

**SENATE . . . . . No.**

---

**The Commonwealth of Massachusetts**

PRESENTED BY:

*Dean A. Tran*

*To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:*

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act providing affordable access to generic medicines.

PETITION OF:

NAME:

*Dean A. Tran*

DISTRICT/ADDRESS:

*Worcester and Middlesex*

**SENATE . . . . . No.**

[Pin Slip]

**The Commonwealth of Massachusetts**

**In the One Hundred and Ninety-First General Court  
(2019-2020)**

An Act providing affordable access to generic medicines.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1           SECTION 1. Section 1 of chapter 23I of the general laws, as appearing in the 2016  
2 Official Edition, is hereby amended by inserting after subsection (10) the following subsection: -  
3           (11) While recognizing that support of the discovery and launch of new therapies  
4           is necessary, it is also declared that increasing access to established therapies  
5           including generic medicines by addressing shortages, quality issues, and/or  
6           affordability of generic medicines is critical to improve the quality and delivery of  
7           health care for the people of the commonwealth as well as supports economic  
8           development and job growth not just in the life sciences field but throughout all  
9           sectors of the economy; and will reduce financial burden on people, businesses,  
10          and the commonwealth.

11 SECTION 2. Section 2 of said chapter 23I, as so appearing, is hereby amended by  
12 inserting at the end thereof the following definition: -

13 "Independent Nonprofit Manufacturing Company", a nonprofit manufacturing  
14 organization that holds tax-exempt status granted under section 501(c)(3) of the  
15 Internal Revenue Code and shall be organized and operated primarily to  
16 manufacture, virtually or directly, FDA approved medicines, including generics, to  
17 increase access by addressing shortages, quality issues, and/or affordability of  
18 medicines.

19 SECTION 3. Subsection (a) of section 5 of said chapter 23I, as so appearing, is hereby  
20 amended by inserting after the word "companies", in line 7, the following: -

21 including independent non-profit manufacturing companies

22 SECTION 4. Subsection (b) of said section 5, as so appearing, is hereby amended by  
23 inserting after the word "generate", in line 16, the following: -

24 or for an independent nonprofit manufacturing company healthcare cost savings for the  
25 state,

26 SECTION 5. Subsection (b) of said section 5, as so appearing, is hereby further amended  
27 by inserting after the word "revenue", in line 19, the following: -

28 Or savings,

29 SECTION 6. Subsection (b) of said section 5, as so appearing, is hereby further amended  
30 by inserting after the word “revenue”, in line 20, the following: -

31 Or savings,

32 SECTION 7. Subsection (b) of said section 5, as so appearing, is hereby further amended  
33 by inserting after the word “received”, in line 20, the following:-

34 Or realized,

35 SECTION 8. Subsection (f) of said section 5, as so appearing, is hereby amended by  
36 inserting after the word “revenue”, in line 154, the following: -

37 or realized savings,

38 SECTION 9. Subsection (c) of section 6 of said chapter 23I, as so appearing, is hereby  
39 amended by striking paragraph (2) in its entirety and replacing it with the following paragraph: -

40 (2) to make targeted investments, including research funding, proof of concept funding,  
41 funding for the manufacture of generic medicines by an independent non-profit manufacturing  
42 company through tax-exempt bonds and funding for the development of devices, drugs or  
43 therapeutics and to promote manufacturing activities for new or existing advanced technologies  
44 and life sciences research;

45 SECTION 10. Paragraph (3) of subsection (c) of said section 6, as so appearing, is hereby  
46 amended by inserting after the word “development”, in line 61, the following: -

47 , increasing access to generic medicines through a non-profit model

48 SECTION 11. Subsection (d) of said section 6, as so appearing, is hereby amended by  
49 inserting after paragraph (7) the following paragraph: -

50 (8) increase access to generic medicines experiencing shortages, quality issues, and/or  
51 affordability issues.

52 SECTION 12. Paragraph (3) of subsection (e) of said section 6, as so appearing, is hereby  
53 amended by inserting after clause (vii) the following clause: -

54 (viii) or when dealing with an independent nonprofit manufacturing company that is  
55 addressing generic medicine access issues that the cost savings that can be realized by  
56 the commonwealth, businesses, and individuals, and / or improvement in healthcare  
57 outcomes will be used in place of clauses (iii), (iv), (v), and (vii).

58 SECTION 13. Paragraph 5 of subsection (e) of said section 6, as so appearing, is hereby  
59 amended by inserting after the word “party”, in line 141, the following: -

60 , except when dealing with an independent nonprofit manufacturing company that is  
61 addressing generic medicine access issues where this requirement is waived.

62 SECTION 14. Said paragraph 5, as so appearing, is hereby further amended by inserting  
63 after the word “opportunities”, in line 146, the following: -

64 , increase access to generic medicines through a non-profit model

65 SECTION 15. Clause (v) of paragraph (3) of subsection (c) of section 7 of said chapter  
66 23I, as so appearing, is hereby amended by inserting after the word “enterprise”, in line 60, the  
67 following language: -

68 , except when dealing with an independent non-profit manufacturing company that is  
69 addressing generic medicine access issues the substantial financial commitment is waived.

70 SECTION 16. Paragraph 4 of subsection (c) of said section 7, as so appearing, is hereby  
71 amended by inserting after the word “opportunities”, in line 78, the following: -

72 , increase access to generic medicines through a nonprofit model,

73 SECTION 17. Chapter 23I of the general laws is hereby amended by inserting after  
74 section 18, the following new section: -

75 Section 19. The center shall establish a grant program to address access to generic  
76 pharmaceuticals. Issues regarding access shall include drug shortages,

77 discontinuations, quality, and/or affordability. To qualify for a grant, an organization  
78 must be an independent nonprofit manufacturing company as defined in section 2. The grant  
79 funding may be used for startup costs associated with forming an independent nonprofit  
80 manufacturing company. To further qualify, an independent nonprofit manufacturing company  
81 must abide by all existing state and federal pharmaceutical laws. The center may also create a  
82 program to address access to naloxone by those suffering from opioid addiction. This program  
83 shall be made available to qualifying independent nonprofit manufacturing companies, but shall  
84 not be used to subsidize the purchasing of naloxone. Any qualifying independent nonprofit  
85 manufacturing company shall be required to provide to the center all information requested in  
86 reference to operating expenses.