

60 minutes as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, I want to spend some time this evening talking about the unfinished agenda for this Congress, because it is very likely that if not this week, then certainly very soon this Congress and this House of Representatives will be in recess. I am hoping that we will be able to complete the budget and the various appropriations bills that remain out there that have not been finalized here in the House of Representatives. But my point that I am trying to make tonight is this Republican leadership, because the Republicans are in the majority in the House of Representatives and they do lead the House of Representatives as well as the Senate, and essentially what we see is that the Republicans are determined to do nothing.

Mr. Speaker, they have not been able to pass the appropriations bills. They have not been able to essentially pass a budget, even though the fiscal year began October 1. And, if anything, when we try to pass measures that are important to the American people such as Medicare prescription drug benefits or HMO reform Patients' Bill of Rights or campaign finance reform or gun safety laws that would make a difference for the American people and that the public is crying out for in most cases, what we see is that the Republicans get dragged along reluctantly to do perhaps something about these issues, but ultimately do not do anything about it or manage somehow to make it so that none of this legislation, none of this positive agenda pushed by the Democrats ever becomes law.

Mr. Speaker, I just want to give some examples, if I can, about the problems that we are facing with this Republican leadership and with this unfinished agenda.

What I find is that the Republican leadership basically seems to be dominated by the far right, the ultra-conservatives within the Republican Party. They constantly talk about the need for tax cuts that primarily benefit the wealthy and the larger corporations. They constantly talk about the need to get rid of government, couched somehow in that there are too many government restrictions and so the best thing is to get rid of all the restrictions and ultimately get rid of the government.

They get dragged into somehow passing sometimes, after a long period of effort on the part of the Democrats, into passing legislation like the Patients' Bill of Rights for HMO reform. But then they manage when it goes to conference between the House and the Senate to muck it up so nothing ever gets to the President's desk.

Essentially what we have is a "do nothing Congress." And it is also the "wrong thing Congress" because the

Republicans have the wrong agenda. They do not want to adopt the Democrats' agenda and adopt legislation that helps the American people. They want to adopt the wrong agenda.

Mr. Speaker, I suppose the biggest example of that wrong agenda is the tax cut. Over the summer the Republican leadership proposed and eventually passed narrowly a trillion dollar tax cut for special interests that benefited their wealthy corporate contributors, but not 1 cent to extend the life of Social Security or to modernize Medicare with a prescription drug plan. Instead of allowing debate on a plan that would allow seniors to buy prescription drugs at an affordable cost, Republicans joined with the pharmaceutical industry to belittle the need for such a plan under Medicare in the first place.

The Republicans fought tooth and nail to derail a bipartisan Patients' Bill of Rights that would have taken medical decision-making away from insurance company bureaucrats and returned it back to doctors and patients where it belongs.

They have sat on, as I mentioned, common sense gun control to please the gun lobby. More than 6 months after the Columbine, Colorado incident, Republicans in Congress have still blocked any progress on keeping guns out of the hands of children and criminals by shutting the gun show loophole.

Mr. Speaker, what we are seeing here is this Republican Congress is all about inaction, indifference and inertia. Democrats really have said over and over again we are not going to go home, we are not going into recess here until we get a budget agreement that addresses some of the outstanding priorities for American families. I know some of the previous speakers here on the other side of the aisle tonight have belittled the 100,000 teachers program and said it is not necessary, adding 100,000 teachers to bring down classroom size. Well, they may belittle it, but we are not going home until we pass it and we have the extra teachers to give to the communities to reduce class size.

Some have even belittled the Cops on the Beat program saying it gives money to the towns to hire extra policemen, 50- to 100,000 extra policemen, but they only get it a few years and after that they do not have the money any more. Well, again the idea of adding police and giving some Federal dollars back to the municipalities so they can hire extra police or extra teachers, there is no reason why those programs cannot continue if the Republican leadership was willing to continue to fund them for the municipalities, help the towns reduce their property tax rate, provide more cops and more teachers.

And of course we also have the other initiatives, the Democratic initiative to provide funding for school mod-

ernization, to provide more money for open space so that communities, counties, States can purchase more property for open space.

