

people. We really can cut our national debt by \$600 billion and reduce our Federal interest payments by \$30 billion per year.

It is an undisputable fact that Federal Reserve notes, that is our circulating currency today, is issued by the Federal Reserve in response to interest-bearing debt instruments. Thus, we indirectly pay interest on our paper money in circulation. Actually, we pay interest on the bonds that so-called back our paper money. That is the Federal Reserve notes. This unnecessary cost is \$100 per person each year in our country, an absolutely unnecessary cost, \$100 per person each year.

The Federal Reserve obtains the bonds from the banks at face value in exchange for the currency. That is the Federal Reserve notes printed by the Bureau of Engraving and Printing and given to the Federal Reserve. The Federal Reserve appears to pay the printing costs. But, in fact, the taxpayers again get stuck. They pay the full cost of printing our Federal Reserve currency. The total cost of the interest is roughly \$30 billion, or about \$100 per person, in the United States.

Why are our citizens paying \$100 per person to rent the Federal Reserve's money when the United States Treasury could issue the paper money exactly like it issues our coins today? The coins are minted by the Treasury and, essentially, sent into circulation at face value.

The Treasury will make a profit of \$880 million this year from the issue of the first one billion new gold-colored dollar coins. If we use the same method of issue for our paper money as we do for our coins, the Treasury could realize a profit on the bills sufficient to reduce the national debt by \$600 billion and reduce annual interest payments by \$30 billion dollars.

In other words, Federal Reserve notes are officially liabilities of the Federal Reserve, and over \$600 billion in U.S. bonds is held by the Federal Reserve as backing for these notes. The Federal Reserve collects interest on these bonds from the U.S. Government, then it returns most of it to the U.S. Treasury. But the effect of this is there is a tax on our money, again about \$100 per person, or \$30 billion a year, that goes to the United States Treasury, a tax on our money in circulation.

Is there a simple and inexpensive way to convert this costly, illogical, and convoluted system to a logical system which pays no interest directly or indirectly on our money in circulation?

Yes, there is. Congress must require the U.S. Treasury to issue our cash, our paper money.

I have introduced a bill to require our paper money be issued just as we issue our coins, thus reducing the national debt by \$600 billion and stop wasting \$30 billion each year paying rent or interest on our own money in circulation.

PRESCRIPTION DRUG COVERAGE FOR EVERY SENIOR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. PASCRELL) is recognized for 5 minutes.

Mr. PASCRELL. Mr. Speaker, earlier this month I visited members of the AARP in Clifton, New Jersey, to talk about issues that affect senior citizens. The first thing they asked me is, "Are we ever going to get prescription drug coverage?" And I said to them the best answer I could come up with, "I hope so."

Obviously, these seniors are not alone in questioning whether or not Congress will actually do something or if this is yet another example of political posturing during an election year.

The only certainty I could leave these seniors is the fact that I support prescription drug coverage through the Medicare program and that I was committed to working in a bipartisan fashion to guarantee that it gets done this Congress.

The need for a comprehensive prescription drug plan is clear, and the time for Congress to act is now.

Seniors understand better than anyone else the high cost of prescription drugs. The lack of comprehensive coverage for seniors forces them to make decisions that threaten the quality of their lives and indeed their well-being.

The number of seniors without drug coverage is increasing day after day. Right now, approximately three out of every five Medicare beneficiaries lack decent, dependable drug coverage. Thirteen million beneficiaries have no prescription coverage, and millions more are at risk of losing coverage.

Most seniors without prescription drug coverage are middle-class folks. Many of those seniors have retiree plans without comprehensive coverage, and even those with coverage are on the verge of losing it.

Why? Because the number of firms offering retiree health insurance coverage dropped 30 percent between 1993 and 1999. Another reason is that, in many States, insurers that participate in the Medicare+Choice program are also dropping out because of low Medicare reimbursements. We have this all across America. This is not a partisan issue. This cuts across party lines.

Other Medicare HMOs, like in the State of New Jersey, are cutting their prescription plans when their profit margin decreases. We must understand that.

In fact, I spoke to an HMO official in New Jersey the other day who informed me that, unless Medicare reimburses for prescription drugs, HMOs would continue to drop the coverage, compounding the situation's severity.

This leaves seniors stranded. The high cost of prescription drugs for seniors without coverage is of grave concern. Senior citizens tend to live on

fixed incomes. These incomes are adjusted to keep up with the rate of inflation.

With this in mind, Families USA recently reported that 50 of the most commonly used prescription drugs by seniors increased in cost at nearly twice the rate of inflation in 1999. That cannot be acceptable by anybody on this floor.

Seniors that use drugs to combat chronic illnesses are hit even harder. Many times they are forced to spend over 10 percent of their income on prescription drugs.

If a senior has diabetes, if a senior has hypertension, high cholesterol, they need to maintain their health every day with prescription medication.

For example, a widow living with one of these illnesses and an income within 150 percent of poverty level without comprehensive coverage will spend 18.3 percent of her annual income on prescription medications. This example is one of many reasons why we cannot delay passing a voluntary prescription drug plan through Medicare.

Congress has the responsibility to pass a prescription drug benefit that is affordable and accessible to every senior citizen in America. We must guarantee that market vulnerability and poor Medicare reimbursements no longer keep seniors from getting prescription drug coverage.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.J. RES. 109, CONTINUING APPROPRIATIONS, FISCAL YEAR 2001

Mr. LINDER, from the Committee on Rules, submitted a privileged report (Rept. No. 106-887) on the resolution (H. Res. 591) providing for consideration of the joint resolution (H.J. Res. 109) making continuing appropriations for the fiscal year 2001, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION WAIVING REQUIREMENT OF CLAUSE 6(A) OF RULE XIII WITH RESPECT TO SAME DAY CONSIDERATION OF CERTAIN RESOLUTIONS REPORTED BY COMMITTEE ON RULES

Mr. LINDER, from the Committee on Rules, submitted a privileged report (Rept. No. 106-888) on the resolution (H. Res. 592) 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.