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106TH CONGRESS
2D SESSION

H. R. 3812

To create incentives for private sector research related to developing vaccines against widespread diseases and ensure that such vaccines are affordable and widely distributed.

IN THE HOUSE OF REPRESENTATIVES

MARCH 1, 2000

Ms. PELOSI (for herself, Mr. LANTOS, Mr. INSLEE, Mr. HINCHEY, Mr. JEFFERSON, Mr. JACKSON of Illinois, Ms. WOOLSEY, Mr. MATSUI, Mrs. MORELLA, and Mr. ROMERO-BARCELO) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on International Relations, and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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A BILL

To create incentives for private sector research related to developing vaccines against widespread diseases and ensure that such vaccines are affordable and widely distributed.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Vaccines for the New Millennium Act of 2000''.

SEC. 2. FINDINGS.

Congress finds the following:

(1) Vaccines are among the most cost-effective weapons in the arsenal of modern medicine to stop the spread of contagious diseases and strengthen an individual's immune system to resist a wide range of infectious diseases, and vaccines offer a relatively inexpensive means of lowering a society's overall cost of medical care.

(2) Every year, up to 3,000,000 children's lives are saved as the result of early childhood immunizations. But almost 3,000,000 more lives worldwide are lost from diseases that could be prevented with existing vaccines.

(3) Today, 1 in 4 children do not receive the 6 basic vaccinations: polio, diptheria, whooping cough, tetanus, measles, and tuberculosis. The proportion of children immunized against these 6 diseases has declined in recent years, from approximately 80 percent in 1990 to 74 percent in 1998.

(4) Safe, effective, and universal immunization is a means to end the tragedy of avoidable childhood deaths, and a means to improve the overall health, productivity, and security of society.

(5) As well as the challenges of increasing access to existing vaccines, there are additional chal-

lenges for research and development of new vaccines. Over 5,000,000 people die annually from HIV, tuberculosis, and malaria. Vaccines against these infectious diseases are urgently needed.

(6) The spread of HIV is a human tragedy that is reversing previous gains in life expectancy and exacerbating poverty in developing countries. Over 33,000,000 people are infected with HIV, and the disease will kill more than 2,500,000 people this year. More than 11,000,000 children worldwide have been orphaned by AIDS and 16,000 people become newly infected every day.

(7) While an estimated $2,000,000,000 is spent annually on research for AIDS treatment, much of it by the private sector, the total global research and development for preventive HIV vaccines is substantially less, perhaps as little as $300,000,000, and of the amount spent on lifesaving vaccine research, only a fraction is financed by private sector drug manufacturers.

(8) Between 7,000,000 and 8,000,000 individuals develop active tuberculosis every year and 2,000,000 to 3,000,000 individuals die from tuberculosis each year, with tuberculosis accounting for more than ¼ of all preventable adult deaths in de-

veloping countries. An individual is newly infected with tuberculosis every second, and someone dies of tuberculosis every 10 seconds.

(9) Each year, 300,000,000 to 500,000,000 individuals become ill with malaria, and approximately 1,000,000 individuals die from the disease, exacting an enormous toll in lives, medical costs, and lost productivity. The majority of those who die from malaria are children under the age of 5. One person dies from malaria every 30 seconds.

(10) While additional public funds for basic research are critical in the effort to find vaccines for HIV, malaria, and tuberculosis, equally important is a concerted effort by private sector drug manufacturers to find vaccines for these 3 major infectious diseases.

(11) Additional, targeted public subsidies for private sector lifesaving vaccine research and development are justified on the basis that achieving effective and affordable vaccines for HIV, malaria, and tuberculosis will yield public benefits beyond those benefits captured by the manufacturer.

SEC. 3. UNIVERSAL EARLY CHILDHOOD IMMUNIZATIONS.

Section 104(c)(3) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151b(c)(3)) is amended in the fourth

sentence by striking ''the protection of'' and all that follows through ''1991'' and inserting ''the universal protection of all children from immunizable diseases by December 31, 2009''.

SEC. 4. VOLUNTARY CONTRIBUTION TO GLOBAL ALLIANCE FOR VACCINES AND IMMUNIZATIONS AND INTERNATIONAL AIDS VACCINE INITIATIVE.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 302 of the Foreign Assistance Act of 1961 (22 U.S.C. 2222) is amended by adding at the end the following:

''(j) In addition to amounts otherwise available under this section, there are authorized to be appropriated to the President for fiscal year 2001 an amount not in excess of $50,000,000 and for fiscal year 2002 an amount not in excess of $100,000,000 to be available only for United States contributions to the Global Alliance for Vaccines and Immunizations.

