

Honolulu, Hawaii

MAR 04 2022

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

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-First State Legislature  
Regular Session of 2022  
State of Hawaii

Sir:

Your Committee on Judiciary, 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 and intent of this measure is to:

- (1) Require the holder of a controlled substances registration to immediately make a verbal report of the theft, embezzlement, fraud, or diversion of a controlled substance from the holder's inventory;
- (2) Require the submission of a written report to the administrator of the Narcotics Enforcement Division that provides all information related to the theft, embezzlement, fraud, or diversion of controlled substances in the holder's inventory; and
- (3) Establish a misdemeanor penalty for a person who prevents another from reporting, or who knowingly fails to report and provide information as required.

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



Your Committee finds that in the past, the Department of Public Safety has encountered many instances where incidents of theft, embezzlement, fraud, and diversion of controlled substances were not reported in a timely manner. Frequently, such incidents involve licensed health care workers such as physicians and nurses who work in large health care companies in Hawai'i. The Department of Public Safety has found significant reluctance in health care to report such incidents. Your Committee further finds that the Department of Public Safety has similarly experienced reluctance to provide reports and security videos related to incidents of theft, embezzlement, fraud, and diversion of controlled substances. The Department of Public Safety has also experienced many instances where incidents have occurred and the employers or company officials of the businesses involved have directed their employees and staff members not to report or cooperate in the Department of Public Safety's investigations. This measure will help the Department of Public Safety to reduce incidents of theft, fraud, embezzlement, or diversion of controlled substances by requiring the holder of a controlled substances registration to immediately issue a verbal report and a subsequent written report of any theft, embezzlement, fraud, or diversion of controlled substances and by establishing a misdemeanor penalty for a person who prevents another from reporting, or who knowingly fails to provide information as required.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3140, S.D. 1, and recommends that it pass Third Reading.

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



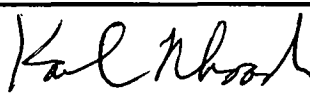
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KARL RHOADS, Chair



The Senate  
Thirty-First Legislature  
State of Hawai'i

**Record of Votes  
Committee on Judiciary  
JDC**

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 3140, SDI	PSM, JDC	02-25-22		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
RHOADS, Karl (C)	✓			
KEOHOKALOLE, Jarrett (VC)				✓
ACASIO, Laura	✓			
GABBARD, Mike	✓			
KIM, Donna Mercado	✓			
LEE, Chris	✓			
FEVELLA, Kurt	✓			
<b>TOTAL</b>	6	-	-	1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

\*Only one measure per Record of Votes