

STAND. COM. REP. NO.

2373

Honolulu, Hawaii

FEB 15 2008

RE: S.B. No. 2373  
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 S.B. No. 2373 entitled:

"A BILL FOR AN ACT RELATING TO PSEUDOEPHEDRINE SALES,"

begs leave to report as follows:

The purpose of this measure is to reduce the purchase of  
pseudoephedrine containing products for the purpose of  
manufacturing methamphetamines by requiring pharmacies and  
retailers to maintain an electronic purchase logbook of  
pseudoephedrine and pseudoephedrine combination product sales.

Testimony in support of this measure was submitted by the  
Department of Public Safety. Testimony in opposition to this  
measure was submitted by the Hawaii Food Industry Association and  
the Retail Merchants of Hawaii.

Your Committee finds that with the decrease in the quality of  
methamphetamine and the increase in its street price, it is  
inevitable that criminals will revert back to manufacturing their  
own high quality methamphetamine using pseudoephedrine products  
obtained from retail distributors. A study conducted in 2004,  
indicated that there were 1,883 retail stores in the State that  
were able to sell pseudoephedrine products, and most of these  
stores were not pharmacies and were unable to verify prior  
pseudoephedrine sales with their other retail counterparts. Thus,  
an individual would have the ability to visit multiple retail  
chain stores and obtain 3.6 grams of pseudoephedrine per visit



without the retailer being able to verify or track the individual's previous purchases that day.

Your Committee heard concerns regarding the potentially high costs for pharmacies and retailers associated with the purchase and maintenance of an electronic purchase logbook. The Hawaii Food Industry Association suggested an alternative recording method using a computer spreadsheet and electronically mailing the information once a month to the Narcotic Enforcement Division of the Department of Public Safety, which will dramatically decrease the costs for the pharmacies and retailers in Hawaii to comply with this measure.

Furthermore, the Department of Public Safety suggested criminal penalties for individuals who purchase, receive, or otherwise acquire more than nine grams of any product containing a detectable quantity of pseudoephedrine without a valid prescription within a thirty-day period. While your Committee recognizes the importance of curtailing the purchase of pseudoephedrine products for the manufacturing of methamphetamines, your Committee encourages further discussion on criminal penalties by the Committee on Judiciary and Labor.

Accordingly, your Committee has amended this measure by:

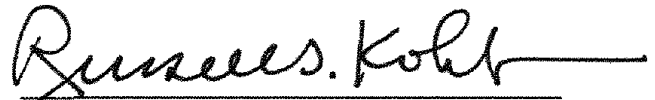
- (1) Inserting language that requires applicable pharmacies and retailers to record pseudoephedrine sales by using an Excel spreadsheet provided by the Narcotics Enforcement Division and electronically mailing the spreadsheet to the Narcotics Enforcement Division once a month;
- (2) Adding language that mandates applicable pharmacies and retailers selling pseudoephedrine products to maintain a pseudoephedrine purchase log; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and style.

Your Committee believes that this measure, as amended, fulfills the intent of this measure, which is to reduce the purchase of pseudoephedrine containing products for the manufacturing of methamphetamines.



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 S.B. No. 2373, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2373, S.D. 1, and be referred to the Committee on Judiciary and Labor.

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



RUSSELL S. KOKUBUN, Chair



The Senate  
Twenty-Fourth Legislature  
State of Hawaii

**Record of Votes**  
**Committee on Commerce, Consumer Protection and Affordable Housing**  
**CPH**

Bill / Resolution No.:*	Committee Referral:	Date:
SB 2373	CPH, JDL	2-12-08

The committee is reconsidering its previous decision on this measure.


If so, then the previous decision was to: \_\_\_\_\_

The Recommendation is:

Pass, unamended 2312    
 Pass, with amendments 2311    
 Hold 2310    
 Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
KOKUBUN, Russell S. (C)	✓			
IGE, David Y. (VC)				✓
ESPERO, Will				✓
IHARA, Jr., Les	✓			
SAKAMOTO, Norman	✓			
TANIGUCHI, BRIAN T.				✓
TRIMBLE, Gordon		✓		
<b>TOTAL</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>3</b>

Recommendation:  Adopted      Not Adopted

Chair's or Designee's Signature: 

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\*Only one measure per Record of Votes