

Honolulu, Hawaii

FEB 05 , 2020

RE: H.B. No. 1804  
H.D. 1

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

Sir:

Your Committees on Health and Intrastate Commerce, to which was referred H.B. No. 1804 entitled:

"A BILL FOR AN ACT RELATING TO PHARMACEUTICAL REPRESENTATIVES,"

beg leave to report as follows:

The purpose of this measure is to regulate pharmaceutical representatives in Hawaii by requiring these professionals to:

- (1) Register with the Department of Commerce and Consumer Affairs;
- (2) Meet continuing education requirements; and
- (3) Comply with certain ethical standards.

Your Committees received testimony in support of this measure from Kaiser Permanente Hawaii. Your Committees received testimony in opposition to this measure from Pharmaceutical Research and Manufacturers of America. Your Committees received comments on this measure from the Professional and Vocational Licensing Division of the Department of Commerce and Consumer Affairs.

Your Committees find that pharmaceutical marketing can exert significant influence on prescription decisions and costs. The



pharmaceutical industry devotes substantial resources toward marketing because it is an effective tool to sell more drugs. For instance, sales of OxyContin ultimately exceeded \$35 billion, generating large profits for drug manufacturers; however, patients and their families suffered the consequences. This measure represents common sense policy that will help shine light on and foster ethical pharmaceutical marketing practices.

Your Committees further note that, as this measure proposes to enact a new regulatory measure, a sunrise analysis performed by the Auditor pursuant to section 26H-6, Hawaii Revised Statutes, is desired.

Your Committees have amended this measure by:

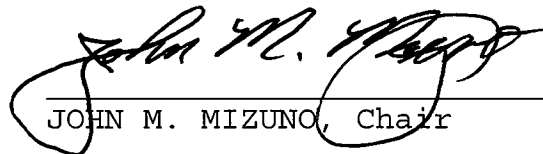
- (1) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Health and Intrastate Commerce that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1804, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1804, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

Respectfully submitted on  
behalf of the members of the  
Committees on Health and  
Intrastate Commerce,



TAKASHI OHNO, Chair



JOHN M. MIZUNO, Chair