''(k) In addition to amounts otherwise available under this section, there are authorized to be appropriated to the President for fiscal year 2001 $10,000,000 and for fiscal year 2002 $20,000,000 to be available only for United States contributions to the International AIDS Vaccine Initiative.''.

(b) REPORT.—The President shall include in the July 1 report submitted to Congress under section 305(b)(1)

of the Foreign Assistance Act of 1961 (22 U.S.C. 2226(b)(1)) for fiscal years 2001 and 2002 a report on the effectiveness of the Global Alliance for Vaccines and Immunizations in meeting the goals of—

(1) improving access to sustainable immunization services;

(2) expanding the use of all existing, safe, and cost-effective vaccines where they address a public health problem;

(3) accelerating the development and introduction of new vaccines and technologies;

(4) accelerating research and development efforts for vaccines needed primarily in developing countries; and

(5) making immunization coverage a centerpiece in international development efforts.

SEC. 5. CREDIT FOR MEDICAL RESEARCH RELATED TO DEVELOPING VACCINES AGAINST WIDESPREAD DISEASES.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to business related credits) is amended by adding at the end the following new section:

"SEC. 45D. CREDIT FOR MEDICAL RESEARCH RELATED TO DEVELOPING VACCINES AGAINST WIDESPREAD DISEASES.

"(a) GENERAL RULE.—For purposes of section 38, the vaccine research credit determined under this section for the taxable year is an amount equal to 30 percent of the qualified vaccine research expenses for the taxable year.

"(b) QUALIFIED VACCINE RESEARCH EXPENSES.—For purposes of this section—

"(1) QUALIFIED VACCINE RESEARCH EXPENSES.—

"(A) IN GENERAL.—Except as otherwise provided in this paragraph, the term 'qualified vaccine research expenses' means the amounts which are paid or incurred by the taxpayer during the taxable year which would be described in subsection (b) of section 41 if such subsection were applied with the modifications set forth in subparagraph (B).

"(B) MODIFICATIONS.—For purposes of subparagraph (A), subsection (b) of section 41 shall be applied—

"(i) by substituting 'vaccine research' for 'qualified research' each place it ap-

pears in paragraphs (2) and (3) of such subsection, and

"(ii) by substituting '75 percent' for '65 percent' in paragraph (3)(A) of such subsection.

"(C) EXCLUSION FOR AMOUNTS FUNDED BY GRANTS, ETC.—The term 'qualified vaccine research expenses' shall not include any amount to the extent such amount is funded by any grant, contract, or otherwise by another person (or any governmental entity).

"(2) VACCINE RESEARCH.—The term 'vaccine research' means research to develop vaccines and microbicides for—

"(A) malaria,

"(B) tuberculosis,

"(C) HIV, or

"(D) any infectious disease (of a single etiology) which, according to the World Health Organization, causes over 1,000,000 human deaths annually.

"(c) COORDINATION WITH CREDIT FOR INCREASING RESEARCH EXPENDITURES.—

"(1) IN GENERAL.—Except as provided in paragraph (2), any qualified vaccine research expenses

for a taxable year to which an election under this section applies shall not be taken into account for purposes of determining the credit allowable under section 41 for such taxable year.

''(2) EXPENSES INCLUDED IN DETERMINING BASE PERIOD RESEARCH EXPENSES.—Any qualified vaccine research expenses for any taxable year which are qualified research expenses (within the meaning of section 41(b)) shall be taken into account in determining base period research expenses for purposes of applying section 41 to subsequent taxable years.

''(d) SPECIAL RULES.—

''(1) LIMITATIONS ON FOREIGN TESTING.—No credit shall be allowed under this section with respect to any vaccine research (other than human clinical testing) conducted outside the United States.

''(2) CERTAIN RULES MADE APPLICABLE.—Rules similar to the rules of paragraphs (1) and (2) of section 41(f) shall apply for purposes of this section.

''(3) ELECTION.—This section (other than subsection (e)) shall apply to any taxpayer for any taxable year only if such taxpayer elects to have this section apply for such taxable year.

