

Honolulu, Hawaii

MAR 24 , 2022

RE: S.B. No. 3140
S.D. 1
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 3140, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE UNIFORM CONTROLLED SUBSTANCES ACT MANDATORY REPORTING,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Require the holder of a controlled substances registration to immediately and verbally report to the Administrator of the Narcotics Enforcement Division of the Department of Public Safety any suspected theft, embezzlement, fraud, or diversion of a controlled substance in the holder's inventory, and to subsequently submit a written report; and
- (2) Establish a misdemeanor penalty for a person who knowingly prevents another from reporting any suspected theft, embezzlement, fraud, or diversion, or who knowingly fails to provide required information to the Administrator.

Your Committee received testimony in support of this measure from the Department of Public Safety.



Your Committee finds that the mandatory reporting requirement in this measure is critical for the timely investigation of the theft, embezzlement, fraud, or diversion of controlled substances in a registrant's inventory. If incidences are not reported in a timely manner and investigated completely, then the suspects involved may illegally use or distribute the controlled substances that were stolen or diverted. This measure will therefore have a positive effect on investigations, monitoring and management of controlled substances, and controlled substance compliance controls.

Your Committee has amended this measure by:

- (1) Changing the effective date to January 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 Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3140, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3140, S.D. 1, H.D. 1, and be referred to your Committee on Judiciary & Hawaiian Affairs.

Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,



AARON LING JOHANSON, Chair



Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.: <i>SB 3140, SD1</i>	Committee Referral: <i>CPC, JHA</i>	Date: <i>3/21/22</i>		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. JOHANSON, Aaron Ling (C)	✓			
2. KITAGAWA, Lisa (VC)	✓			
3. AQUINO, Henry J.C.	✓			
4. HAR, Sharon E.	✓			
5. HASHEM, Mark J.	✓			
6. KONG, Sam Satoru	✓			
7. MIZUNO, John M.	✓			
8. MORIKAWA, Dee	✓			
9. ONISHI, Richard H.K.	✓			
10. TARNAS, David A.	✓			
11. MATSUMOTO, Lauren	✓			
TOTAL (11)	11	0	0	0
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <small>committee acronym(s)</small>				
Vice Chair's or designee's signature: <i>[Signature]</i>				
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