do that with Medicare. We truly need to do that with Medicare.

I have been practicing long enough to see some significant changes; and I have seen managed care, health maintenance organizations with a great emphasis on preventative healthcare, preventative healthcare; and I applaud that because it is extremely important. If we wait to treat people when an episode of poor health or an accident has occurred, then it is so expensive, not to mention the tragedy and the suffering and the loss of life that occurs, but just the expense of waiting until a person is so sick and they show up in the emergency room, that paradigm has got to shift. That paradigm has got to shift.

I tell my colleagues in the House, Mr. Speaker, of my experience recently of going through so-called open heart surgery that I was faced with right after winning this election to the Congress, and now I am on five prescription medications every day. I am not a senior citizen yet. I am not Medicare-eligible. But I know they are very, very expensive, very expensive; and it just makes me think how important it would have been for me and how important it is for our seniors who maybe just turned 65 to be able to get the medications that they need to strengthen their bones, to prevent osteoporosis, to lower that blood pressure so they do not have a premature heart attack or a stroke and end up in a nursing home for the rest of their lives.

So things are changed. Society has changed. And now I do not think there are many physician colleagues of mine in this great United States who would not agree that a prescription benefit is every bit as important as a hospital benefit or a surgical benefit, and we have got to make that change. And that is what this President is doing. That is what this administration, that is what this leadership, what the gentleman from Illinois (Speaker HASTERT) and the gentleman from Texas (Mr. DELAY) and the chairmen of our committees of jurisdiction, the gentleman from California (Mr. THOMAS) of the Committee Ways and Means and the gentleman from Louisiana (Mr. TAUZIN) of the Committee on Energy and Commerce, and their subcommittee Chairs are bringing to us. They are bringing not just this prescription benefit, but they are also bringing an option for change so that our seniors can get the same health care benefit that we, Members of Congress, have available to us and that all Federal employees have available to them, to be able to go to enhanced fee for service or a Medicare advantage plan where there is an emphasis on preventative health care, where they can get a routine physical done, where they can get their blood screened for lipid profile and cholesterol so that we will know early, early on, if they are at great risk for developing one of these serious illnesses. That is what it is all about. Colonoscopies, mammograms, things that will keep people healthy and prevent them from getting so far down the line with an illness that they cannot recover.

So that is what we call, Mr. Speaker, compassionate conservatism. That is what this President and this administration and this Republican majority and this leadership is all about, and that is what we are going to bring to the seniors of this country. We are going to bring a prescription benefit that is weighted toward the needy, that has a catastrophic cap; and, yes, that cap is going to vary depending on a person's income or net worth, as well it should. I think it is only appropriate that we take care of our neediest first, but all seniors need the same kind of benefit that I enjoy and other Members of Congress and Federal employees enjoy.

So that is a very, very big part of this program. It is not just providing a prescription benefit but also giving our seniors an opportunity and an option. Of course, they can remain in traditional Medicare, which we all know about a comfortable pair of shoes and we get used to something and change is difficult. I know change was difficult for me when I gave up a medical career to join the Congress and get on this rather steep learning curve. It is scary. It is scary, and maybe some of our seniors will decide to stay in traditional-fee-for-service Medicare, but they will have a prescription drug benefit. They will have the same prescription drug benefit.

What they will not have in that traditional paradigm is they will not have any catastrophic coverage. They will still have catastrophic coverage of course for the prescription benefit, but not for other costs involved like hospital stay or nursing home stay; and that is what we are trying to avoid by giving them an opportunity to join one of these other options where it is a competitive environment and an opportunity for these plans to compete against each other and lower the cost at the same time they are providing this preventative health care benefit like I mentioned, routine physicals, routine screening, and, yes, indeed, catastrophic coverage so that people who have worked all of their lives to build a little nest egg not become destitute and burdens on society in their senior years. That is not right. That destroys their dignity.

□ 2130

And if I do anything in this Congress, I am going to work hard to make sure that that does not happen to our seniors.

So in conclusion, Mr. Speaker, I want to thank my colleagues who are with me tonight to discuss this tremendously important issue. We do not have the perfect plan. Yes, bills can be improved, and that is what the committee process is all about. That is why we have two committees of jurisdiction and very intelligent people working on this bill to perfect it. This is so much better, Mr. Speaker, this is so much better than what we have currently. I am just very proud of our leadership, and I am very proud to be supportive of the Medicare Prescription Drug and Modernization Act of 2003.