''(e) SHAREHOLDER EQUITY INVESTMENT CREDIT IN LIEU OF RESEARCH CREDIT.—

''(1) IN GENERAL.—For purposes of section 38, the vaccine research credit determined under this section for the taxable year shall include an amount equal to 20 percent of the amount paid by the taxpayer to acquire qualified research stock in a corporation if—

''(A) the amount received by the corporation for such stock is used within 18 months after the amount is received to pay qualified vaccine research expenses of the corporation for which a credit would (but for subparagraph (B) and subsection (d)(3)) be determined under this section, and

''(B) the corporation waives its right to the credit determined under this section for the qualified vaccine research expenses which are paid with such amount.

''(2) QUALIFIED RESEARCH STOCK.—For purposes of paragraph (1), the term 'qualified research stock' means any stock in a C corporation—

''(A) which is originally issued after the date of the enactment of the Lifesaving Vaccine Technology Act of 1999,

''(B) which is acquired by the taxpayer at its original issue (directly or through an underwriter) in exchange for money or other property (not including stock), and

''(C) as of the date of issuance, such corporation meets the gross assets tests of subparagraphs (A) and (B) of section 1202(d)(1).''

(b) INCLUSION IN GENERAL BUSINESS CREDIT.—

(1) IN GENERAL.—Section 38(b) of such Code is amended by striking ''plus'' at the end of paragraph (11), by striking the period at the end of paragraph (12) and inserting '', plus'', and by adding at the end the following new paragraph:

''(13) the vaccine research credit determined under section 45D.''.

(2) TRANSITION RULE.—Section 39(d) of such Code is amended by adding at the end the following new paragraph:

''(9) NO CARRYBACK OF SECTION 45D CREDIT BEFORE ENACTMENT.—No portion of the unused business credit for any taxable year which is attributable to the vaccine research credit determined under section 45D may be carried back to a taxable year ending before the date of the enactment of section 45D.''.

(c) DENIAL OF DOUBLE BENEFIT.—Section 280C of such Code is amended by adding at the end the following new subsection:

''(d) CREDIT FOR QUALIFIED VACCINE RESEARCH EXPENSES.—

''(1) IN GENERAL.—No deduction shall be allowed for that portion of the qualified vaccine research expenses (as defined in section 45D(b)) otherwise allowable as a deduction for the taxable year which is equal to the amount of the credit determined for such taxable year under section 45D(a).

''(2) CERTAIN RULES TO APPLY.—Rules similar to the rules of paragraphs (2), (3), and (4) of subsection (c) shall apply for purposes of this subsection.''.

(d) DEDUCTION FOR UNUSED PORTION OF CREDIT.—Section 196(c) of such Code (defining qualified business credits) is amended by striking ''and'' at the end of paragraph (7), by striking the period at the end of paragraph (8) and inserting '', and'', and by adding at the end the following new paragraph:

''(9) the vaccine research credit determined under section 45D(a) (other than such credit determined under the rules of section 280C(d)(2)).''.

(e) CLERICAL AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1 of such Code is amended by adding at the end the following new item:

"Sec. 45D. Credit for medical research related to developing vaccines against widespread diseases.".

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

(g) DISTRIBUTION OF VACCINES DEVELOPED USING CREDIT.—It is the sense of the Congress that if credit is allowed under section 45D of the Internal Revenue Code of 1986 to any corporation or shareholder of a corporation by reason of vaccine research expenses incurred by the corporation in the development of a vaccine, such corporation should certify to the Secretary of the Treasury that, within 1 year after that vaccine is first licensed, such corporation will establish a good faith plan utilizing technology transfer, differential pricing, in-country production, or other mechanisms to maximize international access to high quality and affordable vaccines. The preceding sentence shall not be construed to waive rights to set prices, patent ownership, or confidentiality of privileged information.

(h) STUDY.—The Institute of Medicine shall conduct a study of the effectiveness of the credit under section 45D

of the Internal Revenue Code of 1986 in stimulating vaccine research. Not later than the date which is 5 years after the date of the enactment of this Act, the Institute of Medicine shall submit to the Congress the results of such study together with any recommendations it may have to improve the effectiveness of such credit in stimulating vaccine research.

SEC. 6. CREDIT FOR CERTAIN SALES OF LIFESAVING VACCINES.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to business related credits), as amended by section 5(a), is amended by adding at the end the following new section:

"SEC. 45E. CREDIT FOR CERTAIN SALES OF LIFESAVING VACCINES.

