

Honolulu, Hawaii  
, 2020

FEB 03

RE: H.B. No. 1608  
H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirtieth State Legislature  
Regular Session of 2020  
State of Hawaii

Sir:

Your Committee on Health, to which was referred H.B. No. 1608  
entitled:

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

begs leave to report as follows:

The purpose of this measure is to address prescription drug  
inflation by authorizing the Department of Health to implement a  
program for wholesale importation of prescription drugs.

Your Committee received testimony in support of this measure  
from AARP Hawaii, Health Committee of the Democratic Party of  
Hawaii, and Hawaii Medical Service Association. Your Committee  
received testimony in opposition to this measure from the  
Healthcare Distribution Alliance, Pharmaceutical Research and  
Manufacturers of America, and The Partnership for Safe Medicines.  
Your Committee received comments on this measure from the  
Department of Health and Department of the Attorney General.

Your Committee notes that the United States Department of  
Health and Human Services published proposed rules on December 18,  
2019, to regulate wholesale importation of prescription drug  
programs. However, the rules, if finalized, may not take effect  
until April 2020. Testimony from the Department of Health also  
noted that a program for the wholesale importation of prescription  
drugs may require a considerable amount of funds to implement



including hiring of necessary staff and leasing of storage space. Should your Committee on Consumer Protection and Commerce deliberate on this measure, your Committee respectfully requests that it consider tasking the Department of Commerce and Consumer Affairs, rather than the Department of Health, with implementing this measure.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

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. 1608, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1608, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

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

  
\_\_\_\_\_  
JOHN M. MIZUNO, Chair



