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HEALTH AND SAFETY CODE - HSC

DIVISION 105. COMMUNICABLE DISEASE PREVENTION AND CONTROL [120100 - 122476] (*Division 105 added by Stats. 1995, Ch. 415, Sec. 7.*)

PART 4. HUMAN IMMUNODEFICIENCY VIRUS (HIV) [120775 - 121349.3] (*Part 4 added by Stats. 1995, Ch. 415, Sec. 7.*)

CHAPTER 12. Acquired Immune Deficiency Syndrome (AIDS) Vaccine Research and Development Grant Program [121200 - 121225] (*Chapter 12 added by Stats. 1995, Ch. 415, Sec. 7.*)

121200. The Legislature finds and declares all of the following:

- (a) Over the past five years AIDS has reached an epidemic stage and is estimated to affect 30,000 Californians by 1990.
- (b) The estimated cost of medical care alone for the 4,000 AIDS cases that have occurred to date in California totals approximately two hundred fifty million dollars (\$250,000,000). By the end of 1990, medical care is projected to approach three billion five hundred million dollars (\$3,500,000,000) and the total public health and medical care expenditures are expected to exceed five billion dollars (\$5,000,000,000).
- (c) There is no cure for the AIDS virus. The long-term solution to the elimination of AIDS lies in conducting vaccine research.
- (d) Much research has already been completed by the private sector and should be utilized to the maximum extent possible, including supplementing with public funds.
- (e) Profitmaking corporations are (1) not eligible for most of the existing public funding sources as are institutions of higher learning and nonprofit corporations; (2) when eligible, the public funding amounts are not adequate to conduct research; and (3) private grants are only available to nonprofit corporations.
- (f) Moreover, private research companies, already having established vaccine development and manufacturing capabilities, are uniquely situated to maximize available resources and to utilize both management and research staff, equipment, and technical innovations to their greatest efficiency towards the specific goal of developing and manufacturing an AIDS vaccine at the earliest possible time.
- (g) Exclusion of private corporations from public funding to develop an approved vaccine will likely result in (1) a delay in the development of a vaccine to prevent AIDS; (2) continued spread of AIDS to the general population; and (3) continued increases in private and public funds to provide care to AIDS victims.
- (h) It is appropriate to mandate that a grant made to a private entity to develop an AIDS vaccine, once the vaccine has been approved by the FDA for use by the general population, should be reimbursed to the state from the sale of the vaccine.

(*Amended by Stats. 1997, Ch. 294, Sec. 18. Effective August 18, 1997.*)

121225. If a California manufacturer that is a grant recipient sells, delivers, or distributes an AIDS vaccine that has received FDA approval for use by the general population and that was developed in whole or in part using a grant awarded pursuant to this chapter, the State of California shall be reimbursed for the grant as provided in this section.

Until the total amount of the grant is repaid, repayments in the amount of one dollar (\$1) per dose from the sale of the AIDS vaccine shall be deposited by the grant recipient into the General Fund. Upon payment in full of the grant amount into the General Fund, a royalty on the sale of the vaccine from the grant recipient shall be deposited into the General Fund. The percentage amount of the royalty shall be negotiated at the time of the grant award.

(*Added by Stats. 1995, Ch. 415, Sec. 7. Effective January 1, 1996.*)