''(a) IN GENERAL.—For purposes of section 38, the lifesaving vaccine sale credit determined under this section with respect to a taxpayer for the taxable year is an amount equal to the amount of qualified vaccine sales for the taxable year.

''(b) QUALIFIED VACCINE SALES.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified vaccine sales' means the aggregate amount paid to the taxpayer for a qualified sale.

''(2) QUALIFIED SALE.—

''(A) IN GENERAL.—The term 'qualified sale' means a sale of a qualified vaccine—

''(i) to a nonprofit organization, governmental unit, or government of any foreign government, and

''(ii) for distribution in a developing country.

''(B) DEVELOPING COUNTRY.—For purposes of this paragraph, the term 'developing country' means a country which the International Bank for Reconstruction and Development (commonly referred to as the 'World Bank') determines to be a country with a lower middle income or less.

''(3) QUALIFIED VACCINE.—The term 'qualified vaccine' means a vaccine (as defined in section 4132(a)(2)) which is—

''(A) approved by the Food and Drug Administration as a new drug after the date of the enactment of this paragraph, and

''(B) used for—

"(i) malaria,

"(ii) tuberculosis,

"(iii) HIV, or

"(iv) any infectious disease (of a single etiology) that is determined by the Secretary of Health and Human Services (after consultation with the Director of the Center for Disease Control and Prevention and the United States Agency for International Development) to cause the deaths of over 1,000,000 people worldwide each year.

"(c) LIMIT ON AMOUNT OF CREDIT.—The maximum amount of the credit allowable under subsection (a) with respect to a sale shall not exceed the portion of the limitation amount allocated under subsection (d) with respect to such sale.

"(d) NATIONAL LIMITATION ON AMOUNT OF CREDITS.—

"(1) IN GENERAL.—Except as provided in paragraph (3), there is a lifesaving vaccine sale credit for each calendar year equal to—

"(A) $100,000,000 for each of years 2002 through 2006,

''(B) $125,000,000 for each of years 2007 through 2010, and

''(C) zero after 2011.

''(2) ALLOCATION OF LIMITATION.—

''(A) IN GENERAL.—The limitation amount under paragraph (1) shall be allocated on a competitive basis for any calendar year by the Secretary (in consultation with the Administrator of the United States Agency for International Development) among organizations with an approved application.

''(B) APPROVED APPLICATION.—For purposes of subparagraph (A), the term 'approved application' means an application which is approved by the Administrator of the United States Agency for International Development with respect to a qualified sale made during the calendar year. Such application shall be made at such time and in such form and manner as the Administrator shall prescribe by regulation and shall include a detailed and cost-effective plan for distribution of the vaccine.

''(3) CARRYOVER OF UNUSED LIMITATION.—If the limitation amount under paragraph (1) for any calendar year exceeds the aggregate amount allo-

cated under paragraph (2), such limitation for the following calendar year shall be increased by the amount of such excess. The limitation amount shall remain available until expended.

''(e) SPECIAL RULES.—For purposes of this section, rules similar to the rules of section 41(f)(2) shall apply.''.

(b) INCLUSION IN GENERAL BUSINESS CREDIT.—

(1) IN GENERAL.—Section 38(b) of the Internal Revenue Code of 1986 (relating to current year business credit), as amended by section 5(b)(1), is amended by striking ''plus'' at the end of paragraph (12), by striking the period at the end of paragraph (13) and inserting '', plus'', and by adding at the end the following new paragraph:

''(14) the lifesaving vaccine sale credit determined under section 45E.''.

(2) TRANSITION RULE.—Section 39(d) of such Code (relating to transitional rules), as amended by section 5(b)(2), is amended by adding at the end the following new paragraph:

''(10) NO CARRYBACK OF SECTION 45E CREDIT BEFORE ENACTMENT.—No portion of the unused business credit for any taxable year which is attributable to the lifesaving vaccine sale credit determined under section 45E may be carried back to a

taxable year ending before the date of the enactment of section 45E.''.

(c) CLERICAL AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986, as amended by section 5(e), is amended by adding at the end the following new item:

''Sec. 45E. Credit for certain sales of lifesaving vaccines.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to sales of vaccines in taxable years beginning after December 31, 2000.

SEC. 7. LIFESAVING VACCINE PURCHASE FUND.

(a) PURPOSE.—It is the purpose of this section to—

(1) create incentives for private sector research into vaccines for HIV, malaria, tuberculosis, and other major infectious diseases; and

(2) ensure that vaccines for major infectious diseases are affordable and widely distributed.