REPORT ON RESOLUTION WAIVING REQUIREMENT OF CLAUSE 6(a) OF RULE XIII WITH RESPECT TO CONSIDERATION OF CERTAIN RESOLUTIONS

Mr. LINCOLN DIAZ-BALART of Florida (during Special Order of Mr. GINGREY), from the Committee on Rules, submitted a privileged report (Rept. No. 108–174) on the resolution (H. Res. 292) waiving a requirement of clause 6(a) of rule XIII with respect to consideration of certain resolutions reported from the Committee on Rules, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2555, DEPARTMENT OF HOMELAND SECURITY APPROPRIATIONS ACT, 2004

Mr. LINCOLN DIAZ-BALART of Florida (during Special Order of Mr. GINGREY), from the Committee on Rules, submitted a privileged report (Rept. No. 108–175) on the resolution (H. Res. 293) providing for consideration of the bill (H.R. 2555) making appropriations for the Department of Homeland Security for the fiscal year ending September 30, 2004, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPUBLICAN PRESCRIPTION DRUG BILL OUTLAWS BULK PURCHASING POWER TO NEGOTIATE LOWER DRUG PRICES

The SPEAKER pro tempore (Mr. GARRETT of New Jersey). Under the Speaker's announced policy of January 7, 2003, the gentleman from Rhode Island (Mr. LANGEVIN) is recognized for 60 minutes as the designee of the minority leader.

GENERAL LEAVE

Mr. LANGEVIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include therein extraneous material on the subject of this Special Order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. LANGEVIN. Mr. Speaker, tonight I am pleased to be joined by many of my Democratic colleagues to discuss the lack of cost control provisions in the prescription drug bill before the United States House of Representatives, H.R. 2473. In particular, I feel that it is so essential that we call

attention to the fact that this bill does nothing to use the country's bulk purchasing power on behalf of our seniors to lower the high cost of prescription drugs, the purchasing power we should be using to ensure the lowest cost of medications for our senior citizens. Quite the contrary, this bill expressly forbids it.

Like many of my colleagues, I held a sincere hope that the 108th Congress would overcome the inaction that has plagued this issue at the expense of America's senior citizens for so many years. I am extremely disappointed that the bill before the House this week not only fails to offer a structured and sound prescription drug benefit for Medicare beneficiaries, but also contains provisions that threaten the stability of the program that has provided health benefits for millions of elderly people and young adults with disabilities for the past 38 years.

While we all come to the floor with a range of grave concerns about this bill, my Democratic colleagues and I join together tonight with the united message that the House of Representatives must take action to address the rapidly rising costs of prescription drugs. H.R. 2473 not only fails to address this crisis, it actually contains a noninterference clause prohibiting the Secretary of Health and Human Services from using the bulk purchasing power of Medicare beneficiaries to negotiate for the lowest prices for senior citizens, a tactic that has proven effective in the State of Maine and is developing in Illinois and in other States.

Like many other places in the country, my home State of Rhode Island uses bulk purchasing power for seniors eligible for Medicaid to negotiate discounts for this population. America's seniors have made it clear that they want the government to assist them in obtaining their prescription drugs at a fair price.

Now, it infuriates me that in a situation where we have over 40 million people with a common and basic need, instead of taking advantage of that purchasing power to negotiate the lowest prices for the most rapidly increasing component of health care, the Federal Government is considering outlawing that practice. Amazing. The Federal Government is considering outlawing that practice.

An analysis of H.R. 2473 by the Consumers Union shows that spending on prescription drugs continues to grow. In fact, if we do not take action to curb the costs now, seniors will pay more out of pocket in 2007 with the prescription drug benefit as is currently proposed than they are paying in 2003 without it. Yet, just last week, the Committee on Energy and Commerce defeated an amendment that would have repealed the noninterference provision and allowed the Secretary of Health and Human Services to negotiate with drug companies in a similar manner to that of the Secretary of Veterans Affairs and Medicaid programs. I think that is something that is worth noting. It is already being done successfully with the Veterans Administration in providing a drug benefit to our veterans at very low cost, and the government is able to buy these at obviously a reduced cost, in making sure that our veterans get the benefit that they need, these vital medications that are so important in keeping them healthy. Yet we are going to prevent the Secretary of Health and Human Services from doing the exact same thing for the rest of the seniors in this country who are struggling to get by in paying for their prescription medications. It is simply counterintuitive.

Studies show that seniors in other industrialized countries are paying significantly less for their prescriptions than America's seniors. And, in this case, the short answer really does sum it up. It is because their governments took action to protect their interests when it comes to pricing prescription drugs. In Canada where citizens pay, on average, 50 percent less than the seniors I represent in Rhode Island, for the five most commonly prescribed drugs, the government uses the bulk purchasing power of its people to help them, and that is the way it should be. My constituents are paying 292 percent more, for example, for Prilosec than they would be in Italy where again the government uses the bulk can purchasing power of people to help them. Prices in other countries are not the result of government contributions or subsidies to drug companies; they are the result of governments using purchasing power of significant blocks of people to negotiate better prices. It is very basic.

