

# NEWS FROM CALIFORNIA STATE SENATOR

## ***DEBORAH V. ORTIZ***

6<sup>th</sup> Senate District

**FOR IMMEDIATE RELEASE**  
**August 23, 2005**

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### **SENATOR ORTIZ RESPONDS TO INTERIM REPORT BY CALIFORNIA COUNCIL ON SCIENCE AND TECHNOLOGY**

**SACRAMENTO** – Senator Deborah Ortiz (D-Sacramento) today issued the following statement regarding the interim report on intellectual property issued by the California Council on Science and Technology:

“This interim report is but a first step in an ongoing process to determine the best way to ensure California shares in the therapies and medicines we hope to develop through Proposition 71, which provides more than \$3 billion in publicly-funded stem cell research grants.

“The report is premature. The legislative resolution asking the council to explore intellectual property policies for stem cell research, ACR 24 by Assemblyman Gene Mullin, D-San Francisco, has yet to be voted on by the Senate. The resolution also asks the council to broaden its membership beyond its current bio-tech and university representatives and study policies that would ensure California sees a financial return on its generous investment. That was the promise made to voters in November 2004, and that’s the promise that must be kept to ensure voters’ confidence in their huge investment in cutting-edge research.”

“As the council notes, there is an expectation that intellectual property policies need to direct a revenue stream to the state. The council also acknowledges that federal tax laws prevent Proposition 71, as written, from delivering on its promise to provide royalties or revenue streams back to the state while using tax-exempt bonds.

“Senate Constitutional Amendment 13, however, would establish a method for providing benefits to the state without jeopardizing the use of tax-exempt bonds. SCA 13 would require that the state’s public health programs have access at affordable, below-market costs to the products, medicines and therapies that eventually will be developed under Proposition 71. California should not have to pay twice for medical therapies that can assist our citizens who suffer from debilitating and life-threatening chronic conditions.

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“I urge the council to expand its study group as requested under ACR 24 to add representatives of consumer and public interest groups, foundations, and bond and legislative counsel to its current panel so the council can provide a broad perspective into how our state can benefit from the public’s investment.

“I also urge the council to conduct an objective, comprehensive study of other models that promote affordability and access to new therapies and medicines derived from research. The International Aids Vaccine Initiative requires all of its grantees to make their resulting therapies and products accessible and affordable to low-income populations; the Melinda and Bill Gates Foundation and the Foundation for the National Institutes of Health require “global access” to the therapies and medicines that result from their research grants.

“As the venture capitalist in this bold experiment, California has the ability and the responsibility to use its leverage to ensure its citizens have affordable access to the products and therapies eventually developed. We must provide leadership in developing standards that make it clear the public will benefit from the public’s investments.”

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