for either no or low cost in Hawaii's pharmacies, and that the legislation allows for communities and non-profits to access state funds to put in place distribution programs that get at-home disposal bags in the hands of the state's patients and their families.

**State of Hawaii House of Representatives
Committee on Judiciary**

**HB2237
Relating to Drug Disposal
TESTIMONY IN SUPPORT**

LATE

TESTIFIER: David Schiller, President & CEO NarcX

DATE: Tuesday, February 4, 2020

TIME: 2:05 PM

PLACE: Conference Room 325

Good afternoon Chair Lee and members of the Hawaii State House Committee on Judiciary:

My name is David Schiller and I am the President and CEO of NarcX and a former Special Agent for the United States Drug Enforcement Administration (DEA) for over 30 years. Thank you for allowing me to provide testimony IN STRONG SUPPORT of HB2237 related to the urgent need for On-Site drug disposal to combat the Opioid epidemic that is impacting our nation and the state of Hawaii.

I oversaw DEA's Diversion Control Program and DEA's 1.9 million DEA registrants (hospitals, pharmacies, doctors, manufacturers, distributors, etc.). I was also responsible for ensuring that the prescription drugs that these registrants were responsible for were not being illegally used by those they were not prescribed for by a doctor.

Every single day throughout the United States over 200 people die from the abuse of prescription drugs. Approximately another 2,000 people overdose every day but do not die from the abuse of prescription drugs due to the efforts of first responders and emergency room personnel using Narcan (Naloxone) and other life-saving efforts.

Approximately 80 percent of those that abuse prescription drugs for the first time freely admit that they begin their addiction with a prescription drug NOT prescribed for them by a doctor. They admit that they are abusing these prescription drugs without any medicinal value. They also freely admit that they obtained these prescription drugs from their house, a friend's house, a neighbor's house, or an open house for sale in their neighborhood. Once these individuals become addicted and no longer can find them in homes, they look for drug trafficking organizations selling them for a dollar per milligram. Once they can no longer afford these prices and cannot get the prescription drugs for free, they turn to heroin which can be purchased from drug trafficking organizations for as little as \$10 per baggie. If they do not die from the abuse of prescription drugs they ultimately die from the abuse of heroin.

It is a common fact in the United States that the great majority of those prescribed a prescription drug very rarely take all the medication prescribed to them or do not take any of the medication at all. Furthermore, it is a common fact that these unused medications are commonly stockpiled in their medicine cabinet in their home. It is common fact that over 90 percent of households in the United

States have at least one unwanted, unused, or expired prescription drug stockpiled in their medicine cabinet.

In 2010 the United States Congress passed the Secure and Responsible Disposal Act. This allowed certain DEA registrants to register as authorized collectors of these medications. It also allowed police departments to collection these unwanted medications. Each have stockpiled these mediations pending incineration which can take months.

The overwhelming problem with stockpiling these medications in the household, by the DEA registrant, or by the police department is that these medications are routinely stolen from the households. Furthermore, they are stolen (diverted) by the very people that were trusted to protect them, i.e , registrants and police officers and sold illicitly. There are countless media reports throughout the United States that show police officers, doctors, nurses, pharmacy technicians, and others being videotaped stealing (diverting) these prescription drugs for self-abuse and/or monetary gain.

Education, prevention, destruction, and treatment are some of the primary measures needed to end the opioid epidemic in Hawaii as well as the entire United States. If patients (ultimate user's), police departments, DEA registrants, and others that have access to prescription drugs do not IMMEDIATELY destroy these prescription drugs On-Site when there is no longer a legal medicinal need, diversion and its unfortunate death will continue.

Unfortunately, the collection receptacles that continue to be set up in pharmacies and police departments in Hawaii as well as across the United States are directly contributing to the opioid epidemic. The rampant diversion from these collection receptacles is further being escalated by the DEA registered reverse distributors as well as the EPA approved incinerators that continue to steal (divert) these prescription drugs that they were trusted to protect and destroy.

On-Site destruction that immediately renders the prescription drugs non-divertible and ultimately non-retrievable is the only method to end this massive diversion and the opioid epidemic.

Furthermore, independent validation is essential to prove that the On-Site method of destruction is in accordance with DEA's definition of non-retrievable.

Thank you again for allowing me to share my perspective in support of this legislation.