Let us also look at another area while we are on this subject of using mechanisms to reduce drug costs. Another place where we can take action to reduce the high cost of medications is generic drugs. Last week our colleagues in the Senate took substantive measures in their Medicare reform bill to address the rapidly escalating cost of prescription drugs by easing market entry of generic drugs. In fact, their vote to do so was nearly unanimous: 94 to 1. At the same time, the House leadership, though, in a quest to push through a mere pretense of a prescription drug benefit, has failed to acknowledge that without measures to control the cost of prescription drugs, any benefit will deteriorate in value over time. America's seniors deserve better than this.

Mr. Speaker, it is amazing. The Republican leadership is so eager to subsidize the insurance companies and allow drug manufacturers to continue to exploit America's seniors in the name of the free market system, but is apparently unwilling to use that same free market system to allow the natural market force of 40 million individuals, our struggling senior citizens, to come into play.

The noninterference clause, a small section on page 250 of a 321-page bill, must be brought to light. We must draw attention to the fact that any prescription drug benefit is rendered meaningless unless action is taken to curb the out-of-control costs of drugs that people need to stay alive.

I thank my colleagues who have joined me on the floor tonight to highlight the fact that at this very moment America's seniors are making choices between taking their medications as prescribed and putting food on their tables. Just this morning I joined Dr. Sarah Fessler and the Rhode Island Academy of Family Physicians in releasing a survey showing that a third of seniors in Rhode Island are relying on physician samples for their necessary medications, and 20 percent are failing to take them as prescribed because of costs, skipping prescriptions to make them last longer, and failing to refill them. The survey reiterates what we already know: that cost is the greatest barrier to seniors taking their prescriptions.

This situation, Mr. Speaker, will not fix itself. I urge my colleagues to pay careful attention to the details of H.R. 2473 and to think critically about the effect, or the lack thereof, it will have on the seniors in their districts.

Mr. Speaker, I am pleased to yield to the distinguished gentleman from Maine (Mr. MICHAUD), who in his first term has taken tremendous initiative by introducing the America Rx Act under which the Federal Government would act as a pharmacy benefits manager to negotiate low prescription prices for America's seniors, and it is very appropriate that he be the first speaker this evening, and I welcome him.

Mr. MICHAUD. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, this week we are prepared to debate a Medicare prescription drug package. We are focusing all of our energy on trying to pay for expensive prescription drugs. But one important aspect of this debate is missing; that is, finding a way to make drugs less expensive to begin with.

The fact is that drug prices continue to rise and are spiraling out of control, forcing more people to choose between medicine and food. Talking about paying for prescription drugs without talking about prices is like going to a grocery store telling them to fill up your cart and handing them a blank check. We are letting the company decide how much to charge and then we are proposing to have the government foot the bill.

Last month, I met with a group of seniors in my district in Bangor, Maine who were on a bus trip to Canada so they could buy the medicine they need at a price that they could afford. And guess what they saved? Out of 18 senior citizens, they saved over $19,000, just by crossing the border. That is a crying shame.

Like most Members of this House, I believe that expanding access to prescription drugs is one of the most important issues that we face. That is why I have taken the creative Maine Rx approach, which just received a favorable ruling from the United States Supreme Court, and brought it to this Congress.

Earlier this year, in an attempt to make prescriptions more affordable for all Americans, I introduced H.R. 1694, the America Rx Act of 2003. America Rx uses the power of the free market to negotiate lower prescription prices for all Americans who lack adequate coverage, similar to what they do in the Veterans Administration. We are the only industrialized Nation that does not negotiate lower cost for prescriptions, and it is time for a change.

Like Maine Rx, America Rx is a fresh approach that will not cost the taxpayers a single dime. This approach is simple, it is fair, and it works. It is time for America's seniors to gain access to affordable, lifesaving prescription drugs. We will be doing all Americans a disservice if we do not include ways to contain the cost in the upcoming debate.

Mr. LANGEVIN. Mr. Speaker, I thank the gentleman. Again, I share wholeheartedly in the statements that he has made, and I want to commend him for introducing H.R. 1694, the America Rx Act. Again, as the gentleman states, this bill establishes an America Rx program to establish fair pricing for prescription drugs for individuals without access to prescription drugs at discounted prices and, as the gentleman said, modeled after the Maine Rx program, by the Federal Government acting as a pharmacy benefits manager to negotiate the lowest prices. This approach uses the power of the free market to allow millions of American senior citizens, with no access to discount, to pool together and negotiate as one block. I cannot see what could be more basic than that. That is what certainly this Special Order is all about tonight.

