

anyone who likes big government for big government's sake. However, one can blame politicians for exploiting those terms instead of confronting the fundamental differences between the Democratic and Republican prescription drug plans. One can blame the drug companies and the chamber of commerce for spending \$40 million already and promises of another \$40 million on phony groups on television such as Citizens for Better Medicare.

The Democrats plan would add an optional drug benefit to Medicare. The Republican plan, the drug company plan, would bypass Medicare and subsidize private, stand-alone insurance plans.

So is the Democrats' Medicare prescription drug coverage a one-size-fits-all program as the Republicans and the prescription drug companies tell us? I do not think so.

It is difficult to conceive of a program offering more choice than Medicare. The Medicare program covers medically necessary care and services. Beneficiaries can see the health care professional and go to the facility of their choice.

Similarly, under the proposed drug benefit, enrollees can go to the pharmacy of their choice. FDA-approved medications prescribed by a physician would be covered under the Democrats' Medicare prescription drug plan.

Given this level of flexibility, how would a legion of new private health plans enhance the beneficiary's choice in any way that matters? It is more likely that the Republican plan, the prescription drug company plan, like any other managed care product, would restrict choice and add to the insurance and drug company's bottom lines.

Medicare is a single plan that treats all beneficiaries equally, provides maximum choice and maximum access for patients and doctors.

The Democrats' prescription drug coverage proposal embraces the same principle. Is that a one-size-fits-all program?

Under the Republican prescription drug proposal, under the drug companies' plan, Medicare beneficiaries would have to choose among private stand-alone insurance company prescription drug plans. They say that enables seniors to tailor their prescription drug coverage to their particular needs.

None of these private plans, however, will provide more choice to the Democrats' plan than the Medicare plan in terms of which medications are covered since the Democrats' plan covers all Medicare doctor-prescribed medications. None of these private plans could provide a broader choice of pharmacy since the Democrats' plan does not restrict access to pharmacies.

Under the Republican plan, under the prescription drug company plan, it appears that choice is actually code for "wealth." Higher-income seniors could, in fact, afford a decent prescription drug plan, one with the same level of

coverage as would be available to all beneficiaries under the Democrats' Medicare plan. Lower-income enrollees, however, would be relegated to restrictive alternatives. Some choice.

Is the Democrats' prescription drug coverage plan a big government program as the Republicans and the prescription drug companies' executives tell us? Hardly.

Medicare is a Federal Government program with the beneficiary population of 39 million. It is definitely big. But Medicare is also one of the most enduring popular public programs in the Nation's history. Medicare far out-ranks both employer-sponsored and individually purchased private insurance as a trusted source of health care coverage.

So when opponents of the Democrats' prescription coverage plan berate it for being one size fits all or big government, they, in fact, are berating Medicare itself.

In fact, the Republican prescription drug proposal, the plan from the big drug companies, which ignore Medicare to establish new private insurance policies, is an insult to the Medicare program. Their plan pays homage to those Members of Congress who favor privatizing Medicare. Parenthetically, I have to say I have not yet met anyone outside of Washington who wants to privatize Medicare.

It is no coincidence that the only way a Medicare beneficiary could avoid carrying multiple health insurance policies under the Republican plan, under the prescription drug company plan, is to join a private-managed Medicare-managed care plan.

As Congress and the presidential candidates debate the merits of competing prescription drug coverage proposals, watch for allegations to be thrown around like one size fits all and big government program. Because when applied to insurance coverage offering maximum choice in matters that matter, choice of provider access to medically-necessary care, which is what Medicare is all about, those, those threats, those accusations of one size fits all and big government program, those terms simply fall flat.

Bear in mind that more than the structure of prescription drug benefit is at stake. The future of Medicare hangs in the balance.

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#### VICE PRESIDENT GORE'S SOCIAL SECURITY PROPOSAL WILL INCREASE FUTURE PAYROLL TAXES

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

Mr. SMITH of Michigan. Mr. Speaker, I am very concerned about what it looks like might happen to the FICA taxes, the payroll taxes, if we move ahead with Vice-President GORE's proposal for Social Security.

