the Food and Drug Administration, and then put in a bottle and sent to a pharmacy in Canada.

It would not be unsafe. It would be cheaper, but not unsafe. Here is the issue. This is a global economy, we are told, and the pharmaceutical industry certainly benefits from that global economy. They buy their chemicals all around the world to get the best prices, and they should. They use these chemicals to produce wonderful, life-saving medicines. Then they ship that medicine all around the world. They ship it to Pembina, ND, and to Emerson, Manitoba in Canada. Those two communities are about 5 miles apart. For the same medicine, produced in the same manufacturing plant by the same company, in the same dosage strength, put in the same bottle, the manufacturers will charge the U.S. consumer triple, double, or quadruple the price charged the Canadian consumer.

The question is this: Why should an American citizen have to go to Canada to buy a drug that was produced in the United States in order to find that they will save 50 to 70 percent on the price of that same drug? The answer is that they should not have to go to Canada to do that. There ought to be fairer pricing of prescription drugs in this country.

There is a little sweetheart law on the books in this country that needs to be amended. This law says that the only entity that can re-import prescription drugs into the United States is its manufacturer. So when a pharmaceutical manufacturer makes a drug in the United States and ships it to Canada for sale at a fraction of the price—and that is because Canada won't allow them to sell it at the price at which they sell it in the United States—they are able to say to pharmacists and drug wholesalers in the United States that they can't go to Canada and buy it and bring it back and pass the savings along to their customers. Even though it is the same drug, made in a plant in the United States, and the plant is approved by the FDA, they can't bring it back from Canada. Why? Because a law in this country prevents that. Talk about a sweetheart deal.

Some of us want to amend that law. Some Republicans and Democrats have come together on legislation to allow pharmacists and drug wholesalers to import FDA-approved medicines. So in response, the pharmaceutical industry spent a fortune putting full-page ads in newspapers today, saying this is about ''counterfeit medicine'' that will kill people. What a sack of lies. There is no counterfeit medicine problem here. We are talking about the importation of prescription drugs in this country only in instances where the chain of custody has been assured and guaranteed.

This is the most profitable industry in the world, and I understand that it wants to protect its profits. I think the drug companies do a lot of wonderful things. But I don't think it is wonderful when they tell senior citizens in this country—all citizens, for that matter, but especially senior citizens—we have a life-saving drug, but you will pay double the price of what we charge anywhere else in the world. That is not fair. But it happens all the time.

What we ought to do is decide that if this is a global economy, it is a global economy for senior citizens and for pharmacists, as long as we assure the chain of custody and resolve the issue of safety.

A pharmacist in Grand Forks, ND, cannot go to Winnipeg, Canada, to buy the same pill, in the same bottle, made in the same manufacturing plant, and bring it back and pass the savings along to senior citizens. Senior citizens are 12 percent of our population, yet they use one-third of all the prescription drugs in this country. They have reached their retirement years, the years in which their incomes are limited, and they discover that they must pay the highest prices for prescription drugs of any group of consumers in the world. That is not fair.

Miracle drugs only perform miracles if you can afford to take them. Life-saving drugs only save lives if you can afford to access those drugs. I have had hearings all across this country, and I have heard identical testimony in every State. Senior citizens tell me: When I go to the grocery store, I must first go to the pharmacy at the back of the store to buy my prescription drugs because only then will I know how much money I have left to pay for food. Only then will I know how much money I have left with which to eat.

That is happening all across this country. The folks in the pharmaceutical industry want to continue to charge U.S. consumers double, triple, or quadruple the prices they impose upon citizens of other countries. That is not fair. We ought to change it.

In the appropriations bill when it was considered by the House, the House enacted two amendments to essentially prevent the FDA from enforcing the current law.

In the Senate, there will be an amendment offered by one of my Republican colleagues, myself, and others. The Senate amendment would also allow pharmacists and drug wholesalers to import prescription drugs that were produced in the United States, in plants that are approved by the FDA, but it includes provisions to ensure this is done in a safe manner. We hope enough Members of the Senate will agree so that we will be able to get this done in the coming days.

I yield the floor.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2001

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate now turn to H.R. 4461, the Agriculture appropriations bill. I further ask unanimous consent that all after the enacting clause of H.R. 4461 be stricken and the text of S. 2536 with a modified division B be inserted in lieu thereof, and that the new text be treated as original text for the purpose of further amendment, and that no point of order be waived.