I am now pleased Mr. Speaker, to yield to the gentleman from Maine (Mr. ALLEN), who has shown tremendous leadership on this issue by introducing the Prescription Drug Fairness for Seniors Act, which would require drug manufacturers to allow pharmacies to purchase drugs for resale to Medicare beneficiaries at the same price equivalent to the average foreign price based on the price consumers pay in six other industrialized nations.

□ 2145

Mr. ALLEN. Mr. Speaker, I thank the gentleman for yielding, and I thank him for his leadership in holding this Special Order tonight.

Many people across the country are really confused about what all these prescription drug plans mean for them. They are trying to sort out whether the Republican plan or the Democratic plan or whatever plan may be up, how it might possibly help them in the future. And, frankly, you cannot blame anyone for being confused out there because there are so many descriptions flying back and forth. But it is worth highlighting one that the gentleman from Rhode Island (Mr. LANGEVIN) highlighted before and my friend, the gentleman from Maine (Mr. MICHAUD) was mentioning as well and that is the way these two approaches treat the subject of price.

It seems that in every instance the Republican plans do everything they can to avoid trying to reduce prices; and, obviously, that is consistent with what the pharmaceutical industry wants. But the most remarkable thing about the prescription drug proposal made by the Republicans here in the House is actually like the Senate bill; it contains a provision essentially saying to the Secretary of Health and Human Services, you shall not negotiate lower prices for Medicare beneficiaries. And what are they afraid of? What are they afraid of?

Every private insurance company in the country tries to negotiate the lowest prices they can for themselves and for their beneficiaries. It really makes a huge difference. But here you have the Republicans in the House saying you cannot negotiate lower prices. They might as well say to the Federal Government, to Health and Human Services, we think you should pay higher prices to the pharmaceutical industry. Above all, we do not want the pharmaceutical industry to be paid less.

I did not bring them tonight, but I have some charts that go back in history; but they show that over the years every time there has been a major effort to improve the ability of seniors or anyone else to get their prescription drugs, they show that the pharmaceutical industry comes in and says, if you do this to us, if you make generics more widely available, if you have a rebate program under Medicaid, those are the two major developments over the last 15 years, if you do either one of these things, then we will have to cut back on research and develop.

And what happened in the aftermath of those acts? The 1988 Hatch-Waxman Act, which made it easier for generics to get into the market and in the mid-1990s a provision that basically capped Medicaid prices. In both cases, the industry said, we will have to cut back on research, and in both cases what the industry did was dramatically increase funding on research.

The truth is that all of this fear about what the pharmaceutical industry will do is misplaced. What our people need is very simple. They need lower prices.

Now, our seniors pay the highest prices in the world, the highest prices in the world for their prescription drugs. Here you have the biggest health care plan in the entire country, Medicare, 40 million beneficiaries, obviously some real ability to leverage lower prices; and the Republican bill in the House explicitly says we will not allow the Secretary to negotiate for lower prices. That is not where our home State of Maine is going. That is not where private insurance companies go. It really is completely off the wall. There is absolutely no reason to do that.

But when you look at the Republican plan in the House, you can also see that the benefit is not very good. It is really not very much. For example, if you pay, if you wind up with $4,900 of drug expenses in the course of a year, you are going to wind up paying about $3,600 of that all by yourself. For many Americans, for those whose drug expenses are less than $1,367 a year, all of those people, if they sign on to this plan will pay more in than they ever get out. It will not make any sense for them. And it is also true between about $2,400 and $4,900; those people with lose money as well. It is because the benefit is completely inadequate.

Now, we have our friends on the Republican side coming down here and saying what this country needs, what our seniors need is the same kind of prescription drug benefit that members of Congress have. Well, if that is what they need, why not provide it for them? Why not give them a prescription drug benefit more or less like we have, one with an 80/20 co-pay, for example? But they will not go there. And there is a reason why they will not go there. They cannot go there. They have given all the money back. They have basically got tax cuts; if all of their plans go into effect, they will have reduced tax revenues over 10 years by about $4 trillion. No wonder there is no money left for a real prescription drug benefit under Medicare. No wonder there is not enough money to fund Head Start or not enough money to fund special education or not enough money to even fund the President's initiative, No Child Left Behind. They have given the money back to people who earn over $370,000 a year.

Now, I suppose some people would say that is a very needy group; but it is hard to figure out, particularly when you have seniors all across the country who are choosing between food, rent and prescription drugs. I mean, there are so many stories; they cannot all be repeated. But I know one couple where he takes his medication one month, she takes her medication the next month because they cannot possibly pay for both of them. And that is why so many people in Maine and across the country now get their prescription drugs through Canada.

What does Canada do? Why is Canada so special? The bill I have introduced, H.R. 1400, the Prescription Drug Fairness for Seniors Act, basically says to the pharmaceutical companies, you cannot charge Americans more than the you charge the Germans and the French and the British and the Italians and the Canadians and the Japanese, the other 6 countries in the G–7.