This first chart reflects what the FICA taxes are now, 15.3 percent of

what a worker makes. Then what is going to happen in terms of when we start running out of money? There is not enough money in the Medicare surplus as early as 2006. Then if we continue with the same program without doing anything else, without getting a better return on some of this money that is coming into the system in Social Security Trust Fund and the Medicare Trust Fund, then to keep the same benefits that we have promised continuing we are going to, the taxes would have to go up. Either taxes would have to go up or benefits drastically reduced. We are not going to reduce those benefits.

But, also, let us make some changes now so that we do not have to let the taxes go up, as we see on this chart, to 22.41 percent versus 27.96 percent.

If Vice President GORE's Medicare prescription drug program goes into effect, then those taxes will have to go up to 47 percent of what one makes. Look, it is some time ahead, so one can say somebody else could worry about it. But these are our kids; these are our grandkids that are going to have to pay that kind of tax. Let us make these kinds of changes now.

Let me just reemphasize how serious this tax is today on the payroll deduction tax. Seventy-eight percent, 78 percent of American workers now pay more in the FICA tax for Social Security and Medicare than they do their income tax. We cannot allow these taxes to go up. We cannot simply say, look, we have got to put Social Security first or Medicare first and say, look, we are going to add these benefits. That is what the Vice President does.

Somehow the American people have got to look seriously at the consequences of simply the attractiveness of saying we are going to increase benefits without making some changes in the program to get a better return on the money.

The better return, as suggested by Governor Bush, is to start investing some of that money. Right now, the average return for one's Social Security money that is paid in in taxes is a real return of 2 percent. That is 7 percent less than the average return on equities. Let us balance it. Let us not do all equities. It is going to be limited stock investments. There is going to be safe investments that a person can invest. But it is going to be in their name, their account. If they die, instead of losing everything, their heirs get it.

Let me show my colleagues this third chart. It simply says, no new taxes. Let us not force ourselves into a situation where the payroll deduction has to go up and we have to increase taxes. We have got to have a strong resolution that we are simply not going to cavalierly do what is politically attractive today to get votes today and leave the problem and an increased obligation of higher taxes to our kids and our grandkids.

Again, if we do nothing, if we go with a Gore plan, the 15.3 percent that we

are paying in payroll deductions go up to the high of 27.96 percent. If we go with their prescription drug program that says, look, here is prescription drugs that taxpayers are somehow, some way, some time are going to have to pay for, then we end up with a payroll tax that goes as high as 47 percent.

Let us look at a program where one gets better investment from some of that money going in, where government cannot mess around with those benefits by letting at least part of that payroll tax equivalent go into personal investments. Let us not mess around with the trust fund. Let us keep the trust fund growing.

But let us take some of this surplus on-budget money and use it to make this kind of transition that is going to keep probably America's most successful, maybe America's most important, program continuing and keep it solvent.

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

(Mr. PALLONE addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

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

(Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

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#### WE NEED "POWER" TO CONTROL UNSCRUPULOUS ENERGY PRODUCERS

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

Mr. FILNER. Mr. Speaker, as our colleagues are going off to their home districts for the weekend, I want to remind them all of the crisis that is going on in my district in San Diego, California. They are the first city in California and, perhaps, the first in the Nation that has experienced full deregulation of its electricity prices. The cost of electricity to the average consumer, small business person, big business person has doubled, tripled in 3 or 4 months alone.

I want to remind my colleagues about what is going on in San Diego because San Diego is the harbinger of things to come for the rest of California and possibly the Nation. We are the poster children for what happens when deregulation of a basic commodity like electricity takes place in a monopoly situation.

Those who control the commodity can charge whatever price they can get. In fact, deregulation and the restructuring of the electricity industry

is so flawed in California that electricity producers are allowed to charge wholesale prices four to five times higher than they were just a year ago. This is criminal, Mr. Speaker, and I use the word advisably.

Energy producers are making obscene profits on the back of our senior citizens, our schools, our hospitals, our libraries, our businesses. Our whole economy in California is threatened.

