drive as far as New Orleans for treatment. Ms. Moore had withered to 60 pounds when she first visited Dr. Brimah, and was seemingly weeks away from death. Now on medication, she has increased her weight to 105 pounds and talks of living to see her four young children graduate from high school.

The cost of treatment is also prohibitive for many here. The pills typically prescribed by Dr. Brimah can cost up to $1,200 a month. Medicaid covers many of the poorest patients, and other state and federal programs help. But the working poor often have trouble qualifying for the programs.

Last year, Dr. Brimah received a three-year, $1.2 million grant under the Ryan White Care Act, the primary source of federal money for AIDS treatment. He uses the money to pay staff members, to buy equipment, supplies and medication, and to provide transportation to needy patients.

But in general, many Southern states have received a disproportionately small share of Ryan White funds. The money is appropriated to states by a formula based on the number of people living with AIDS in that state. But the growth of the epidemic in the South has been relatively recent, and many of those infected have not progressed from H.I.V. to AIDS. Congress changed the formula last year so that money will eventually be based on H.I.V. counts, but the new system might not take effect for years.

The other factors obstructing treatment, and thus prevention, are denial and stigma. Many infected women here never tell family members and close friends for fear of being shunned and abandoned.

''A lot of people don't understand about it,'' said Jane Smith, who has only told her pastor and her mother-in-law since learning two years ago that she has AIDS. ''I guess they're scared they can catch it from being around people with it, if they cough on them or shake their hands.''

One married couple, both infected, said they were open about their status when they lived in New York but had told no one since moving to Mississippi, not even their friends at Narcotics Anonymous meetings. ''Everybody would scatter if they knew,'' said the wife.

Jean has lied to her family members, telling them that she has cancer, and has batted away their questions. Her joy, she said, is her grandchildren, and she is convinced that her son would not let her near them if he knew.

''I want to tell my family,'' she said, ''but I know they're not going to accept it, and I'm just not strong enough right now for them to reject me. It would just send me over the edge.''

This article is entitled ''AIDS Epidemic Takes Toll on Black Women.'' Let me just cite a couple of things from it.

It says: ''While AIDS rates in the United States remain lower among women than men, women now account for a fourth of all newly diagnosed cases, double the percentage from 10 years ago. That growth has largely been driven by the disproportionate spread of the disease among heterosexual black women, particularly in the South.'' Again, the South.

''Black women, who make up 7 percent of the Nation's population, accounted for 16 percent of all new AIDS diagnoses in 1999, a percentage that has grown steadily since the syndrome was first identified 20 years ago. By comparison, black men made up 35 percent, white men 27 percent, Latino men 14 percent, and white and Latino women were each 4 percent.'' Again, in women.

One of the doctors who looked at this says that he hears repeatedly by his patients in New York, and this is a doctor in New York who treats HIV patients, says that his women patients understand clearly, or they say they understand clearly, that they were infected or could be infected with HIV transmitted heterosexually, but nevertheless they go ahead and do it. It is almost like smoking. They say it is like smokers knowing indeed that the smoking is killing them, but they go ahead and do it. It is almost like a death wish. The issue is, is it drugs or is it the need for money? What is driving this kind of reckless behavior?

He says that women often struggle to explain this recklessness. They look down at the floor and they say, I know that what has happened to me is that I was not sure, I didn't protect myself, but yet I knew I should have. I trusted this person. I knew this person. And I just wasn't thinking about getting HIV. These are older women.

Health workers and researchers are struggling to know, How do you make sense of this? How is the relationship between poverty and drugs and risk often a part of this? We just have to find how we address those issues and make sure that as the life and the quality of life in these communities, that people are not walking into their own death trap. Poverty is apparently on rough streets and in the cities, and the exchange of sex for money or the exchange of drug needles that cause that has a strong part to play in it.

''Clearly,'' Dr. Hader said, ''messages about prevention are not getting through.'' We need to find a way to get those messages through. The rural South is politically conservative, and prevention programs in the schools tend to be episodic at best and more focused on abstinence rather than on protection. Parents of students in many of the schools must have written permission before anything happens. Yet those children are getting the wrong message from other places, many of them becoming pregnant and their children are likewise infected. Most local pastors are reluctant to encourage an explicit or a frank dialogue among their young people so they understand the choices they have. You see, in the South there is indeed, we are fighting not only the lack of infrastructure, we are fighting the issue of attitude.