(b) DEFINITIONS.—In this section:

(1) DEVELOPING COUNTRY.—The term ''developing country'' means a country which the International Bank for Reconstruction and Development (commonly referred to as the 'World Bank') determines to be a country with a lower middle income or less.

(2) ELIGIBLE VACCINE.—The term ''eligible vaccine'' has the meaning given the term ''qualified vaccine'' in section 45E(b)(3) of the Internal Revenue Code of 1986.

(c) ESTABLISHMENT OF TRUST FUND.—There is established in the Treasury of the United States a trust fund to be known as the ''Lifesaving Vaccine Purchase Fund'' (in this section referred to as the ''Fund'') consisting of amounts appropriated under subsection (f).

(d) INVESTMENT OF FUND.—Amounts in the Fund shall be invested in accordance with section 9702 of title 31, United States Code, and any interest on, and proceeds from any such investment shall be credited to and become part of the Fund.

(e) USE OF FUND.—

(1) IN GENERAL.—The Secretary of the Treasury (in this section referred to as the ''Secretary'') is authorized to expend amounts in the Fund for purchases of eligible vaccines. Such vaccines shall be distributed to developing countries.

(2) LIMITATION.—The Secretary shall not make expenditures from the Fund in excess of $100,000,000 for any fiscal year.

(3) REGULATIONS.—The Secretary shall promulgate such regulations as are necessary to carry

out the provisions of this subsection, including regulations regarding—

(A) the procedures for purchasing eligible vaccines, including pricing rules which take into account the seller's research and development and manufacturing costs and the desirability of the vaccine purchased, a funding formula establishing a minimum price per dose, and minimum technical requirements and a market test requirement for the eligible vaccine; and

(B) the distribution of eligible vaccines to developing countries under agreements between the United States Agency for International Development and international organizations or recipient developing countries that provide for—

(i) consideration of the prevalence of the disease treated by the eligible vaccine in the recipient developing country;

(ii) consideration of the ability of the recipient country to effectively and safely deliver the vaccines; and

(iii) a required matching payment by the recipient developing country based on the per capita income of the country, in an

amount not in excess of 25 percent of the purchase price paid for such vaccine.

(4) CONSULTATION.—The Secretary shall promulgate regulations under paragraph (3) after extensive consultation with—

(A) the International Bank for Reconstruction and Development (commonly referred to as the ''World Bank'');

(B) the World Health Organization;

(C) the Secretary of Health and Human Services; and

(D) the Lifesaving Vaccine Advisory Commission.

(f) APPROPRIATIONS.—

(1) IN GENERAL.—Subject to paragraph (2), there are appropriated out of any funds in the Treasury not otherwise appropriated such sums as may be necessary to carry out the purposes of the Fund for each of 10 fiscal years beginning with the first fiscal year in which the Secretary makes an expenditure from the Fund.

(2) LIMITATION.—The amount appropriated for any fiscal year under paragraph (1) may not exceed $100,000,000.

(3) TRANSFER TO FUND.—The Secretary shall transfer the amount appropriated under paragraph (1) for a fiscal year to the Fund.

(4) AVAILABILITY.—Amounts appropriated under this section shall remain available until expended.

SEC. 8. MULTILATERAL LIFESAVING VACCINE PURCHASE FUND.

(a) NEGOTIATIONS.—The President should enter into negotiations with officials of foreign governments and other interested parties for the establishment of an international vaccine purchase fund that would—

(1) accept contributions from governments of developed countries;

(2) use such contributions to purchase and distribute in developing countries vaccines for—

(A) malaria,

(B) tuberculosis,

(C) HIV, and

(D) any infectious disease (of a single etiology) which causes the deaths of over 1,000,000 people worldwide each year; and

(3) be a significant market incentive for private sector vaccine research.

(b) REPORT.—Not later than 1 year after the date of enactment of this Act, and annually thereafter, the President shall report to Congress on—

(1) the status of negotiations under subsection (a); and

(2) if such fund is established, any recommendations for further action, including recommendations regarding the Lifesaving Vaccine Purchase Fund established under section 7 of this Act.

SEC. 9. LIFESAVING VACCINE ADVISORY COMMISSION TO OVERSEE AND EVALUATE PUBLIC PRIVATE VACCINE PARTNERSHIPS.

(a) ESTABLISHMENT.—There is established a commission to be known as the ''Lifesaving Vaccine Advisory Commission'' (referred to in this section as the ''Commission'').

