

STAND. COM. REP. NO. 1709

Honolulu, Hawaii

APR 04 2025

RE: H.B. No. 712
H.D. 2
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Sir:

Your Committees on Ways and Means and Judiciary, to which was referred H.B. No. 712, H.D. 2, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HEALTH,"

beg leave to report as follows:

The purpose and intent of this measure is to protect the rights of entities that participate in the federal 340B Drug Pricing Program to use contract pharmacies.

More specifically, the measure:

- (1) Prohibits drug manufacturers from denying, restricting, or prohibiting the acquisition, shipping, or delivery of a 340B drug to pharmacies contracted with 340B covered entities;
- (2) Authorizes a 340B covered entity or the Attorney General to bring a civil action for enforcement if a drug manufacturer fails to comply with the prohibition; and
- (3) Requires certain information to be compiled by 340B covered entities and reported annually to the Legislature by the Department of Health.



Your Committees received written comments in support of this measure from the Hawaii State Health Planning and Development Agency, Hawaii Health and Harm Reduction Center, Hawaii Primary Care Association, Healthcare Association of Hawaii, AlohaCare, Waianae Coast Comprehensive Health Center, Hawaii Children's Action Network Speaks!, The Queen's Health Systems, and five individuals.

Your Committees received written comments in opposition to this measure from the Pharmaceutical Research and Manufacturers of America.

Your Committees received written comments on this measure from the Department of Health, Hawaii Pacific Health, and Hawaii Island Community Health Center.

Your Committees find that limitations by drug manufacturers on the use of contract pharmacies by 340B covered entities restrict patients' access to affordable medication, especially in rural areas. These limitations also jeopardize the financial savings that hospitals, community health centers, and other health care providers depend upon to support community services. Your Committees believe that the protections offered by this measure will help ensure that low-income and uninsured residents continue to have access to affordable medications and critically needed health care services.

Your Committees have amended this measure by making technical, nonsubstantive edits for purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Ways and Means and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 712, H.D. 2, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as H.B. No. 712, H.D. 2, S.D. 2.



Respectfully submitted on
behalf of the members of the
Committees on Ways and Means
and Judiciary,

Karl Rhoads

KARL RHOADS, Chair

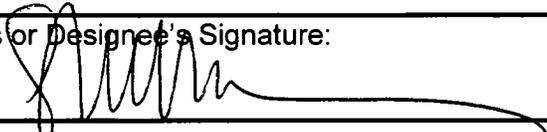
Donovan M. DeLa Cruz

DONOVAN M. DELA CRUZ, Chair



The Senate
Thirty-Third Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
HB712 HD2 SD1	HHS/CPN, WAM/JDC	4/1/2025		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)	X			
MORIWAKI, Sharon Y. (VC)	X			
AQUINO, Henry J.C.	X			
DECOITE, Lynn				X
ELEFANTE, Brandon J.C.	X			
HASHIMOTO, Troy N.	X			
INOUYE, Lorraine R.	X			
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.	X			
KIM, Donna Mercado	X			
LEE, Chris				X
WAKAI, Glenn	X			
FEVELLA, Kurt	X			
TOTAL	11	0	0	2
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

*Only one measure per Record of Votes

