

AMENDED IN SENATE MAY 15, 2003

AMENDED IN SENATE APRIL 24, 2003

Senate Concurrent Resolution

No. 11

Introduced by Senator Soto

February 18, 2003

Senate Concurrent Resolution No. 11—Relative to HIV and AIDS drug treatment.

LEGISLATIVE COUNSEL'S DIGEST

SCR 11, as amended, Soto. HIV and AIDS drug treatment: public pensions.

This measure would encourage the governing bodies of the public pension and retirement systems of this state, in their capacities as shareholders of pharmaceutical companies that develop HIV and AIDS drug treatments, to introduce, whenever consistent with their fiduciary responsibilities, a shareholder resolution to develop and implement a policy, in consultation with the appropriate United Nations agencies and independent nongovernmental organizations, to provide HIV and AIDS drug treatments in a manner that would make those treatments affordable to those infected in lesser developed countries.

Fiscal committee: no.

1 WHEREAS, 8,500 people die every day from acquired immune
2 deficiency syndrome (AIDS) despite the existence of
3 pharmaceutical treatments that have drastically reduced deaths in
4 the United States and other developed nations; and

5 WHEREAS, Human immunodeficiency virus (HIV) and AIDS
6 are the leading killers in sub-Saharan Africa, home to only 10



1 percent of the world's population, but 70 percent of the world's
2 HIV and AIDS cases; and

3 WHEREAS, The United Nations reports that in 2001, alone,
4 more than 2,400,000 people in Africa died of HIV and AIDS; and

5 WHEREAS, A recent study by Doctors Without Borders
6 concluded that in industrialized countries where HIV and AIDS
7 patients receive drug therapy AIDS-related mortality has
8 decreased by more than 70 percent; and

9 WHEREAS, Unfortunately, these life-prolonging treatments
10 remain largely out of reach for most of Africa's population due to
11 the high prices of these drugs; and

12 WHEREAS, Certain pharmaceutical companies' reaction to the
13 HIV and AIDS epidemic in developing countries has been
14 insufficient, and significant restrictions have been imposed on the
15 donation and importation of critical drugs to HIV and AIDS
16 patients in Africa and developing world nations; and

17 WHEREAS, For example, one pharmaceutical manufacturer
18 attempted to impose time limits on the use of a particular
19 life-extending drug, even though that drug must be used over a
20 patient's entire lifetime; and

21 WHEREAS, These restrictions were unacceptable to the South
22 African government, and the South African Medicines Control
23 Council has recently given permission for the importation of a
24 generic equivalent of the drug; and

25 WHEREAS, The public pension and retirement systems of this
26 state have invested billions of dollars in the major manufacturers
27 of HIV and AIDS drug treatments that can prolong the lives of
28 individuals living with this disease; and

29 *WHEREAS, The public pension and retirement systems of this*
30 *state have demonstrated that accurate information relating to*
31 *pharmaceutical manufacturer policies and practices relating to*
32 *the availability and cost of their HIV and AIDS drug treatments,*
33 *and other products, may be best elicited through establishing and*
34 *maintaining open lines of communication and dialogue on both*
35 *informal and formal bases, and that developing partnerships for*
36 *corporate responsiveness in these matters is similarly achieved;*
37 now, therefore, be it

38 *Resolved by the Senate of the State of California, the Assembly*
39 *thereof concurring, That the Legislature and the State of California*
40 *encourages the governing bodies of the public pension and*



1 retirement systems of this state, in their capacities as shareholders
2 of pharmaceutical companies that develop HIV and AIDS drug
3 treatments, to introduce, whenever consistent with their fiduciary
4 responsibilities, a shareholder resolution to develop and
5 implement a policy, in consultation with the appropriate United
6 Nations agencies and independent nongovernmental
7 organizations, to provide HIV and AIDS drug treatments in a
8 manner that would make those treatments affordable to the
9 majority of those infected with HIV and AIDS in lesser developed
10 countries; and be it further

11 *Resolved*, That the Secretary of the Senate transmit a copy of
12 this resolution to each member of a retirement board, as described
13 in Section 17 of Article XVI of the California Constitution.

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