(b) MEMBERSHIP.—

(1) NUMBER AND APPOINTMENT.—

(A) IN GENERAL.—The Commission shall be composed of 12 members, appointed by the President, as follows:

(i) 6 individuals with experience and expertise in the pharmaceutical or biotechnology industry.

(ii) 6 individuals with experience and expertise in the medical, public health, or academic community.

The individuals appointed under this subparagraph shall not be officers or employees of the Federal Government, except to the extent that they are considered to be such officers or employees by virtue of their membership on the Commission.

(B) QUALIFICATIONS.—The members of the Commission appointed under subparagraph (A) should, as a group, achieve a balanced membership representing the Nation as a whole and balancing the concerns of the public health community with the concerns of the biotechnology and pharmaceutical industry.

(2) TIME OF APPOINTMENT.—Each member of the Commission shall be appointed not later than 90 days after the date of enactment of this Act.

(3) TERMS.—Each member of the Commission shall be appointed for the life of the Commission.

(4) VACANCIES.—Any vacancy in the Commission shall be filled in the same manner in which the original appointment was made.

(5) COMPENSATION.—

(A) PROHIBITION OF PAY.—Except as provided in subparagraph (B), members of the Commission shall serve without pay.

(B) TRAVEL EXPENSES.—Each member of the Commission may receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

(6) QUORUM.—7 members of the Commission shall constitute a quorum.

(7) CHAIRPERSON.—The Commission shall select one of the individuals appointed under paragraph (1) as the chairperson of the Commission.

(8) MEETINGS.—The Commission shall meet at the call of its chairperson or a majority of its members.

(c) DUTIES.—The Commission shall—

(1) review the progress of national and international efforts to develop vaccines for—

(A) malaria;

(B) tuberculosis;

(C) HIV; and

(D) any infectious disease (of a single etiology) that is determined by the Secretary of Health and Human Services (after consultation

with the Director of the Center for Disease Control and Prevention and the Administrator of the United States Agency for International Development) to cause the deaths of over 1,000,000 people worldwide each year;

(2) examine the merits of innovative financing mechanisms, such as tax incentives, purchase funds, patent exchanges, conditional research and development grants based on market pricing agreements, and other proposals that combine public subsidies with private sector research and development efforts, and

(3) develop consensus among industry and public health advocates on policy recommendations for ways the Federal Government can further advance public private partnerships, both nationally and internationally, in vaccine research and development, with a goal of finding effective and affordable vaccines for the major infectious diseases of the world.

(d) STAFF AND SUPPORT SERVICES.—

(1) STAFF.—

(A) IN GENERAL.—The chairperson of the Commission may, without regard to civil service laws and regulations and after consultation with the Commission, appoint an executive di-

rector of the Commission and such other additional personnel as may be necessary to enable the Commission to perform its duties.

(B) COMPENSATION.—The chairperson of the Commission may fix the compensation of the executive director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director and other personnel may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

(2) STAFF OF FEDERAL AGENCIES.—Upon request by the chairperson of the Commission, the head of any Federal department or agency may detail, on a nonreimbursable basis, any of the personnel of the department or agency to the Commission to assist the Commission to carry out its duties under this Act.

(3) ADMINISTRATIVE SUPPORT SERVICES.—The Administrator of General Services shall provide to the Commission, on a reimbursable basis, any ad-

ministrative support services that are necessary to enable the Commission to carry out this Act.

(e) POWERS OF COMMISSION.—

(1) HEARINGS.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers advisable to carry out the purposes of this section.

(2) INFORMATION FROM FEDERAL AGENCIES.—The Commission may secure directly from any Federal department or agency such information as the Commission considers necessary to carry out the provisions of this section. Upon request of the chairperson of the Commission, the head of such department or agency shall furnish such information to the Commission.

(3) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as any other Federal agency.

(f) FINAL REPORT.—Not later than 18 months after the date of enactment of this Act, the Commission shall submit to the President and Congress a final report. The final report shall contain—

(1) a summary of the activities of the Commission;

(2) a final accounting of funds received and expended by the Commission; and

(3) any findings and recommendations of the Commission which are supported by at least 9 members.

SEC. 10. SENSE OF CONGRESS.

It is the sense of Congress that flexible or differential pricing for vaccines, providing lowered prices for the poorest countries, is one of several valid strategies to accelerate the introduction of vaccines in developing countries.

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