Mr. Speaker, there is indeed an issue of AIDS across our country. There is an issue of AIDS across this Nation. Certainly there is a severe pandemic in Africa, but there is a creeping disease that is indeed affecting us in the South and in rural communities throughout the United States, particularly in the South. It has the deadly effect of a silent killer. Those of us who know better are charged with the responsibility of waking our citizens up to this horrific disease and making sure that there are programs of intervention, programs of nurturing, care and counseling, and that our communities indeed will respond to it.

□ 2045

OUTRAGEOUSLY HIGH DRUG PRICES

The SPEAKER pro tempore (Mr. REHBERG). Under the Speaker's announced policy of January 3, 2001, the gentleman from Minnesota (Mr. GUTKNECHT) is recognized for 60 minutes.

Mr. GUTKNECHT. Mr. Speaker, I will later be adding some items to the RECORD.

Mr. Speaker, I rise tonight to talk about an issue that in some respects is a dirty little secret. Yet more and more of us in Washington and more and more seniors around the country know about this dirty little secret. It is about the outrageously high prices that Americans pay for prescription drugs.

Now, I think most Americans are appreciative to the pharmaceutical industry for the miracles they have created over the last number of years. We are all delighted that we have drugs today to treat diseases which just a few years ago were untreatable. We are not unappreciative to what the pharmaceutical industry has done. But the dirty little secret is that the Americans are paying the lion's share, in fact, I might even argue that the Americans are paying the entire share of the research and development costs for these miracle drugs for all the other consumers around the rest of the world.

Several years ago, I talked to some seniors back in Minnesota and they talked to me about going to Canada to buy prescription drugs. But they told me that when they came back after they had their little vials of whatever drug it was, whether it was Claritin or Coumadin or Glucophage or whatever the drug would be, when they would try to reorder that drug from the pharmacy up in Winnipeg or wherever they had bought the drugs in from Canada, when they tried to reorder the drugs and when the drugs came into the United States, they were stopped by the FDA. The FDA then sent a very threatening letter to those seniors saying that if they tried to do this again that, in effect, they could be prosecuted.

Now, if one was a 78-year-old grandmother getting a letter from the Food and Drug Administration in effect saying that she could be prosecuted, that what she is doing is illegal and if she tries to do this again, there are serious consequences, that is a very threatening thing to happen to a senior.

Now, they told me this story. They told me what was happening in their trips, their bus trips to Canada. I have to be very honest. It really did not register with me. In fact, it was not until almost 2 years later when a seemingly unrelated event occurred.

What happened was hog prices to our hog producers, to our farmers in Minnesota, the prices collapsed. In fact, they reached Depression-era prices. Hogs dropped to $8 per hundred weight. Now, today hogs in Minnesota are selling for about $69 to $70 per hundred weight. So now hogs are profitable again. But we had a tremendous collapse in the price of hogs.

Now, to make matters worse there was a packing plant up in Canada that was supposed to come online. There was some construction delays. For whatever reason the plant was delayed in being brought online. The net result was there were thousands of Canadian hogs, at perhaps the worst time in the history of hog production in the United States, thousands of hogs were coming across and making a disaster even worse.

Not surprisingly many of our hog producers complained about all of these Canadian hogs coming into our markets. Those of us who represent those districts, we brought those complaints and concerns to some of the Federal officials in Washington. The answer we got was relatively short and simple. ''Well, that is NAFTA, the North American Free Trade Agreement. That is what free trade is all about. You support free trade, do you not, Congressman GUTKNECHT?'' I had to say, ''Yes, I do.''

It was then that the light bulb really went on. Because I said if we are going to have free trade in terms of pork bellies, we ought to have free trade in terms of Prilosec.

I began to do some research. I feel sometimes like that little boy who came in and asked his mother a question. His mother was busy, and she said, ''Why do you not go ask your dad?'' And the little boy said, ''Well, I do not want to know that much about it.''

Well, I feel like that little boy sometimes because the more I have learned about this prescription drug issue, the more angry I become.

There is really something wrong with a system that says that American consumers on average pay $69.99 for a month's supply of Allegra 120 while our friends over in Europe enjoy exactly the same drug made in exactly the same plant under the exact same FDA approval, our friends in Europe can buy that same drug for $20.88.