Mr. Speaker, I am going to go into some of these issues tonight in the time that I have. I am not going to use all of the time, but I am going to go into some of the details about how the Republican agenda is this ultra-conservative, right wing agenda, mainly tax cuts for the rich, and how they have not really dealt with the average problems or the concerns of the American people.

Let me talk a little bit about this Republican tax cut, because what I find is that my colleagues on the other side of the aisle, they want to sort of forget that they put together this trillion dollar tax cut primarily for the wealthy. They talked about it a lot over the summer, but I guess they realized it did not work and the American public did not want it, so they do not talk about it much anymore.

Just a little bit about it. It was primarily, overwhelmingly I should say, skewed towards the wealthy and corporations. It meant \$46,000 extra per year for the wealthiest taxpayers but only \$160 per year for the average middle-class family. And there were \$21 billion in special interest tax breaks for big business.

The other thing, of course, is that what they do when they enact this trillion dollar tax cut, which the President wisely vetoed, is that that does not leave any money in the surplus that can be used to pay down the national debt. The President said that he wanted to use the surplus that was generated by the Balanced Budget Act to pay down the national debt, to shore up Social Security and Medicare.

Well, so much of that surplus, the whole thing was basically taken up by the Republican tax cut for the wealthy that the effort to reduce the national debt, if that ever were passed and was not vetoed by the President, would simply go out the window. It also siphoned money from the President's Medicare and Social Security program.

The President proposed in his State of the Union address that whatever surplus there was generated by the Balanced Budget Act over the next 5 or 10 years primarily would be used to shore up Social Security, because we know that in maybe 20 or 30 years there will not be enough money to pay for the people who are then seniors who reach the age of 65. He also wanted to use about 15 percent of that surplus for Medicare in part to provide a new prescription drug program.

I will just mention this by way of background, because I know the Republicans do not like to remember that tax cut. But if that tax cut had ever passed and had gone primarily to the wealthy and the special interest corporations, we would not be able to pay down the

national debt which we are doing to some extent now, we would not be able to provide money for the Social Security system in the future, and we would not be able to pay for a prescription drug plan.

Now, I want to talk a little bit about two of the issues that I consider very important here, which are not part of the Republican leadership agenda, which are part of the Democratic agenda and which the Republicans continue to try to muck up so they do not become law. One is managed care reform and the other is the prescription drug benefit under Medicare for seniors.

Interestingly enough, last week we saw an interesting development with regard to the managed care reform. I think my colleagues and most of the American people know that the Democrats along with some Republicans because there was definitely bipartisan support on this HMO reform, on a bipartisan basis, but not with the support of the Republican leadership but a minority of the Republicans, we put together a managed care reform bill, the Patients' Bill of Rights, that passed the House of Representatives overwhelmingly about a month ago.

Well, the problem is once a bill passes here, we have to go to conference with the Senate and try to work out the differences between the two Houses. We call that a conference, the people who are appointed are called conferees. The Republican leadership never appointed any conferees for about a month because they did not want to move forward on the conference because they did not want a managed care reform bill to be passed by both Houses and go to the President for a signature.

But, finally, because the Democrats kept pressuring about the appointment of the conferees, they finally did decide last week that they would appoint the conferees. But they managed, once again, to screw this thing up so that the conference either will never take place or will never be effective in putting together a bill that would go to the President and that would signal real managed care reform.

If my colleagues do not want to take my word for it, let me point out that last Thursday's New York Times had a great article, a congressional memo sort of a feature column by David Rosenbaum, and I will quote a few salient passages. The title of the article is "Not Quite Business as Usual in House on Managed Care." This is how he describes it in his article:

And I quote: "Here is how the textbooks say a bill becomes law: The Senate passes the bill. Then the House of Representatives passes its own version. Then a conference committee is formed where senior senators defend their bill and senior representatives defend their bill, with both sides striking compromises to resolve their differences."

That is what I was describing before about how we go about the conference.

