

STAND. COM. REP. NO. 288-06

Honolulu, Hawaii  
Feb 14, 2006

RE: H.B. No. 1872  
H.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Third State Legislature  
Regular Session of 2006  
State of Hawaii

Sir:

Your Committees on Consumer Protection & Commerce and Health,  
to which was referred H.B. No. 1872 entitled:

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

beg leave to report as follows:

The purpose of this bill is to establish a means of increasing access to affordable prescription drugs by allowing consumers, the State, and other affected parties to obtain an injunction, damages, and other relief when a drug manufacturer or its licensee sells drugs for an excessive price.

The ILWU Local 142, Policy Advisory Board for Elder Affairs, and National Legislative Association on Prescription Drug Prices testified in support of this bill. Pharmaceutical Research and Manufacturers of America opposed this bill.

Your Committees find that Americans pay the world's highest drug prices. We paid 81 percent more for patented brand-name drugs last year than buyers in Canada and six western European countries. This bill provides a vehicle for a consumer or provider to challenge this excessive pricing by showing that a drug is priced 30 percent over the price for the same drug in any of four, high income, industrialized countries. The drug industry must then explain why these medications cannot be priced more reasonably.

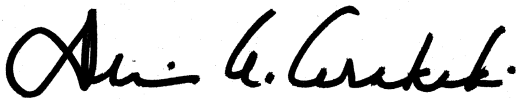
HB1872 HD1 HSCR CPC-HLT HMS 2006-1923



Your Committees hope that the Committee on Judiciary will review this bill's suggested legal process for practicality and reasonableness. To continue discussion on this measure, the bill's effective date has been changed to July 1, 2050. In addition, technical, nonsubstantive amendments were made for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Consumer Protection & Commerce and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1872, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1872, H.D. 1, and be referred to the Committee on Judiciary.

Respectfully submitted on  
behalf of the members of the  
Committees on Consumer  
Protection & Commerce and  
Health,



DENNIS A. ARAKAKI, Chair



ROBERT N. HERKES, Chair