If you look at this list, this is not a complete list, in fact, this is not even my list. These numbers were compiled by a group who have been studying this issue for more years certainly than I have, a group called the Life Extension Foundation, and just recently they sent us a listing. They had done a study between the United States and Europe, and here are some of the numbers.

I hope people will look at this. Let us look at commonly prescribed drugs for senior seniors. I know it is commonly prescribed because my 82-year-old father takes Coumadin. He is fortunate. He worked for a union employer all of his life. He has a pretty generous prescription drug benefit as part of his insurance package; and as a result, he does not pay the full price. But if he did, and millions of American seniors do pay full price for Coumadin, the average price in the United States for a month's supply of Coumadin is $37.74. That exact same drug in Europe sells for an average of $8.22.

Let us look at Glucophage. That is a drug that is taken principally by diabetics. If you are a diabetic in the United States and you are on Glucophage, you are probably going to be on it for the rest of your life. A 30-day supply here in the United States sells for an average of $30.12. That exact same drug made in the same FDA-approved facility in Europe sells for only $4.11.

Let me say that again. The price in the United States, $30.12. The exact same drug in Europe sells for $4.11.

As you look at some of the more expensive drugs, and this is where it becomes incredibly problematic, where you have seniors or you have other consumers that do not have prescription drug coverage, they are paying full bore for these drugs, and more and more we are seeing drugs coming on to the market like, for example, Zithromax 500, a 30-day supply in the United States sells for $486. That is the average retail price. But our friends over in Europe, and let us remember the European Union now has a gross domestic product almost equal to the United States, their standard of living is almost equal to the United States. At one time after World War II and we had the Marshall Plan, certainly it was important for Americans to help rebuild Europe and in effect to subsidize Europe; but today Zithromax 500 sells for $486 in the United States. The same drug in Europe sells for $176.19.

Mr. Speaker, this is indefensible. This is unsupportable. There is no one in this body, there is no public policymaker in America, that can defend this chart. What is worse, the pharmaceutical industry cannot defend this chart. We have had representatives of what we call PHRMA into our office. We have showed them this chart and said please explain this chart.

These are multinational companies. Many of them are based in Europe. Many of the big pharmaceutical companies now are based in Geneva or London or Paris. How is it that you are willing to sell these drugs so much cheaper in European Union countries than you are here in the United States? Now the interesting thing is they do most of the research here in the United States and we are happy for that. We want the research to remain here in the United States. But the dirty little secret is, we subsidize the starving Swiss.

All I am saying with the simple amendment that I intend to offer tomorrow is that it is time to level the playing field. I do not believe in price controls. I do not believe in more government regulations. I think in the long run both price controls and government regulations are the wrong way to go. If you doubt that, just do a brief study of the former Soviet Union, because for over 70 years there is an experiment that failed. They tried to set prices. They tried to control markets.

Mr. Speaker, markets are more powerful than armies. What the Soviet Union proved more than anything else is that you cannot hold back markets. We are in the Information Age, Mr. Speaker, and these kinds of numbers, these huge differences between what Americans pay and what Europeans pay for exactly the same drugs, that system could only survive before the Information Age. Now people can get on their computer, they can go online and they can get this information. And they can find out that in Switzerland they are able to buy Biaxin for half the price that we pay in the United States. Once Americans realize this, because information is power, once Americans realize the huge differences that they pay for the same drugs, they are not going to stand for it. They are going to start marching on this Congress and they are going to demand that we do something.

In fact, how many times do we hear at some of our town hall meetings, Congress needs to do something? Well, I am going to go back to the point I made earlier. I do not support price controls, and the truth is some of the countries in the European Union have price controls. I think it is a bad idea, and I do not want to join them. But some of the countries in the European Union do not have price controls. Switzerland does not have price controls. Germany does not have price controls.

A German can go in and buy drugs in Switzerland or a German can go in and buy drugs in France or in any other country. The European Union allows free markets within that area.

It is interesting, because just a few years ago we passed the North American Free Trade Agreement and so pork bellies can go across the borders, and fruits and vegetables can go across the borders and lumber can go across the border. There is nothing to stop one of my constituents from going to Winnipeg, Manitoba and buying a Chevrolet. As a matter of fact, I do not think there is anything that would stop that consumer from going online and on the Web and ordering almost any product they want from Winnipeg, Manitoba; or Paris, France; or Rome; or Frankfurt, Germany; or anywhere else. There is only one product which we for some reason have singled out and said American consumers do not have access to world market prices, and those are pharmaceuticals.