"But in the real world," he goes on to say, "in the real world of power politics, conventional procedures are sometimes flouted. That is what happened in the House today on legislation expanding the rights of patients in managed care plans. It threatens to undo the Chamber's action on the bill. Last month, by a lopsided vote of 275 to 151, the House passed a bill that would give patients a wide range of new rights in dealing with their health insurance companies. In July, the Senate had passed a bill covering barely a quarter as many patients and giving them a much more limited set of rights."

"The House bill was strongly supported by President Clinton, and almost all Democrats and 68 Republicans voted for it. But Republican Leaders in the House opposed the measure, making its passage probably the most striking rebuff to the leadership since the party won control of the Congress in 1994."

So the House leadership did not like what we call the Norwood-Dingell bill, named for the two chief sponsors, one Republican, the gentleman from Georgia (Mr. NORWOOD), and one Democrat, the gentleman from Michigan (Mr. DINGELL). The House leadership did not like the bill. They stalled, they stalled. Finally the bill passes overwhelmingly. So what do they do?

Going back to The New York Times. "Today, these leaders," Republican Leaders, "used their authority to make sure the Republican conferees named to negotiate with the Senate were on their side and not on the side that won the vote, a tactic that could effectively stifle any action regulating managed care plans in this Congress." They are going to kill the bill.

"The chief Republican sponsor of the measure, Representative Charlie Norwood of Georgia, was denied a seat on the conference committee. So was another leading Republican supporter, Representative Greg Ganske of Iowa. Of the 12 Republican conferees, 10 voted against the managed-care bill."

So what they did through a procedural gimmick is the Republican leadership made sure that if the conference is ever held, which it may not be, that whatever comes out will be controlled by the people who voted against the very bill that passed overwhelmingly in the House of Representatives.

"The rules of the House state:" and I am going back to the New York Times article, that "In appointing Members to conference committees, the Speaker shall appoint no less than a majority of Members who generally support the House position as determined by the Speaker. Technically, Mr. Hastert followed that rule. The managed-care regulations were attached to a separate bill, which Republicans call access legislation, that will increase coverage for the uninsured."

Now, what they are basically doing here is a gimmick. They put the managed care reform bill in another bill. They are saying that most Republicans voted for that, so that is okay. They do not have to have conferees that supported the managed care reform.

Mr. Speaker, again, I only use this as an example. I could use campaign finance reform. I could use prescription drug benefits. I could use gun safety laws. The list goes on. Basically whatever positive agenda there is for the American people, the Republican leadership is determined that they are going to kill it.

Now, let me just mention another issue that I consider very important and that I think we are starting to see more and more information that tells us about the problems that seniors have trying to purchase and have enough money or insurance to provide for prescription drugs.

□ 2100

Well, we are just seeing more and more information coming out every day about how difficult this problem is for seniors, because Medicare does not cover prescription drugs in most cases.

Interestingly enough, a report came out last week by Families USA called "Hard to Swallow Rising Drug Prices for American Seniors." I would just like to provide some of the information that was in the introduction or the summary of this report that came out last week because it shows dramatically how seniors increasingly cannot afford the cost of prescription drugs and are going without.

We all know that prescription drugs are really the best preventative measure that one can take, particularly as a senior, to avoid hospitalization, to avoid having to go to a nursing home, to avoid being institutionalized. They are a preventative. If seniors cannot afford them, they are going to end up in a hospital, they are going to end up in a nursing home, they are not going to be able to take the preventative action that comes from having access to prescription drugs.

Well, the Families USA report, if I can just quote, Mr. Speaker, some of the salient points. This is in the introduction, which I thought was particularly significant. It says that, "For older Americans, the affordability of prescription drugs has long been a pressing concern. Outpatient prescription drug coverage is one of the last major benefits still excluded from Medicare, and the elderly are the last major insured consumer group without access to prescription drugs as a standard benefit. It is not included in Medicare."

"Although many Medicare beneficiaries have access to supplemental prescription drug coverage, too often that coverage is very expensive and very limited in scope. What is more,

such coverage is on the decline. As a result, older Americans who are by far the greatest consumers of prescription drugs pay a larger share of drug costs out of their own pockets than do those who are under 65.