The electricity generators and marketeers have just in the last 4 months alone sucked almost \$5 billion, that is billion with a "B," from our State economy, more than \$450 million from San Diego alone.

Now these generators claim that the high rates are simply the result of supply and demand forces in a marketplace. That is nonsense, Mr. Speaker. The facts are that Southern California has been using less energy than last year, but wholesale prices have gone up from highs of \$50 per megawatt in 1999 to \$300 and \$500 and even higher at the sharpest spikes in the year 2000.

The energy producers have figured out how to manipulate the market and set artificially high wholesale prices. They withhold power until the last minute. They launder power throughout out-of-state companies, they overload transmission lines, all to cause prices to rise to unprecedented levels and to raise their obscene profits. They already have killed off many small businesses in San Diego, caused unbearable suffering among those on fixed income, and robbed our whole community possibly of our future.

I have introduced a bill, H.R. 5131, the HELP San Diego Act, which means Halt Electrical Price gouging in San Diego, with bipartisan support of the gentlemen from California (Mr. HUNTER and Mr. BILBRAY), my San Diego colleagues. Because although the State legislature has removed the gun from our head in capping retail prices, those prices are merely deferred for the next couple of years. Those bills will become due, and those debts will have to be paid. 5131 says that the wholesale generators and marketeers of electricity should pay that bill. They should refund the overcharges that they have made over the last 4 or 5 months.

Now, as I said, this bill has bipartisan support. Yet the Republican leadership of this House will not schedule on the agenda a bill that is necessary to save the economy of San Diego.

I call on the Republican leadership of this House to help San Diego, to put that bill on the agenda with bipartisan support, so we can, in fact, make sure that the future of San Diego's economy is secure.

I have also introduced a bill today that we call the POWER Act. Quite simply, the POWER Act protects our communities by imposing 100 percent excise tax on windfall profits that are the rule of market manipulation and price fixing.

If we cannot pass H.R. 5131, which directs the Federal Energy Regulatory

Commission to roll back the wholesale price and refund the overcharge to consumers, the POWER Act says that 100 percent tax on windfall profits shall be assessed.

This does not affect legitimate profits. It does not jeopardize any electrical producer. But it protects our senior citizens, our children, our small businesses, and our economy from the predatory actions of some unscrupulous companies that are taking advantage of their monopoly on the production of this vital and indispensable resource.

I ask my colleagues, as they return to their districts, to keep a close eye on San Diego.

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We need your help in this last week of Congress. We need to pass H.R. 5131, a bipartisan bill to roll back wholesale prices in the western electric market, and to refund the consumers the obscene overcharging and profiteering they have been subject to.

I hope this Congress can act and act quickly. We must help San Diego.

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#### THE FOUR CORNERSTONES OF MY SEASON IN THE CONGRESS

The SPEAKER pro tempore (Mr. SMITH of Michigan). Under the Speaker's announced policy of January 6, 1999, the gentlewoman from Idaho (Mrs. CHENOWETH-HAGE) is recognized for 60 minutes as the designee of the majority leader.

Mrs. CHENOWETH-HAGE. Mr. Speaker, I rise on this occasion to give a very special sort of address. I am not here today to talk about a specific piece of legislation or to discuss any one thing in particular that the administration is doing or failing to do, but my message here today is both personal in nature and something that I hope that my colleagues and future Members of this great body will find useful in times to come.

Mr. Speaker, I am here to talk about the experience that one very average American citizen has had over the course of the past 6 years in being a part of what has been termed the greatest deliberative body on earth: The United States Congress. And although people call me Congressman, or sometimes Congresswoman, I am very much simply an average American citizen, an American citizen who took leave from her ordinary, average American life to serve for a time as an advocate for over half a million people in a State 2,000 miles away. And that can only happen in America.

Now, after serving here for 3 terms, I am fulfilling a pledge that I made in 1994, and I am leaving this body of my own will, returning to a life of an average American citizen to live under the laws that I hope that we have made a little bit better here.

I want to share with my colleagues and for the record some of my observations about this great government of