Now I am not here tonight to beat up on the pharmaceutical industry. As I said earlier in the discussion, I am appreciative to what the pharmaceutical industry has done. Almost every one of us has a relative, a neighbor, a parent,

a child, that has benefited from the research that the pharmaceutical industry has done.

Before I yield to my friend, the good doctor, the gentleman from Des Moines, Iowa (Mr. GANSKE), I want to talk about the three ways that we as Americans subsidize the pharmaceutical industry, because this is not largely understood. The truth of the matter is, we subsidize the pharmaceutical industry in three different ways. First of all, we subsidize them through the Tax Code. What the pharmaceutical industry is saying today is well, we spend billions of dollars on research and most of it is done here in the United States. I said earlier in my discussion I am delighted that they do the research here in the United States. The numbers that we have, the latest numbers, is that the pharmaceutical industry in the last year that we have numbers for spent about $12 billion here in the United States on research, and that is good.

What they do not say is that on the tax forms, most of these corporations are so profitable that they are at the 50 percent tax bracket, that at least half of that gets written off on their Federal income tax form. More of that gets written off on their State income tax form. Now what they are also eligible in some circumstances for is an investment tax credit. So we subsidize the pharmaceutical industry and the research that they do through the Tax Code.

Secondly, this year we will spend close to $14 billion through the NIH and other various government agencies, including the Defense Department, on basic research, most of which is available to the pharmaceutical industry free of charge. In other words, we are putting all this money into NIH and through NIST and other science agencies, also through the Department of Defense, and most of that information, once a discovery is found, is made available to the public and to the pharmaceutical industry free of charge. So there is about $14 billion worth of public research that is paid for by the American taxpayers. That is the second way we subsidize the research that they do.

The final way that we subsidize them is in the prices that we pay. These are outrageous. These are indefensible. Again, I am not here to really beat up on the pharmaceutical industry, because they are only doing what any industry, what any business, would do in terms of exploiting a market opportunity that we have given them. We give them a 17-year patent in which they can sell these drugs in the United States and really no one can compete against them. In other words, we give them a monopoly and on balance I think that is a good idea. They are exploiting this market opportunity. No, it is not ''shame on the pharmaceutical industry for creating this kind of an environment.'' It is shame on us. It is shame on our own FDA for allowing this system to develop whereby Americans are paying for all of the research and most of the profits of the large pharmaceutical companies, many of which are not even based here in the United States.

□ 2100

I am delighted to have joining us today one of the physicians who serves here in the House, the gentleman from Des Moines, Iowa (Mr. GANSKE), a former wrestler and Iowa Hawkeye, a good friend, and one who is not afraid to take on giants.

I have to tell the gentleman, I reread the story from the Book of Samuel tonight of David and Goliath, and it was a powerful story. And sometimes when I think about the huge pharmaceutical industry and the simple little amendment, I feel like David, who went out on to that field, and he took from his sack a small stone, and he slung it at Goliath, and that is sort of where we are with this small amendment.

But I want to welcome the gentleman from Iowa (Mr. GANSKE), who is one, as I say, who we do not always agree, but, I will tell you, I have always admired and respected, and we are delighted to have the gentleman here tonight to talk a little bit about pharmaceuticals. I will yield to the gentleman.

Mr. GANSKE. I thank the gentleman from Minnesota and would like to enter into a colloquy with him.

I think the gentleman is pointing out an important difference in the price in the United States for some of those drugs and the price in Europe. Now, correct me if I am wrong, but most of those European countries do not have price controls; is that correct? Some do, some do not.

Mr. GUTKNECHT. Some do, some do not. We do not want to get into a debate, because, in truth, I do not support price controls. I think the best way to break the backs of price controls is to have open markets, because once the pharmaceutical industry and European countries realize that American consumers are going to be buying from them at their prices, I think it is going to force the European Union and the pharmaceutical industry to come to a better agreement so we level the playing field. That is really what I am trying to say.

Yes, some have price controls, some do not. Every country has a slightly different regimen in how they deal with monopolies.

Mr. GANSKE. But it is a fair statement that the prices are significantly lower for the very same prescription drugs that are made in the United States that are sent overseas, that they are significantly lower, sometimes half as much or even a quarter as much, in some countries, as they are in the United States. Is that not a fair statement?