"Four years ago, Families USA found that the prices of prescription drugs commonly used by older Americans were rising faster than the rate of inflation. To determine if this trend of steadily increasing prices for prescription drugs has improved, remained the same, or worsened, Families USA gathered information on the prices of prescription drugs most heavily used by older Americans over the past 5 years.

"Our analysis shows that, in each of the past 5 years, the prices of the 50 prescription drugs most used by older Americans have increased considerably faster than inflation. While senior citizens generally live on fixed incomes that are adjusted to keep up with the rate of inflation, the cost of the prescription drugs they purchase most frequently has risen at approximately two times the rate of inflation over the past 5 years and more than four times the inflation over the last 2 years."

Now, just again to show my colleagues how bad the situation is becoming for seniors, just a little more information that comes from the discussion in this Families USA report, it says that "because Medicare does not cover outpatient prescription drugs, many beneficiaries look elsewhere for drug coverage. About 28 percent of the Medicare beneficiaries receive some drug coverage through employer-sponsored retiree plans, about 11 percent from Medicaid, about 8 percent from individuals purchasing Medigap insurance, about 7 percent from Medicare HMOs, and about 3 percent from public sources such as the VA or State pharmaceutical programs for the low-income elderly," something that we have in New Jersey.

But 35 percent of Medicare beneficiaries, 14 million people, have absolutely no coverage for prescription drugs. Interestingly enough, even for those 65 percent who do have access to some drug coverage, what the Families USA report shows is that much of that inadequate with high co-payments, low caps on overall drug coverage, and restrictions on the drugs that can be prescribed.

For example, only three of the 10 standardized Medigap policies sold offer prescription drug coverage, two of these policies require a \$250 annual deductible, charge a 50 percent co-payment for each drug, and have a maximum annual benefit of \$1,250. The third, which has a much higher premium, has the same high deductible and co-payment and has a \$3,000 cap.

So what we are finding is that the sources of prescription drug coverage for seniors are basically drying up. Next year the value of drug benefits

and Medicare HMOs will decline. On average co-payments for brand-name drugs will increase by 21 percent, and co-payments for generic drugs will increase by 8 percent.

I do not want to continue going through this, but I think this Families USA report shows dramatically how so many seniors do not have any access to prescription drug coverage and they are simply paying everything out-of-pocket, which they cannot afford; or for those who have some sort of coverage, the prices, the cost, the co-payments, the deductibles, and even the ability to obtain coverage at all, all those factors, everything is declining. We have to do something about it.

Well, the President has proposed doing something about it, and the Democrats have proposed doing something about it. This is part of our positive agenda which we cannot get passed in the Republican Congress with this Republican leadership.

The President a long time ago, much earlier this year, came up with the idea of a Medicare prescription drug benefit. He wanted to establish a new voluntary Medicare Part D prescription drug benefit that is as affordable and available to all beneficiaries.

Now, I am not saying that the President's proposal is necessarily the one we should adopt, but the Republican leadership does not want to adopt anything. They say the problem does not exist or make some other excuse.

But I will just give my colleagues a little information about the President's proposal because I think it is a good one. He says that there would be no deductible, and Medicare would pay for half of the beneficiary's drug cost from the first prescription filled each year up to \$5,000 in spending.

He would ensure beneficiaries a price discount similar to that offered by many employer-sponsored plans for each prescription purchased even after the \$5,000 limit is reached.

I want to stress how important that is to be able to do bulk purchases and keep the prices down, because price discrimination is a huge problem right now for seniors if they do not have access to some kind of plan where the purchases are made in bulk.

The plan that the President proposed will cost about \$24 per month beginning in 2002 and \$44 per month when fully phased in by 2008. Beneficiaries with incomes below 135 percent of poverty would not pay premiums or cost sharing.

I do not want to, again, go into all the details, but I just did want to say that, to date, once again, the Republican leadership has failed to show even the slightest understanding of the two broad underpinnings of this prescription drug issue; and that is the price discrimination that seniors face in purchasing prescription drugs and the need to establish a comprehensive

Medicare drug benefit in order to help seniors combat this price discrimination.

