

STAND. COM. REP. NO. 3378

Honolulu, Hawaii

APR 04 2008

RE: H.B. No. 7
H.D. 1
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Madam:

Your Committee on Commerce, Consumer Protection, and
Affordable Housing, to which was referred H.B. No. 7, H.D. 1,
entitled:

"A BILL FOR AN ACT RELATING TO THE I-SAVERX PRESCRIPTION DRUG
PROGRAM,"

begs leave to report as follows:

The purpose of this measure is to increase access to
affordable prescription drugs by requiring the Governor to enter
into a written agreement no later than January 1, 2009, that
allows Hawaii residents to participate in the I-SaveRx
prescription program by July 1, 2009.

Testimony in support of this measure was submitted by the
Hawaii Government Employees Association, AFSCME Local 152, AFL-
CIO; the Policy Advisory Board for Elder Affairs; the Kokua
Council; the ILWU, Local 142; and three private individuals.
Testimony in opposition to this measure was submitted by the
Department of Human Services, the Board of Pharmacy, and the
Pharmaceutical Research and Manufacturers of America (PhRMA). The
Department of the Attorney General submitted comments.

Your Committee finds that several states have joined forces
in the successful I-SaveRx program that provides reduced prices on
prescription medications from Europe and Canada. This measure
would provide Hawaii residents with the choice to purchase
medications through the I-SaveRx program, and would substantially

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benefit the elderly, uninsured, and underinsured who are most in need. However, your Committee recognizes the legal and safety concerns regarding this prescription drug program alternative, especially with respect to the how this program will be implemented in the absence of federal oversight and regulation by the Food & Drug Administration.

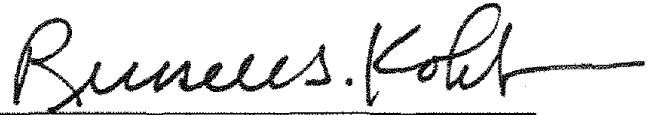
Accordingly, your Committee has amended this measure by:

- (1) Clarifying that the I-SaveRx internet website shall expressly disclose to program participants that the prescription drugs offered through the program are from Europe and Canada, and that the State will not be liable for any injury or damage caused to a person from using a prescription drug obtained through the program;
- (2) Requiring the Department of Human Services to submit a written report to the Legislature prior to the 2011 Regular Session that indicates the status of the I-SaveRx program, any problems implementing the program, the effectiveness of any consumer outreach and educational programs regarding the I-SaveRx program, and any recommendations regarding the feasibility of continuing the I-SaveRx program on a permanent basis;
- (3) Adding a sunset date of June 30, 2012; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Affordable Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 7, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 7, H.D. 1, S.D. 1.



Respectfully submitted on
behalf of the members of the
Committee on Commerce, Consumer
Protection, and Affordable
Housing,



RUSSELL S. KOKUBUN, Chair