Mr. GUTKNECHT. That is absolutely correct. As I say, these are not my numbers. This was an Independent Life Extension Foundation study done just recently between the United States and countries in the European Union.

Let me point out, and the gentleman is more familiar with some of these drugs than I am, that Glucophage, which is a drug that I understand that once many diabetes patients take, they take it daily, in fact I guess they have given them a new patent now. Instead of a twice-a-day tablet, there is a once-a-day tablet, which gives them an extra 17 years on their patent.

We are talking about seven times more. You talk about a patient who is going to have to take that perhaps for the next 30 years, you start multiplying that difference, we are talking about thousands and thousands and thousands of dollars, multiplied by, I do not remember the exact number, but something like 35 percent of all Medicare expenditures are in one way or another related to diabetes-related illnesses.

I believe the amendment we are talking about ultimately, when fully implemented, when consumers have access and understand how it works, could save American consumers $30 billion a year.

Mr. GANSKE. I want to just pin this down. The gentleman would say it is fair to say that there are many countries in the world where the prices are significantly less than they are in the United States; even though the drugs are exactly the same, they are made in the United States, they are shipped overseas, where they do not have price controls in those countries, but that the price is set by what the market will bear. Would the gentleman say that is a correct statement?

Mr. GUTKNECHT. That is a correct statement based on all of the evidence and research that I have received from independent agencies. That is correct. In fact, we even have an independent study of Canada, where they do have price controls, but they are not as firm as some people think. But a study done by the Canadian Government suggests that they are saving Canadian consumers upwards of 50 percent.

Mr. GANSKE. Now, the difference, the reason that we have these very high prices in United States, as versus, say, Switzerland, is because we cannot reimport those drugs from Switzerland into the United States because we have a Federal law that prevents that from happening. Is that the correct story?

Mr. GUTKNECHT. There again, the FDA holds that, yes, we have that law. Now, last year in Congress we passed legislation by overwhelming votes, it was something like 376 to 25 here in the House, it was 90-some to 3, I think, in the Senate, essentially going on record that we want to make it clear that law-abiding citizens should not be prevented from bringing legal drugs back into the United States, especially for personal use. So, the law, in my opinion, today is not clear.

What we want to do with the amendment that I intend to offer tomorrow is clarify the legislative intent so there is

no misunderstanding between the pharmaceutical industry, the FDA and American consumers that law-abiding citizens who have a legal prescription from a physician do have the right, using mail order, using the Web, using other methods, the telephone, they can call a pharmacy in Ireland or Geneva and be able to order that drug and have it brought back in the United States, so long, again, as it is a legal, non-narcotic drug. That is the amendment I intend to offer. That, I believe, will ultimately level the playing field between the prices that Americans pay and what consumers in other countries pay, regardless of whether or not they have price controls.

Mr. GANSKE. That would mean, for instance, that a citizen in Minnesota could cross the border into Canada with a prescription and get it filled there, or a citizen in Texas or Arizona or New Mexico could cross the border and get a prescription filled there, and that would not be illegal. They could bring that back into the United States. That is the gist of the gentleman's amendment; is that correct?

Mr. GUTKNECHT. That is correct.

Mr. GANSKE. Okay. Now, then, we had hearings in my committee, the Committee on Energy and Commerce, talking about how there are some counterfeit drugs that get into the market. These hearings primarily focused on some very expensive drugs, like growth hormones, that are used for body building and other types of uses and sometimes can cost as much as $2,000 a vial. It has been reported in the press that some of that medicine is not real, that there has been adulteration or false packaging.

Now, my understanding is that this has happened within the United States. Is that the gentleman's understanding?

Mr. GUTKNECHT. Absolutely. The counterfeit drugs that some of these people are talking, or adulterated drugs, first of all, I want to make it clear, my amendment does not make them legal. We are only talking about drugs that are otherwise legal in the United States, where people have a legitimate prescription from a doctor. Principally what we are talking about, where this really happens, is when people travel.

For example, let me give you a story from one of the ladies at one of my town hall meetings. She has a skin condition, I think called eczema or psoriasis, but, anyway, she has a skin condition, and to deal with that and manage it, her doctor in Rochester, Minnesota, has prescribed a particular ointment only available with a prescription, and in Minnesota it sells for about $130 for one tube.

