

STAND. COM. REP. NO.

3072

Honolulu, Hawaii

MAR 24 2006

RE: H.B. No. 1869
H.D. 1
S.D. 1

Honorable Robert Bunda
President of the Senate
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committee on Health, to which was referred H.B.
No. 1869, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ADVERTISING BY DRUG
MANUFACTURERS AND DISCLOSURE OF CLINICAL TRIALS,"

begs leave to report as follows:

The purpose of this measure is to increase prescription drug safety, as well as the availability of accurate prescription drug information by requiring prescription drug advertisements conform to federal standards, mandating public disclosure of clinical trials, and establishes a special fund with revenue from fees charged to prescription drug manufacturers.

Your Committee received testimony in support of this measure from the National Legislative Association on Prescription Drug Prices, Consumers Union, and the ILWU Local 142. Your Committee received testimony in opposition to the measure from the Department of Health, the Department of the Attorney General, and the Pharmaceutical Research and Manufacturers of America.

Your Committee finds that the lack of transparency of clinical trial findings, mixed with the profit motive of pharmaceutical companies to publicize positive information that promotes sales, presents a serious risk to the health of consumers.



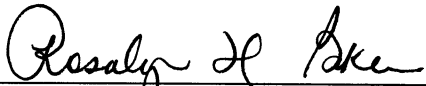
Your Committee further finds and the Department of the Attorney General noted in its testimony that a likely constitutional problem exists regarding the title of this measure. Article III, section 14 requires that each law embrace only one subject, which shall be expressed in its title. This measure as titled seems to express two subjects. Additionally, testimony in opposition to this measure noted the inevitable negative impact this measure will have on Hawaii's biotech industry and on the University of Hawaii research programs due to the restrictions and cost increases that manufacturers will incur from the required fees.

Your Committee has amended this measure by:

- (1) Removing all references to biological products;
- (2) Eliminating the fees and the special fund provision;
- (3) Eliminating the education initiative;
- (4) Correcting the reference to penalties under 580-4 and replaced it with the Unfair and Deceptive Trade Practices Act; and
- (5) Specifying that the measure regulates clinical trials in Hawaii only and the advertising that originates in Hawaii.

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. 1869, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1869, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

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



ROSALYN H. BAKER, Chair



The Senate
Twenty-Third Legislature
State of Hawaii

Record of Votes of the
Committee on Health
(Bills and Resolutions)

Measure:* <i>HB 1869 HD1</i>	Committee Referral: <i>HTH, WAM</i>	Date: <i>3/22/06</i>		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is to: <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	Ayes	Ayes(WR)	Nays	Excused
BAKER, Rosalyn H. (C)	✓			
CHUN OAKLAND, Suzanne (VC)	✓			
HANABUSA, Colleen				✓
TSUTSUI, Shan S.	✓			
WHALEN, Paul				✓
TOTAL	<i>3</i>	<i>0</i>	<i>0</i>	<i>✓</i>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>Suzanne Chun Oakland</i>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Do not list more than one measure per Record of Votes.