Mr. REID. Mr. President, reserving the right to object, I express my appreciation to Senator WELLSTONE for being so reasonable on this issue. As usual, he spotted the issue. It has been explained to him. We are now moving forward on this legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Mr. President, I know the manager, Senator COCHRAN, is ready to proceed. We hope to go forward with opening statements and any amendments that can be considered tonight. I will consult with Senator COCHRAN and the managers about how to proceed throughout the remainder of the night. But we will turn back to this legislation in the morning not later than 9:30. We will have stacked votes, if any are ready by then, at 2:15 or 2:30 p.m. tomorrow. We will indicate a specific time later.

I thank the Senator from Mississippi, Senator COCHRAN.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 4461) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2001, and for other purposes.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. COCHRAN. Mr. President, I am very pleased to present for the Senate's consideration the fiscal year 2001 Agriculture, Rural Development, Food and Drug Administration, and related agencies appropriations bill. This bill provides fiscal year 2001 funding for the programs and activities of the Department of Agriculture, the Food and Drug Administration, and the Commodity Futures Trading Commission. The U.S. Forest Service is funded by the Interior appropriations bill.

This bill, as reported, also provides fiscal year 2000 supplemental appropriations and rescissions to respond to emergency needs resulting from natural disasters and other unanticipated funding requirements.

The fiscal year 2001 provisions are contained in Division A of the reported bill. It provides total new budget authority for fiscal year 2001 of $75.3 billion. This is $295 million less than the fiscal year 2000 enacted level, excluding emergency appropriations, and $1.5 billion less than the President's budget request.

Just over eighty percent of the total recommended by this bill is for mandatory appropriations over which the Appropriations Committee has no effective control. The spending levels for these programs are governed by authorizing statutes. The mandatory programs funded by this bill include the

Commodity Credit Corporation, the Federal Crop Insurance Corporation, and the Food Stamp and Child Nutrition Programs.

About twenty percent of the total appropriations recommended by this bill is for discretionary programs and activities. Including Congressional budget scorekeeping adjustments and prior-year spending actions, this bill recommends total discretionary spending of $14.850 billion in budget authority and $14.925 billion in outlays for fiscal year 2001. These amounts are consistent with the Subcommittee's discretionary spending allocations.

I would like to take a few moments to summarize the bill's major funding recommendations. For the Food Safety and Inspection Service, appropriations of $678 million are recommended, $29 million more than the fiscal year 2000 level. For the Animal and Plant Health Inspection Service, $468 million is recommended, $25 million more than the 2000 level.

Appropriations for USDA headquarters operations and for other agriculture marketing and regulatory programs are approximately $84 million more than the fiscal year 2000 appropriations levels. Included in this increase is $25 million to support information technology investments in support of the Department's Service Center Modernization initiative; $42.4 million to support the Department of Agriculture's buildings and facilities and rental payment requirements; $5.9 million, as requested, for costs associated with implementing the Mandatory Livestock Reporting Act; and $6.2 million for the Agricultural Marketing Service to implement a microbiological data program.

For farm credit programs, the bill funds an estimated $3.1 billion total loan program level, the same as the fiscal year 2000 level, excluding additional loans funded through fiscal year 2000 emergency appropriations. The amount recommended includes $559.4 million for farm ownership loans and $2.4 billion for farm operating loans.

For salaries and expenses of the Farm Service Agency, total appropriations of $1.095 billion are recommended. This is $89 million more than the 2000 level and the same as the President's budget request.

The bill provides total appropriations of $1.4 billion for agriculture research, education, and extension activities. Included in this amount is an increase of $3.8 million from fiscal year 2000 for Agricultural Research Service (ARS) buildings and facilities, an increase of $41.2 million for research activities of the ARS; and a $19.2 million increase in funding for the Cooperative State Research, Education, and Extension Service.

For conservation programs administered by USDA's Natural Resources Conservation Service, total funding of $867.6 million is provided, $63 million more than the 2000 level. This includes $714 million for conservation operations, $11 million for watershed surveys and planning, $99 million for watershed and flood prevention operations, $36 million for the resource conservation and development program, and $6 million for the forestry incentives program.

USDA's Foreign Agricultural Service is funded at a program level of $117.7 million, $4 million more than the fiscal year 2000 level. In addition, a total program level of $996.7 million is recommended for the Public Law 480 program, the same as the fiscal year 2001 budget request and $51.4 million more than the fiscal year 2000 level. This includes $159.7 million for Title I and $837 million for Title II of the program.

The bill also provides a total program level of $2.5 billion for rural economic and community development programs. Included in this amount is $749 million for the Rural Community Advancement Program, $33 million for the Rural Business-Cooperative Service, and $75 million to support a total $2.6 billion program level for rural electric and telecommunications loans.