She was traveling in Ireland a couple of years ago and began to run out of this cream. She went to a pharmacy in Ireland, she had her prescription with her, she went into the local pharmacy, took her prescription, they had exactly the same drug, in exactly the same tube, made by exactly the same company, and it was $30.

Now, when she got back to the United States, she said to herself, because she needs about a tube of this ointment every month, so $130 times 12 versus $30 times 12 is a saving of $1,200 per year to this one individual.

She looked at the tube, and on the tube or on the box that it came in, it had the name of the pharmacy, and it had the phone number. Now, she did what a lot of American consumers would do to save $1,200 a year. She picked up the phone, made a $2 phone call to Ireland and said, could I get that prescription refilled? The pharmacist over there said, absolutely. So he shipped her another supply.

Mr. GANSKE. But there is nothing in the gentleman's amendment that would prevent the FDA from intercepting that shipment, that drug that she had ordered, and testing it, just like they would do if she had ordered it from a retailer in the United States and had it shipped to her home, is there?

Mr. GUTKNECHT. No. In fact, if the FDA wants to test it, and, frankly, I want the FDA to enforce laws against illegal drugs. But can I just show the gentleman another chart, because I think it talks to this very point.

The problem with the FDA is not that they do not have the power to inspect; it is that they spend all of their time chasing legal drugs and law-abiding citizens. They are focusing on the wrong end.

Last year, for example, instead of stopping illegal drugs imported by illicit traffickers, some of the people the gentleman heard testimony about, what they have done is spent most of their effort going after approved drugs with law-abiding citizens. Last year the FDA detained 18 times more packages coming in from Canada than from Mexico.

We do not have a problem with Canada. We know a lot about the pharmacies in Canada. They have strong and stringent regulations in Canada. So why is the FDA detaining 90 times more packages from Canada? This was last year. Last year the FDA detained 90 times more packages from Canada than from Mexico.

They are chasing law-abiding citizens bringing legal drugs in. What they need to do is focus on the traffic that the gentleman was talking about, where you have adulterated drugs, where you have got illegal drugs, where you have got all kinds of mischief going on, which, incidentally, the gentleman and I both know that as long as we try to play by the rules that the FDA has set in place now, you are going to get more of. Because more and more consumers who cannot afford some of these very expensive drugs, as we talked about before the gentleman arrived, Zithromax 500, $486 in the United States, $176 in Europe, what you are going to do is get more and more law-abiding citizens trying to figure out, how can I get those drugs, either legally or illegally, in the United States? Because the truth of the matter is that a drug somebody cannot afford is neither safe nor effective.

Mr. GANSKE. So let me get this straight. What the gentleman would like is he would like the FDA to have enhanced enforcement to make sure that not only drugs coming into the United States from other countries are checked to make sure they are valid, but also to make sure that shipments that originate within the United States are not adulterated and are real drugs, too. And I believe at the bottom of the gentleman's other thought, the gentleman points out that we appropriated additional millions of dollars for border enforcement last year.

Mr. GUTKNECHT. And the FDA refused to use it, and that is why we need this amendment this year, is to clarify what we said last year, stop chasing law-abiding citizens with legal drugs and legal prescriptions.

Let me just suggest this: I do not know how many of our colleagues have gotten a package recently from UPS or Federal Express, I believe even the Post Office does it now, but they put a bar code on those packages. The truth of the matter is I believe that within a matter of months, if the FDA was serious about this and did not want to pursue law-abiding American citizens who are trying to save a few bucks on their prescription drugs, they could create a bar coding technology to know where that package came from, when it was shipped, and, frankly, they could even put what is in it.

In fact, we now have the technology, and it is used in most hospitals, the software was developed in Minneapolis, Minnesota, I can put them in touch with the people that developed it, in virtually every hospital now, when you go in the hospital, they put a bar-coded bracelet around your arm, and when they dispense prescription drugs in the hospital, when they bring them in, they take the wand across your bracelet and a wand across the bar code on the package so that they know, they can literally go back to their computer and know that at 3:10 p.m. this afternoon, you were given two tablets of Tylenol, or whatever the drug happened to be.

That kind of technology is not science fiction. This is available today. And if the FDA is serious about this, we can help them solve the problem.

The real issue is I do not think the FDA wants to solve this problem. They continue to commingle illegal drugs with legal drugs, and they continue to pursue the law-abiding citizens bringing in legal drugs, and yet there are literally millions of dollars of illegal drugs not only coming in from outside the United States, but, as the gentleman suggested, they are originating in the United States, and little or nothing is being done about that.