Just take the average foreign price, you cannot charge more to our people, our Americans, than you to do to those people in those other countries. It is that simple. And yet that is exactly what the Republicans will not do. They simply will not go there because their friends in the pharmaceutical industry cannot abide the thought of having the government do what the insurance companies do, which is negotiate lower prices.

We hope, in the State of Maine, and we hope across the country that people will finally understand that unless the government works to negotiate lower prices, our seniors will continue to pay the highest prices in the world. It is not right, and it needs to change. But it will not change in this House this week when the Republicans pass their prescription drug bill because they will talk about choice, but there is not much choice out there.

The President was out on the stump not so long ago and he said, we want seniors to have the kind of choices that members of Congress have, choices among many plans. Well, in my State and many States, guess how many choices I have? One. I have one plan in the State of Maine, one health care plan that I can choose. One. Not two, not three, not ten. One. And that is all there is. And this is what this bill promises. This bill promises, they say they are going to try to give the insurance companies enough money so there will be two plans in every district; but, in fact, this is a product that does not exist, this kind of insurance on prescription drugs. It looks and feel like another way to get past the next election, to have a plan. It does not take effect until 2006. What are we really talking about?

We need to reduce prices for our seniors. We ought to do it now. I thank the gentleman; I appreciate his time and leadership on this issue.

Mr. LANGEVIN. Mr. Speaker, I thank the gentleman for his words and for his leadership on this issue. He was very eloquent tonight, as he has been so many times in the past in addressing the prescription drug problem, in fighting for our seniors. I commend him for his service in this House and for his work on this issue.

I am now, Mr. Speaker, very pleased to yield to the gentleman from Illinois (Mr. EMANUEL), who has consistently worked to reduce prescription drug costs through targeted market reforms, a freshman Member of this House who has already shown his compassion for seniors and his leadership. I thank him for being here this evening.

Mr. EMANUEL. Mr. Speaker, I would like to thank my colleague from Rhode Island.

Tomorrow in a bipartisan fashion with about six Republicans and six-or-so Democrats, we will be introducing an amendment to the prescription drug bill that focuses on bringing competitive forces to the pricing of prescription drugs so we can make prescription drugs affordable to not only our elderly but our American families.

I think one of the things that is missing in this entire debate, in this entire strategy, is how to make drugs and prescription drugs more affordable and more accessible to people. How do you do that?

There are three parts to this bill. The first part would bring generic drugs to market quicker so name-brand drugs and pharmaceutical companies cannot employ frivolous lawsuits to keep generics off markets. If you had competition between generics versus prescription drugs, you would bring prices down from name-brand drugs.

The second portion of that bill, and that portion of the bill has been adopted by the Senate and also enjoys bipartisan support in this Chamber as it enjoys in the other Chamber. The second, as my good colleague from Minnesota, a Republican, a good colleague, enjoys overwhelming bipartisan support and also adopted in the Senate in bipartisan fashion, was the market access bill. It enables consumers, elderly as well as other families, to buy medications, Canada, Mexico, Israel, Italy, Germany, France, Netherlands, Great Britain and all of those countries, the same name-brand medications sold here in this country are sold in those countries at 50, 60, 70 percent reduced prices, but they are American-made medications.

Now, if we can import steel, we can import cars, we can import software, we can import wheat, food products and everybody always wants to espouse the virtues of globalization, well, let us allow them globalization to bring prices down here at home for prescription drugs.

Globalization is not supposed to be a one-way road just for corporations and their bottom line. Globalization is supposed to work for consumers. So allow globalization to work so if you can find that drug in the German market or the British market for cheaper, you could be allowed to buy it. It is called market access. So competition between generics versus name-brand. Allow us to buy products in West Germany or Canada or Mexico, wherever you can find them cheaper. Allow the global marketplace to determine the best price for the consumer.

The third portion of the bill is a bill that allows, take the family of drugs for cancer or AIDS. Every one of the medications on the market today was developed with government research, taxpayer money through the NIH. Allow the NIH to get a 10 percent royalty for that investment back to the taxpayers. You would do that, and in 10 years the NIH would be fully self-funded. It is one of the great venture capital arms in the entire world.

I worked in the private sector. We used to believe you look for a 30 percent IR, which is an investment return on your equity. Anything below a 30 percent return was considered ''dumb money.'' And we have been treating the taxpayers like dumb money. Give the taxpayers a minimum of 10 or 15 percent return on their investment, and the NIH would be fully funded in 10 years through investment royalties.

In addition to that tax-funded research, whether it is in cancer, AIDS or any medication out there, today the taxpayers subsidize research through the R&D tax credit, research and development tax credit. And so not only are the taxpayers in this country paying on the tax credit on the upfront side through NIH funded research, but on the back side through research and development tax credit. We are paying for it twice. And the only benefit left to the American taxpayer is they get to pay the highest price for that drug when it comes on the market. They fund the research, and they get to pay the highest price.

