

SENATE COMMITTEE ON HUMAN
RESOURCES AND FACILITIES

MARCH 29, 1977

The meeting was called to order at 9:40 a.m. on Tuesday, March 29, 1977, in Room 323, with Senator Jack Schofield in the Chair.

PRESENT: Chairman Jack Schofield
Vice-Chairman Joe Neal
Senator William Raggio
Senator Richard Blakemore
Senator Wilbur Faiss
Senator William Hernstadt

GUESTS: Frank Daykin, Legislative Counsel Bureau

A.B. 121

The Committee reviewed and considered Amendments #'s 449 A, 342 A, and 520 A.

Chairman Schofield said that Amendment 449 A consists of four main points as follows:

- a) State Board of Health will be the agency to license any substance that is not harmful, and establish regulations for inspection of handling.
- b) The Board of Health will impose a 10% gross receipt tax on any substance licensed in the above manner.
- c) Any customer has a civil cause of action if the manufacturer or seller misrepresents the effect of the substance, although the above mentioned licensee does not have to represent to the public that the substance is beneficial.
- d) The legislature determines that Laetrile and Gerovital substances shall be licensed.

Chairman Schofield said that Amendment 342 A is a request of the Pharmacists, but the request is covered by Amendment 449 A. Mr. Frank Daykin of the Legislative Counsel Bureau confirmed this.

Senator Neal said does the wording in 449 A mean that the State Board of Health does not have the power to approve Laetrile? Mr. Daykin said generally they could approve any substance, the Legislature under that Amendment would be making the determination that they should approve Laetrile, and ordering them to do that, and the Amendment also says

they must approve Gerovital, and beyond that they can approve as many more as they find not to be harmful.

Senator Neal said why couldn't we leave it to the discretion of the Board of Health whether or not to approve Laetrile?

Senator Raggio asked where does the tax go? Mr. Daykin said it goes into the General Fund. Senator Raggio said he was also concerned about the fact that generic terms must be used in the bill. Mr. Daykin said 'procaine hydrochloride' for Gerovital H3 is as close as they could come, as Gerovital H3 as such, is patented, and therefore it is manufactured under a semi-secret formula, so there is no true generic name of that particular product. As the amendment is drawn, any person can be licensed to manufacture 'procaine hydrochloride, with any combination of preservatives and stabilizers', as far as the State of Nevada is concerned. If the manufacturer imitated the exact combination which goes by the tradename Gerovital, the manufacturer would be in violation, not of Nevada's statute, but of the patent law, as long as that patent is viable.

Senator Hernstadt said that he has been dealing with the problem of the generic titles. The Senator read from the Valley Times, Wednesday, March 23, 1977: "Kratte said that if Gerovital is legalized under its generic name, rather than its tradename, it wouldn't make any difference, because the Romanian version is the only one in existence. The other youth drugs differ slightly in their formula, and would therefore, not fall under the Nevada law." He further read from Amendment 520 A, which conceptually is trying to achieve the generic titles (Page Two, Item 2 of the Amendment): "Laetrile or its generic name Amygdalin, and a prescription may be filled with Laetrile or its generic equivalent.", and "whenever permissible under the patent laws of the United States, prescription for a substance having a tradename, Gerovital H3, shall be considered as an order for procaine hydrochloride with preservatives and stabilizers, and the order may be filled using products manufactured under other tradenames." Senator Hernstadt suggested that "similar" be inserted between 'using' and 'products' in order that it would be up to the doctor and the patient to decide which is more beneficial.

Senator Faiss asked where will the State Board of Health get the money to fund the new officials that it will take to regulate production of these substances? Mr. Daykin said that if amended during the Session, it will be picked up as a change in the budget before the General Appropriation Act is finally passed. The tax is not earmarked for any particular purpose.

Senator Schofield asked Mr. Daykin if he could combine all of these amendments into one? Mr. Daykin said yes.

Senator Hernstadt: Motion to recommend that A.B. 121 be amended with the combined Amendments 449 A, 342 A, and 520 A, and re-referred to the Committee on Human Resources and Facilities.

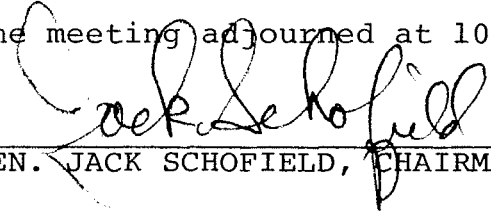
Mr. Daykin said if this recommendation was given on this date, the amendment could be prepared for tomorrow, so the bill can be amended on the floor tomorrow, then on the second day it would be back in Committee (Thursday, March 31, 1977).

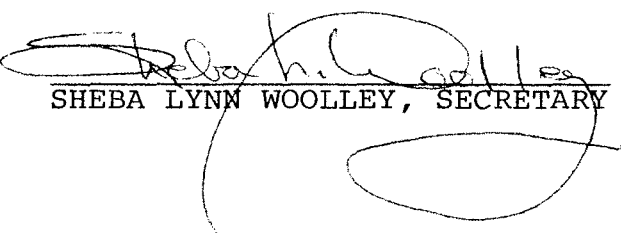
Senator Neal: 2nd the Motion.

The Motion passed.

Senator Hernstadt requested that S.B. 90 be placed on the agenda for Wednesday, March 30, 1977.

The meeting adjourned at 10:09 a.m.


SEN. JACK SCHOFIELD, CHAIRMAN


SHEBA LYNN WOOLLEY, SECRETARY