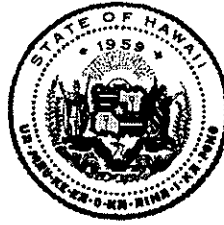


NEIL ABERCROMBIE
GOVERNOR



STATE OF HAWAII
DEPARTMENT OF PUBLIC SAFETY
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No. _____

TESTIMONY ON HOUSE BILL 1962 HD1
A BILL FOR AN ACT RELATING TO PSEUDOEPHEDRINE
by

Jodie F. Maesaka-Hirata, Director
Department of Public Safety

House Committee on Judiciary
Representative Gilbert S.C. Keith-Agaran, Chair
Representative Karl Rhoads, Vice Chair

Tuesday, February 14, 2012, 2:05 PM
State Capitol, Conference Room 325

Chair Keith-Agaran, Vice Chair Rhoads, and Members of the Committee:

The Department of Public Safety (PSD) supports the intent of House Bill 1962 HD1 that proposes to establish a tracking system for the sale of products containing pseudoephedrine as a base.

The Legislature passed Act 184 in 2008 that mandated that all retail distributors selling products, mixtures, or preparations containing pseudoephedrine must electronically report all retail sales data to the Narcotics Enforcement Division (NED) on a monthly basis. Pseudoephedrine control and tracking has been very successful in Hawaii in reducing the amount of clandestine laboratories manufacturing methamphetamine, commonly referred to as "ICE." NED formed a partnership with the Western States Information Network (WSIN/RISS) whose mission is to support law enforcement efforts

nationwide to combat illegal drug trafficking, identity theft, human trafficking, violent crime, terrorist activity, and to promote officer safety in Alaska, California, Hawaii, Oregon, Washington, as well as Canada and Guam to host the pseudoephedrine tracking database.

The electronic tracking log is an impressive first step for the State to attempt to track retail pseudoephedrine sales and decrease the production of methamphetamine (ICE). This tracking system has a few shortcomings, unlike Hawaii's electronic prescription monitoring program a system that reports all controlled substance prescription data monthly, the pseudoephedrine tracking program does not report information relating to persons purchasing just under the 3 grams per day or a 9 gram per month limits. Presently, most of the sales of pseudoephedrine containing products are sold at pharmacies and that many of the non-pharmacy retail distributors, no longer carry pseudoephedrine containing products and are now selling over the counter "pseudoephedrine PE" products that cannot be utilized to manufacture methamphetamine.

The system being proposed by House Bill 1962 HD1 will greatly improve a retailer's ability to safely sell pseudoephedrine constraining products to its customers by having the ability to check a computerized database prior to making the sale.

The Department would like to point out that the success of the program proposed in House Bill 1962 HD1 will rest primarily on a third party entity, the National Association of Drug Diversion Investigators (NADDI), who will provide transaction reports and allow access to the National Precursor Log Exchange to

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February 14, 2012
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NED and retailers. If NADDI does not allow access or chooses not to allow the State to participate, then House Bill 1962 HD1 will not succeed.

Thank you for the opportunity to testify on this matter.



LEGISLATIVE INFORMATION SERVICES OF HAWAII

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February 14, 2012

House Committee on Judiciary
Rep. Gilbert S.C. Keith-Agaran Chair
Rep. Karl Rhoads, Vice Chair

By: Richard C. Botti
President, LISH,

Re: HB 1962 HD1 RELATING TO PSEUDOEPHEDRINE

Chairs & Committee Members:

This measure is a means of addressing the crystal meth issue, while not punishing the tens of thousands of consumers having cold, flu, and or allergy issues, and have made the poor choice that has created a situation where law makers have pseudoephedrine on their radar.

Every year at this time, many of us experience an epidemic of URI (Upper Respiratory Infection) where antibiotics are next to useless. Shaking the URI can take well over a month, and can reoccur as soon as the weather get damp and cold again. We have learned to think in advance and make sure we have an adequate supply of pseudoephedrine products on hand, as they are the only products that help control the symptoms. It is a family illness, not just a one person issue. This measure will avoid requiring each of us to go to the doctor, doubling, tripling, or quadrupling the cost and inconvenience, when self diagnosis is a no brainer.

The attached chart best explains what Electronic Tracking will do. We have reviewed the amendments proposed in HD1, and feel they are reasonable, and will enhance the bill, while providing an additional firewall to those intent on violating the law.

We Electronic Tracking as a realistic solution.

We believe that anyone so possessed to try crystal meth should not be placed ahead of honest law abiding citizens by creating major inconvenience, unnecessary cost, and unnecessary suffering. This measure will do just that.

We have attached summary of how E-tracking will work.