□ 2200

The pharmaceutical industry in this country has been treating the seniors of this country and the American families with sick children as their profit guinea pig. They earn their profits off the back of Americans who have paid for the research.

It is my view what is missing is we need the market forces to bring the prices down so they are more affordable and more accessible to our elderly. If we are going to spend $400 billion on a prescription drug bill do my colleagues not think we want to get the most for our money? So in my view what is missing from this debate, what is missing from this discussion, what would make sure that we spend our $400 billion wisely is a market forces of competition from generic to name brand, prices overseas in Europe to American prices and then a return on our investment. That would bring real competition, and therefore, we would have the market forces working on behalf of the taxpayer rather than against them.

I am proud that we have a bipartisan bill, a lot of Republicans on it, a lot of Democrats. I think it represents our common values, but a number of people in this Chamber who will always be up here, we will hear them on every other debate, espouse the virtues of a free market. I am going to allow free market to reign. I came from the private sector. I think it is a wonderful thing.

I do not fault the pharmaceutical industry. They bought and paid themselves out of a free market when it comes to name brand versus generics. They have bought themselves out of a free market when it comes to preventing consumers from buying things in other marketplaces like they do any other product, and they have treated us like nothing but chumps when it comes to getting our tax dollars to fund the research. Yet they get the profit and we get the biggest payday with the highest prices.

So it is my view that if we bring the market forces to bear we will make drugs affordable, and most importantly, because the government will be

funding the research as they do today, we will guarantee that those drugs continue to come to market and America stands as number one in the area of research for new drugs, new medications to cure other illnesses.

The Boston Globe did a story, and I will bring this back up. Thirty-two out of 35 of the drugs that they targeted were developed with NIH or FDA funding. We can make the whole NIH which is $26 billion fully self-funded. The last time in 1984 is when we passed a bill to get bring generics to market. Are we saying in close to 20 years our laws do not need an update, what it means to accelerating this research, that our laws allow pharmaceutical companies to keep generics off the market?

So we can do this, we can make the medication on our $400 billion we spend on a prescription drug benefit go farther, insure more people, get benefits and drugs cheaper to seniors, if we would allow the free market to reign when it comes to the pricing of drugs.

I know my fellows on the other side of the aisle believe in the free market. I am just going to give them a chance to put their money where their mouth is, and I look forward to the support of others in this area. I am pleased that my colleague organized this today because we focus the country on this. We are going to do I think what is right, get a prescription drug bill, but just because we do it does not mean it is right. It is how we do it that determines whether it is right.

I am pleased that we have support for all this. It is the right type of area. It makes sure that we have affordability. It makes sure, too, that we stay in the frontlines of having the best medications developed because we have been focusing on the taxpayers funding this research, now we are going to guarantee we get a return on our investment. As long as they want that tax R&D credit, which they should have, the pharmaceutical companies, we are going to make sure we get a 10 percent, 15 percent royalty on those dollars we invested.

Every cancer drug on the market today was funded by the taxpayers. Corporations got the profit and we got the biggest bill in America. Our brothers and sisters and fellow consumers in Germany and England and France are enjoying the benefits of taxpayer funded research. They are paying minimal prices at 50 percent, 60 percent less than we are. We are paying the highest price. They get the drugs for a cheaper price, and the corporations in America get the profits, and we get to pay the highest bill.

As we would say in Chicago, such a deal. That is what has happened.

So we need to take this three-step approach, all of it based on the principle of the free market. We bring the free market, we bring competition, it will drive prices down, spend $400 billion, reach more seniors with better affordable prescription drugs, and we will make the medications more accessible, more affordable because they will be cheaper in price.

Again, I want to thank my colleague from Rhode Island for organizing this and bringing the attention to this issue and allowing all the different perspectives to be brought to bear here in this Chamber.

Mr. LANGEVIN. Mr. Speaker, I thank the gentleman from Illinois for his very powerful words on this debate. I could only wish that every taxpayer in America could have heard those words tonight, along with our seniors, because it really crystallizes the debate itself, and I know we are going to be working on this together, both tomorrow, the rest of the week and until we bring this issue home. I thank the gentleman from Illinois for his comments.

That is an important aspect of this debate, the fact that taxpayer dollars have funded so much of this research, have developed these medications, and the only thanks that our taxpayers have received in return, our seniors have received in return, is high cost prescription medications that they cannot afford. That is outrageous and it is wrong.

We, as a compassionate Nation, as a determined people, have to do something about it. We have to change that and we have to make our prescription medications within reach for our seniors. No senior in America should have to make the choice between food and medication or paying their rent, not when it was their taxpayer dollars in the first place that helped develop those medications.

