

AMENDED IN ASSEMBLY JULY 15, 2003

AMENDED IN ASSEMBLY JUNE 12, 2003

AMENDED IN SENATE MAY 15, 2003

AMENDED IN SENATE APRIL 24, 2003

Senate Concurrent Resolution

No. 11

Introduced by Senator Soto

*(Coauthors: Assembly Members Kehoe, Laird, Levine, and
Negrete McLeod)*

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 take affirmative action, whenever consistent with their fiduciary responsibilities, to impel pharmaceutical companies 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
7 percent of the world's population, but 70 percent of the world's
8 HIV and AIDS cases; and

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

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

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

18 WHEREAS, Certain pharmaceutical companies' reaction to the
19 HIV and AIDS epidemic in developing countries has been
20 insufficient, and significant restrictions have been imposed on the
21 donation and importation of critical drugs to HIV and AIDS
22 patients in Africa and developing world nations; and

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

27 WHEREAS, These restrictions were unacceptable to the South
28 African government, and the South African Medicines Control
29 Council has recently given permission for the importation of a
30 generic equivalent of the drug; and

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

35 WHEREAS, The public pension and retirement systems of this
36 state have demonstrated that accurate information relating to
37 pharmaceutical manufacturer policies and practices relating to the
38 availability and cost of their HIV and AIDS drug treatments; and
39 other products, may be best elicited through establishing and
40 maintaining open lines of communication and dialogue on both



1 informal and formal bases, and that developing partnerships for
2 corporate responsiveness in these matters is similarly achieved;
3 now, therefore, be it

4 *Resolved by the Senate of the State of California, the Assembly*
5 *thereof concurring*, That the Legislature and the State of California
6 encourages the governing bodies of the public pension and
7 retirement systems of this state, in their capacities as shareholders
8 of pharmaceutical companies that develop HIV and AIDS drug
9 treatments, to take affirmative action, whenever consistent with
10 their fiduciary responsibilities, to impel pharmaceutical
11 companies to develop and implement a policy, in consultation with
12 the appropriate United Nations agencies and independent
13 nongovernmental organizations, to provide HIV and AIDS drug
14 treatments in a manner that would make those treatments
15 affordable to the majority of those infected with HIV and AIDS in
16 lesser developed countries; and be it further

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