In addition, the bill devotes additional resources to those programs which provide affordable, safe, and decent housing for low-income individuals and families living in rural America. Estimated rural housing loan authorizations funded by this bill total $4.6 billion. Included in this amount is $4.3 billion in section 502 low-income housing direct and guaranteed loans and $114 million in section 515 rental housing loans. In addition, $680 million is included for the rental assistance program. This is the same as the budget request and $40 million more than the 2000 appropriations level.

Appropriations totaling $35 billion for USDA's nutrition assistance programs continue to command the highest percentage of the total appropriations recommended by the bill—nearly 47 percent of the total new budget authority provided. This includes $9.5 billion for child nutrition programs, including $6 million to complete funding for the school breakfast pilot program; $4.05 billion for the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC); $140 million for the commodity assistance program; $140 million for the elderly feeding program; and $21.2 billion for the food stamp program.

For those independent agencies funded by the bill, the Committee provides total appropriations of $1.2 billion, $54 million more than the 2000 level. Included in this amount is $67 million for the Commodity Futures Trading Commission, and $1.1 billion for the Food and Drug Administration (FDA). The bill also establishes a limitation of $36.8 million on administrative expenses of the Farm Credit Administration.

Total appropriations recommended for salaries and expenses of the FDA are $33.7 million more than the 2000 appropriations level. This additional amount, along with $34 million redirected from FDA's tobacco program in light of the recent Supreme Court decision, provides a total increase of $67.7 million for fiscal year 2001. Included in this amount is the full increase requested in the budget for FDA rental payments to the General Services Administration; an additional $24 million for FDA food safety initiatives; and $25 million for premarket review activities. The additional funding for premarket review will continue to strengthen FDA's ability to perform its core statutory mission of reviewing drugs, foods, medical devices and products within statutory time frames and to ensure patients' speedy access to new products and the latest technology.

The bill also makes available $149 million in Prescription Drug User Fee Act collections, $4 million more than the fiscal year 2000 level.

The discretionary budget authority allocation for this bill is approximately $200 million more than the CBO baseline level, or a ''freeze'' at the 2000 enacted appropriations level. To provide the increases the Committee felt were necessary to maintain funding for essential farm, housing, and rural development programs, several mandatory funding restrictions are included in the bill. Modest limitations on the Environmental Quality Incentives and Conservation Farm Option programs are maintained at the fiscal year 2000 levels. Funding for the Initiative for Future Agriculture and Food Systems and the Fund for Rural America is deferred until fiscal year 2002, as proposed in the President's budget.

Although the total discretionary spending recommended by this bill is approximately $277 million in budget authority below the President's budget request level, as reestimated by the Congressional Budget Office, the President's proposed budget relies on additional revenues and savings to accommodate much higher levels of discretionary spending. The President's budget proposes to generate a net total of $564 million in collections from new user fee proposals, and to redirect funds from ongoing projects and Congressional initiatives to pay for Presidential initiatives.

This Committee does not have the luxury of relying on revenues and savings from legislative proposals that have not been acted on by the Congress and signed into law. Consequently, within the discretionary spending limitations established for this bill, we have not been able to afford many of the discretionary spending increases and new initiatives proposed by the Administration, and still remain consistent with the Budget Act.

Food safety continues to be a high priority of this Committee. This bill, as recommended to the Senate, provides the funds necessary to ensure that American consumers continue to have the safest food supply in the world. Not only does this bill provide increased funds required for meat and poultry inspection activities of the Food Safety and Inspection Service, it provides total funding of $377 million, a $53 million increase from the 2000 level, for USDA and FDA programs and activities included in the President's Food Safety Initiative.

Turning to ''Division B'', the reported bill recommended a net total of $2.2 billion for emergency and regular supplemental appropriations and rescissions for the fiscal year 2000.

A number of these provisions have been enacted into law as part of the conference report on the fiscal year 2001 Military Construction Appropriations Act. The substitute amendment deletes those provisions and makes other accompanying technical and conforming changes to Division B of the reported bill.

The Chairmen of the various Appropriations Subcommittees may speak to those provisions in Division B of the reported bill under their respective jurisdictions.

However, for programs and activities within the jurisdiction of the Agriculture Subcommittee, Division B, as modified, recommends $1.1 billion in emergency supplemental appropriations for fiscal year 2000.

Supplemental appropriations for emergency housing and relief to farmers as a result of the North Carolina hurricane and other natural disasters; for the Farm Service Agency to meet high workload demands; and to offset the assessment on peanut producers for program losses have now been enacted into law.