Mr. Speaker, I said earlier in my remarks, and each of the speakers tonight have again reiterated the argument, that we should let the free market system determine the cost of these medications, and by that, as I have said before, it means allowing our seniors to join together, use their bulk purchasing power to negotiate the lowest cost price for these medications. No prescription drug benefit should be passed by this House without that being a major component of that bill. No other insurance company, no other private insurance plan would have a prescription drug benefit without that component contained within it, and neither should one pass by this House.

Who does it benefit to pass a prescription drug benefit that does not include a component that uses the bulk purchasing power of this Nation without it being present in the bill? Is it the taxpayer? Well, certainly not because they are not getting the lowest negotiated price. Is it the seniors who are struggling to afford their medications? Well, certainly not.

It is the insurance companies, though. It is the pharmaceutical companies who do benefit: Let us keep the prescription drug prices high, let us keep the profits outrageously high, let us not be able to use bulk purchasing power that would negotiate a lowest cost price for our seniors, no, because that means that the pharmaceutical companies, the insurance companies, are out profits. That is simply wrong, Mr. Speaker, and I hope that my colleagues on both sides of the aisle will recognize this argument for what it is and do the right thing by our seniors.

Let us do what is done in Canada, in Great Britain, in Italy, in Japan, nations that for their seniors use their bulk purchasing power to bring down the high cost of medications that allows their people, their seniors to get the medications that they so readily need to stay healthy, which in many ways are wonder drugs and have become a replacement for surgery, but again, what good are they if our seniors cannot afford them? They have recognized that in Canada, in Great Britain, Italy, G–7 nations. We need to recognize that here in America.

Mr. Speaker, I thank my Democratic colleagues for joining me tonight to bring attention to this critical component of an issue that we all continue to debate throughout this week. In particular, I want to express my gratitude to the Members who have been persistent in supporting stand-alone legislation on the topic of rising prescription drug costs in recent years.

While it has yet to be brought to the floor, there is significant support in this Chamber for several pieces of legislation that would control prescription drug costs. We have heard about some of them. Tonight, we heard of the gentleman from Maine's (Mr. ALLEN) bill, H.R. 1400, the Prescription Drug Fairness for Seniors Act, which would significantly reduce prescription drug prices for all Medicare beneficiaries by requiring drug manufacturers to allow pharmacies to purchase medications for resale to Medicare beneficiaries at a price equivalent to the average foreign price based on the prices consumers pay in six other industrialized Nations. This legislation would provide up to a 40 percent savings on prescription drugs.

There is also bipartisan support for the Greater Access to Affordable Pharmaceuticals Act, which would speed the market entry of generic drugs by closing loopholes that are being used to lower priced competitors in the marketplace. We have heard about this this evening as well.

It is the right thing to do, to look at all of these options for controlling the high cost of prescription medications. We owe it to our seniors to look at this and do the right thing by them. We owe it to our seniors to fight for these cost controls.

Again, I ask the Republicans in this House to champion an issue that they have always championed and that is using the free market system, allowing the free market system to operate, to come to an equilibrium price. If we do that for our seniors, then everybody wins and we will have bipartisan support on that effort. It is the right thing to do. It is my sincere hope that the Republican leadership will see the light

and allow Members to offer these bills and other amendments to the Prescription Drug and Medicare Modernization Act of 2003.

I will continue to work with my Democratic colleagues to promote legislation that will provide substantial medication savings for our seniors rather than the high profit margins for drug and insurance companies.

Mr. Speaker, I thank my colleagues who have joined with us tonight in speaking on this important issue.

ELIMINATION OF THE DEATH TAX

The SPEAKER pro tempore (Mr. GARRETT of New Jersey). Under the Speaker's announced policy of January 7, 2003, the gentleman from Colorado (Mr. MCINNIS) is recognized for half the time from now until midnight.

Mr. MCINNIS. Mr. Speaker, I wanted to take a little time this evening to discuss an issue which I think is very basic but fundamental to American families, to the dream of American families in this Nation being able to pass on through their hard work, one business or a farm or a home or some type of asset from one generation to the next generation.

Unfortunately, in this country we have put into our tax code one of the most unfair, unjustified taxes that any tax code could have, and that tax is called, for short, the death tax. It has got a fancy word which they say the estate tax, but in fact, what it is is it is a tax upon a person's death. It is not a tax that is invoked for any other reason but for the fact that a person has died, and the moment they have died, the government, the State Government and the Federal Government, of course led by the Federal Government, shows up at the grave site and tries to get into that person's estate and invoke this death tax.

There is a little history to the death tax. The death tax, as I said, from any scholarly point of view, from any economic point of view, from any business point of view, if we take a look at the death tax, there truly is no justification for it.