<u>Electronic-tracking (E-tracking) is the best solution to reducing the production of methamphetamine.</u>		
<u>Electronic Tracking is the Right Solution</u>	<u>Rx is Too Costly and More Effective Alternatives Exist</u>	<u>PSE is Important</u>
<p>HEADLINE:</p> <ul style="list-style-type: none"> ●1 E-tracking is the best solution to reducing meth labs. It is the only solution that will block illegal sales in real time and prevent meth cooks from buying illegal amounts of PSE. <p>KEY FACTS:</p> <ul style="list-style-type: none"> ●4 E-tracking is a "real-time" system that allows the retailer to refuse an illegal sale, based on purchases made anywhere in the state. E-tracking is the only system that can provide real-time stop-sale across multiple states. ●5 Twelve of the 14 states that have taken action to fight illegal PSE sales have rejected prescription mandates and chosen a better solution—electronic stop sale e tracking. ●6 E-tracking has a proven track record and blocks thousands of attempted purchases. <ul style="list-style-type: none"> ○1 In the four states that have fully implementing this system, e-tracking technology blocks nearly 40,000 grams of illegal pseudoephedrine sales per month. ○2 E-tracking in a Florida pilot project reduced illegal sales by over 90%. 	<p>HEADLINE:</p> <ul style="list-style-type: none"> ●2 A prescription mandate would be very expensive for the healthcare system and would not effectively solve the problem. <p>KEY FACTS:</p> <ul style="list-style-type: none"> ●7 If PSE is made Rx, <ul style="list-style-type: none"> ○3 Illegal sales would not be blocked; ○4 Current sales limits would not apply; and ○5 Lose ability to track illegal purchases across state lines. ●8 Making PSE Rx only will: <ul style="list-style-type: none"> ○6 burden millions of consumers with significantly higher costs to get needed medication, ○7 force consumers to go to the expense and inconvenience of unnecessary doctor visits, ○8 prevent consumers from quickly treating a common cold or chronic allergies with their preferred medicine, and ○9 trigger Medicaid coverage, driving up state-budget costs. ●9 Supply does not impact demand. Mexico banned PSE nearly three years ago but the country is once again the primary source of methamphetamine in the US, according to the Justice Department's national Drug Intelligence Center's 2010 threat assessment. 	<p>HEADLINE:</p> <ul style="list-style-type: none"> ●3 Pseudoephedrine is a unique and important decongestant relied on by over 16 million cold, allergy, and sinus sufferers. <p>KEY FACTS:</p> <ul style="list-style-type: none"> ●1 16 million American consumers take pseudoephedrine each year. ●2 PSE is pharmacologically different than other decongestants and for some people, is the only oral decongestant that works for them ●3 PSE is the only decongestant available for 12 hour and 24 hour relief ●4 In a recent nationwide survey, a majority of consumers: <ul style="list-style-type: none"> ○1 oppose an Rx mandate (63%) and ○2 think e-tracking was a better solution than an Rx program.



HAWAII FOOD INDUSTRY ASSOCIATION (HFIA)

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COMMITTEE ON JUDICIARY

Rep. Gilbert S.C. Keith-Agaran, Chair

Rep. Karl Rhoads, Vice Chair

DATE: Tuesday, February 14, 2012

TIME: 2:05 PM

PLACE: Conference Room 325

FROM: Hawaii Food Industry Association - Lauren Zirbel, Executive Director

RE: HB 1962 RELATING TO PSEUDOEPHEDRINE

Chairs & Committee Members:

HFIA supports this measure because it provides an up to date, real – time tracking system that will help ensure that pseudoephedrine products are not illegally sold.-

E-logs provide real-time approval or denial of PSE purchases at the point-of-sale, creating no access barriers for the 18 million American households that purchase non-prescription cold and allergy medicines to treat their symptoms.

E-logs enable law enforcement to track real-time activity and search histories, thus identifying “smurfing” operations and labs that might otherwise go undetected. 19 states have enacted laws that require electronic tracking of PSE sales: Kentucky, Illinois, Louisiana, Iowa, Missouri, Florida, Alabama, S. Carolina, Kansas, Washington, N. Dakota, Nebraska, Indiana, Tennessee, N. Carolina, Michigan, Texas, Oklahoma, and Arkansas. Nationwide, the NPLEx system blocked over 850,000 boxes, accounting for over 2 million grams of pseudoephedrine in 2011 alone.

A prescription-only policy would fail to limit PSE sales, curb meth use, or enable meth lab detection. In fact, Oregon (a prescription only state) had more meth related deaths in 2010 than they did prior to their Rx law passage. And Mississippi, another Rx state, ranked 10th in the country in meth labs just last year – more than Texas, Florida, New York, and California!

Federal law currently limits all PSE-containing OTCs to behind the counter, with sales per customer of no more than 3.6 grams per day and 9 grams per 30 days, and requires purchasers to show ID and sign a logbook.

Electronic tracking allows retailers to block illegal sales and enhances law enforcement's suppression and investigative efforts. **Establishing a multistate electronic tracking system for medicines that contain PSE will prevent smurfing across different retailers, even across state lines, and provide a highly efficient law enforcement tool. At the same time, it will create no new barriers for the millions of cold and allergy sufferers looking for relief.**

Thank you for the opportunity to provide this testimony.

Testimony for HB1962 on 2/14/2012 2:05:00 PM

Testimony for HB1962 on 2/14/2012 2:05:00 PM

mailinglist@capitol.hawaii.gov [mailinglist@capitol.hawaii.gov]

Sent: Tuesday, February 14, 2012 4:18 AM

To: JUDtestimony

Cc: cgutierrez@chpa-info.org

Testimony for JUD 2/14/2012 2:05:00 PM HB1962

Conference room: 325

Testifier position: Support

Testifier will be present: No

Submitted by: Carlos Gutierrez

Organization: Consumer Healthcare Products Association

E-mail: cgutierrez@chpa-info.org

Submitted on: 2/14/2012

Comments:

CHPA fully supports HB 1962 and urges passage of the bill.