The remaining emergency supplemental appropriations recommended in the bill reported to the Senate still must be addressed.

These include the $13 million requested by the President to cover a shortfall in available funding for crop insurance premium discounts; $35 million to support ongoing acreage enrollments in the Conservation Reserve and Wetlands Reserve programs; and an additional $130 million for the Rural Community Advancement Program.

Just as devastating to producers as losses from hurricanes, drought and other natural disasters are losses from new and emergent diseases and pest infestations. The bill provides authority for the Secretary of Agriculture to compensate growers for losses as a result of the plum pox virus which has devastated the stone fruit industry; citrus canker; Mexican fruit fly; grasshoppers and Mormon crickets; and Pierce's disease, a new problem plaguing the grape industry.

In addition, emergency assistance totaling an estimated $443 million is recommended for dairy producers and $450 million for livestock producers.

Mr. President, this appropriations bill was reported by the Committee on May 10th. It was one of the first of the thirteen fiscal year 2001 appropriations bills to be reported to the Senate by the Appropriations Committee.

Although the companion bill was reported from the House Appropriations Committee around that same time, on May 16th, the House did not begin consideration of the bill until June 29. The House resumed consideration of the bill immediately following the July recess and passed the bill on July 11 by a vote of 339–82.

There are approximately 26 legislative days remaining before the October 1 start of the fiscal year. It is my hope we can expedite the Senate's consideration of this bill so we can go to conference with the House and get this bill to the President as quickly as possible.

I thank the distinguished Senator from Wisconsin, the ranking member of the subcommittee, Mr. KOHL, as well as other members of the subcommittee, for their support and cooperation in putting this bill together. It is never easy to determine funding priorities, or to balance the many competing and legitimate needs that confront agriculture in this bill and stay within the subcommittee's required spending limitations. I believe this bill represents a responsible funding recommendation. I ask the Senators to give it their favorable consideration.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SMITH of New Hampshire. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BROWNBACK). Without objection, it is so ordered.

MEASURE READ THE FIRST TIME—S. 2886

Mr. SMITH of New Hampshire. Mr. President, on behalf of the leader, I understand that S. 2886 is at the desk, and I ask for its first reading.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 2886) to provide for retail competition for the sale of electric power, to authorize States to recover transition costs, and for other purposes.

Mr. SMITH of New Hampshire. Mr. President, I now ask for its second reading, and object to my own request.

The PRESIDING OFFICER. Objection is heard.

The bill will receive its second reading on the next legislative day.

Mr. SMITH of New Hampshire. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that I be allowed to speak as in morning business for a period of about 15 minutes, or until the leader seeks recognition.

The PRESIDING OFFICER. Without objection, it is so ordered.

ENERGY

Mr. MURKOWSKI. Mr. President, I would like to chat a little bit about energy this evening because there are several misconceptions relative to the position that the United States is currently in relative to the high gasoline prices that we have been subjected to in the last several months.

First of all, the bad news is, there is no relief in sight. What we currently have is a situation where, simply, the available refining capacity associated with gasoline production and the demand is such that the two lines are almost parallel. In other words, our ability to produce gasoline and the current consumption of gasoline are about equal. So as a consequence, in reality, we are drawing down our reserves. This is at a time when normally our reserves would be substantially higher.

There is a reason for this. I think the American people should understand and appreciate reality because what we have is a situation where our refining capacity has been reduced dramatically over the last 8 years. We have lost about 37 refineries in the United States during the last 10-year period. There has not been a new refinery built in the United States in almost two decades.

What we have, then, is a concentration of our existing refineries operating at near full capacity, producing the requirements associated with the public's demand for gasoline, coupled with the problems associated with meeting the Clean Air Act, which mandates certain reformulated gasolines in various parts of the country.

We had testimony before the committee of which I am chairman, the Energy and Natural Resources Committee, earlier last week. One of the principals with the Environmental Protection Agency identified that the Environmental Protection Agency, under their interpretation of the Clean Air Act, has mandated as many as nine specific cuts of reformulated gasolines that have a regional application around the country. That means in California you have one type of reformulated gasoline. You have another type in Chicago. You may have another type in Atlanta.

These have gone into effect as a consequence of the June 1 new mandates for reformulated gasoline in various parts of the country. What this means is, the refineries have to separate and move and store separately these different cuts of gasoline. The cost, of course, is significant from the standpoint of what the American public has to pay.

We have seen, since the spiraling price of crude oil over the last year—where a year ago prices were $11, $12, $13, $14 a barrel—an average price of nearly $30 a barrel this year.

The difficulty we experience is, having become so dependent on imported