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On top of the fact that there is not a justification for the tax, under any economic sense, any economic study, on top of that, the tax is also at least a double taxation. Because the death tax is not a tax on property that has been accumulated during one's lifetime upon which no tax has been paid. When this property is accumulated by an individual, tax is paid either at the time of the accumulation or at the time of the sale. So this tax is not an attempt to collect some tax that for some reason or another has evaded the tax man's notice. That is not what this tax is about. This is a tax that is a tax on property that has already been taxed, and, in some cases, more than once. In some cases, two or three times.

Now, look, everybody agrees that we should carry our fair share of the burden. Nobody disagrees with that. We know that to operate a government, to operate a military, to operate the needs of the government that we have to have some revenue. But we determined a long time ago that that taxation ought to have at its fundamental core the word fairness. It ought to be fair. And time after time we have said, including in recent action by this body of the Congress, we have said time after time after time that double taxation hardly fits within the definition of fairness. It is not fair to tax somebody twice on the same property. And that is exactly what the death tax does.

Now, I believe that the death tax is a pretty good issue that shows a fundamental difference between the Republican Party and the Democrats. In my opinion, all of the Democratic candidates that are running for the Presidential office here in a couple of years support the death tax. Every Democrat, to the best of my knowledge, the Democrats that in this House or in the other body in the U.S. Congress that have a net worth of more than $1 million and that voted against elimination of the death tax have already done trust planning. So they do not have to pay the death tax.

We have people, for example, not just Democrats here in the House or on the other side, but we have other people out there, whose party affiliation I do not know, for example, Warren Buffett, and people like Bill Gates's father, and these are very, very wealthy individuals, and these are individuals who stand up and say that we ought to keep the death tax in this country. What is ironic about this, and frankly, in fact, a little hypocritical almost, and if it were not so serious it would be amusing, but I can remember several months ago where at one of these parties, and I think it was Bill Gates, Sr. who was doing an interview about how as a very wealthy individual, from a very wealthy family, that they supported the death tax. But where was he doing the interview from? He was doing it in the offices of their foundation. And what is the purpose of that foundation? The purpose of that foundation is to avoid the death tax.

So there are some very wealthy people in this country who, along with the liberal side of the Democratic Party, say we support the death tax, we think it is fair to have a death tax; but the reality of that is that if they have any money of their own, these individuals have already created foundations or have done trust work so that they largely avoid paying any kind of death tax. So that is not the kind of source we want to look to for some type of scholarly view as to whether or not a death tax is justified.

I do not look to the ivory towers of our universities to come up with some conclusion as to whether or not we should have a death tax. Where I look is, I go out into my district. I go out across this country; and I talk to the people who have worked hard, who have wanted to accomplish the American Dream. And one of the American dreams, and I think pretty much all my colleagues at some point or another in their life have had this dream, and that is to become successful, to be successful to the extent that they are able to help the generation behind them, their kids, their children; to be able to give them a start; to be able to maybe help them enjoy part of the life that they have enjoyed.

And for the sake of disclosure, Mr. Speaker, let me just mention that in my family, on my wife's side of the family, they have a family ranch. They have been in the ranching business since the 1860s or the 1870s out in Colorado. This is a beautiful ranch. It is beautiful not just in its physical characteristics, but it is beautiful in that the family, generation after generation after generation, has loved the land and has been able to stay on the land.

Now, in the past hundred years or so, or 50 years, ever since the death tax has been in place, one would think we live in a socialistic type of society where there is some kind of punishment for dying; it seems we want to make sure the family behind you does not have that opportunity to be able to live on that ranch and work the land like this family, the Smith family of Meeker, has done for generation after generation.

I can find example after example, Mr. Speaker. So one might ask, how did the death tax come about in the first place? Well, the death tax was designed to be a punishment against the wealthy, those very wealthy icons around the turn of the 19th century, the Ford family, the Carnegie family, the Rockefeller family, people like that. In society at that point in time there was such a large division between the very, very wealthiest and the population as a whole that somehow the politicians were persuaded that there should be a punishment in this country.

Here we are, in our classrooms, teaching that this is the greatest country in the history of the world, in part because we encourage innovation, and innovation has as its basic incentive reward. An individual is rewarded for innovation, that in our country if you invent a cure for cancer, you can become wealthy; in our country if you make a better seat belt, or as the old saying used to be, if you make a better mousetrap, there is incentive out there. We do not live in a socialistic society where no matter what you contribute, your share of the pie is always equal. That is not what we believe in. That is why socialism will never equal capitalism. But the reality of this tax is that somehow way back then the politicians decided to punish the wealthy people of this country, those few wealthy families.

What they never imagined was that it would not just punish the wealthy. In fact, it would not really punish