There have been some dramatic examples. The Government operations, the House Committee on Government Reform did a lot of analysis of price discrimination and basically showed that, if one goes to Mexico and Canada, generally the same exact drugs that were available in those countries are available for about half the cost of what they are sold for here in the United States.

Again, I do not want to go into all the details on this, Mr. Speaker, but I just would point out that the problem with price discrimination exists because seniors without coverage have no negotiating power. They do not have the power to obtain pharmaceuticals at lower prices through bulk purchases like the drug industry's most favorite customers. We have to address that. This Republican leadership has failed to address it.

I do not intend to use all the time allotted to me this evening, but I just wanted to spend a few more minutes talking about what is really happening here. Not only is this Republican leadership not addressing the real issues that need to be addressed like managed care reform, like Medicare prescription drugs; but they cannot even perform the basic functions of the House in terms of getting the budget passed. They continue to break their promises that they make in trying to accomplish that goal.

We are now on the fourth CR, the fourth continuing resolution. As of October 1, the new fiscal year began. The new budget, the 13 appropriations bills were supposed to be adopted by October 1. They were not. Every week or so, we pass a new continuing resolution to keep the Government going and not close down for another week or so. Now we are on our fourth that extends, I believe, to November 10, sometime this week, in time for Veterans' Day when we probably will recess.

The fact that we are in such disarray, and we have not been able to adopt the budget is bad enough; but there are two things about what has been going on that I think need to be highlighted that maybe in some respects are even worse.

The two promises that basically the Speaker made and the Republican leadership made earlier in this year about the budget, both of which have been broken, one is that the appropriations bill would stay within the Balanced Budget Act and the caps that were set forth pursuant to the Balanced Budget Act so that we would not exceed the level of spending that was basically put forth and outlined over the next 5 or 10 years on an annual basis. There were caps on the level of spending that were put forth for each fiscal year.

Well, the Republican appropriation bills have already busted the outlays

caps for fiscal year 2000 by billions of dollars. I have actually an article in the Wall Street Journal that talks about this. I think I will just put it up here for a minute, Mr. Speaker.

This is from Friday, October 29, Wall Street Journal. I think people generally understand that the Wall Street Journal tends to be Republican and tends to be conservative. This is an article there that says that, "The Congressional Budget Office estimates that the GOP exceeds spending targets by over \$31 billion. Congressional Budget Office estimates show that Republicans are more than \$31 billion over their initial spending targets for this year, risking the Government having to borrow again from Social Security.

"Prior appropriations bills have exceeded Mr. Clinton's requests from funding everything from veterans' medical care and the Pentagon to the Environmental Protection Agency. Even with the 1 percent across-the-board cut that the Republicans touted here a couple weeks ago, the Labor Education Health bill, which is expected to be passed by the Senate on Monday, includes major spending increases over the last year.

"The GOP continues to work to what amounts to two sets of book, this is the gimmicks, one based on the CBO and the other on spending estimates by the Office of Management Budget. When the OMB's numbers are favorable, House and Senate budget committees simply direct CBO to adjust the estimates accordingly." Well, it goes on.

The point I am trying to make, Mr. Speaker, is that there is absolutely no question that based on the CBO estimates that the Republicans spending bills have busted the fiscal year 2000 outlays, the caps, by \$30.7 billion. They use all kinds of gimmicks to try to justify that as emergencies or whatever.

Now, the second promise that the Republicans made was that they were not going to dip into the Social Security Trust Fund. On October 28, the Congressional Budget Office certified that the GOP leadership had broken that program. They sent a letter to Congress certifying that, on the basis of CBO estimates of the 13 completed GOP appropriation bills, the GOP bills spend \$17 billion of the Social Security surplus, even after their 1 percent across-the-board cut is taken into consideration.

Mr. Speaker, I just wanted to go into this a little bit, and then I will complete my presentation this evening. There was an article, I guess it was in the New York Times last week, that talked about how these spending limits that were set forth with much fanfare as part of the Balanced Budget Act a couple years ago have just basically been ignored.

Many of us at the time when the Balanced Budget Act was passed thought this was going to be really significant

in terms of trying to keep the budget focused, not go into debt, create a surplus that could be used to shore up Social Security and Medicare, to pay for prescription drugs, whatever. But what we see is that the caps are effectively dead.

If one looks at this article in the New York Times from last week, it says that "In effect, Washington has now substituted a new standard of fiscal responsibility, the loser goal of not spending surplus Social Security money. Only through budget gamesmanship can either party claim to be meeting even that new standard this year."

Well, just to give my colleagues an idea of some of the thing that they have done to get away the caps, the article says that, "Under the law, Congress and the administration must remain within the caps, or the White House must enact the across-the-board cuts to bring spending back into line."

Last year, the Republican leadership exploited a loophole intended to deal with wars or natural disasters. They designated \$20 billion in outlays as emergency spending that is not technically subject to the limits. They did the same thing this year.

Appropriations committees have almost arbitrarily placed \$17.5 billion in discretionary spending, including spare parts for the Pentagon, financing for the 2000 census under the emergency umbrella.

They have also used a tactic that compares spending estimates, this is what was in the Wall Street Journal as well, where they look at the CBO numbers versus the OMB numbers, and they use whatever numbers they think are appropriate to try to say that they are not sending money. Whatever.

The point I am trying to make, Mr. Speaker, is that we are here on this fourth continuing resolution. It is over a month since the budget was supposed to be fashioned. All we keep hearing from the other side is that, oh, we are going to stay here because we do not want to dip into Social Security. The reality is they have already dipped into Social Security about \$17 billion.

The last thing I wanted to mention tonight, and I go back to the Social Security issue again because I know some of my colleagues on the Democratic side have been attacked by Republican commercials, accusing them of dipping into Social Security when, in fact, it is the Republican leadership that has dipped into Social Security with their appropriations and their spending bills to the tune of \$17 billion.

□ 2115

And there was a good article, again an editorial in The New York Times last week, that talked about the focus on this Social Security surplus and dipping into it. The New York Times pointed out, again, that the Repub-

licans have already dipped into the Social Security surplus so that that whole issue is really moot. But what they say is the most important aspect and the best example of inaction here is how we are not dealing with the long-term solvency of Social Security.

There again, I go back to what the President said in his State of the Union message earlier this year. He said, look, we can take the majority of the surplus that is being generated from the Balanced Budget Act over the next 10 years and we can use that to shore up Social Security so the trust fund remains viable, and 20 or 30 years from now, when all the baby boomers become senior citizens, or even sooner, there will be money there for Social Security; and we can use a significant portion of the surplus also for Medicare so we can have a prescription drug benefit.

All I would like to conclude with tonight, Mr. Speaker, is to say, please, to my colleagues on the other side, to the Republican leadership that runs this House of Representatives, before we leave here, let us adopt a budget, but let us also make sure that we address some of these both short-term and long-term issues that need to be addressed. All the Democrats are saying is that we are crying out for bipartisan action on Social Security to make sure that we address the solvency long-term on Medicare, to make sure we provide a prescription drug benefit, address campaign finance reform, address the gun safety issue, address the concerns with regard to HMOs and pass the Patients' Bill of Rights.

Let us get active on an agenda. Let us not just sit back and say that this House of Representatives and this Congress should run away from everything and the government should basically dismantle itself and not try to take some action in a positive way that would benefit the American people.

I do not want to come here every day and see us fool around with appropriations bills and not pass a budget, and at the same time not address these major concerns that should be addressed, and that is what we are seeing here every day amongst the Republican leadership; inaction on the budget, gimmicks on the budget, no action on the major issues that are important to the American people.

And worst of all, last week the Speaker again started to talk about a major tax cut, as if the only thing that this Republican leadership could do is to talk about another tax cut that is going to benefit primarily the wealthy and provide corporations with some tax breaks. It is almost as if the only thing that the Speaker and the Republican leadership can think about at any given time is coming up with more tax cuts.

That is not what needs to be done. We need to address the issues that the