□ 2115

Mr. GANSKE. Mr. Speaker, I think this is a very, very important point;

and I hope that some of our colleagues are in their offices working tonight, listening to the gentleman's presentation, because for sure, when the gentleman's amendment comes up, we are going to hear tomorrow all kinds of horror stories about how an adulterated drug or a fake substance could be imported from the United States so the patient would not be getting the medicine that they need, or even worse. But the real point is that that can happen within the United States just as easily, and that what we really want is we want the FDA to do its job, both on drugs that would come back into this country, but also on drugs that would be moving within this country, from one State to another State.

It is easy to think, if we have a drug that could cost $2,000 a vial, that we could have organized crime create some labels in New York, put some substance into that vial, and ship it over to California and have a big scam operation going on. I mean, that is happening within the United States.

But what the gentleman is talking about for the vast majority of our senior citizens or others who need medicines are not that that vial of growth hormone that costs $2,000, but the difference in, if the gentleman would put the other chart up with some of the examples of the prices, let us take, for example, Coumadin. That is a blood thinner. In the United States, it is going to cost $37 for a 30-day supply; in Europe it will cost $8.22. It does not make sense for organized crime to get involved with changing labels for a drug of that price range when it is going to an individual.

Now, if we are talking about wholesale, larger shipments, then I think it is a legitimate concern; but it is also one that I would answer just like we did last year, by appropriating more money for the FDA to step up its surveillance and make sure that it does not happen. But I will tell the gentleman something. If we take that drug that costs $500, the Zithromax, $486 for a 30-day supply, we can have just as big of a problem with a fake drug within the United States as from anything coming from overseas.

So I believe that these issues are being mixed up in an effort to basically defeat what I see as a free market approach to helping bring drug prices down in the United States. We have very high prices here because there is protection for the high prices here when we cannot introduce competition with lower-priced drugs, the same drugs from overseas. If we would allow our constituents to be able to order that drug from Pharmaworld in Geneva, Switzerland, at half the price, we know what would happen here. We know that the competition would drive the prices down at our pharmacies in this country too.

Mr. GUTKNECHT. Mr. Speaker, as I said earlier, markets work.

Mr. GANSKE. Or, for example, someone's local pharmacist would be able to order that drug from the wholesaler at the lower price and would be able to pass those savings on to the consumer. That is why this idea passed the House of Representatives with 350-plus votes just a year or so ago. But I believe, then, that the opponents to that legislation brought forward this issue of the fact that there are fake drugs that are occasionally found and then used that to try to knock down the whole idea of increased competition from overseas.

Really, the solution is simply, both within the United States and from drugs that could come in from abroad, making sure that the FDA does its job. This is part of a bill that I introduced on prescription drugs. The other main aspect of that bill is that for low-income seniors, we would allow them to utilize the State Medicaid drug programs up to 175 percent of poverty and get a Medicaid card and be able to go to their local pharmacist; and I believe that there is a way to work with the pharmaceutical houses on that issue and avoid a national drug pricing mechanism. That is a little different issue, but the idea that the gentleman from Minnesota (Mr. Gutknecht) has, I think, is a legitimate one, and it basically is a free market approach. It just makes the market a little bigger. It makes it more global than a protectionist policy that stops at our borders that prevents the very same drugs made in the United States, made in New Jersey and shipped overseas as versus consumed here, the very same drugs, from coming back in at a somewhat less price.

So tomorrow, when we debate this, we will probably not have that much time. It will probably be a time-limited amendment. There have been a lot of opponents that have been putting newspaper ads into newspapers around the country or even running television and radio ads on this issue; but I will tell the gentleman, I have a lot of constituents back in Des Moines, Iowa, who, when they go down to Texas for the winter, they take their prescriptions, they go across, they look at the labels, they see it is made in the United States, the same drug, they bring it back for half price. The gentleman's amendment tomorrow would allow them to continue to do that. I think that it would be somewhat difficult for many Members of this House to switch their vote from supporting that idea last year to voting against it this year.

I yield back to the gentleman from Minnesota.

Mr. GUTKNECHT. Mr. Speaker, I agree with the gentleman. I think Members understand this issue, and it really is a choice between are you going to stand with your seniors who are having a difficult time affording their prescription drugs, or are you going to defend the FDA bureaucracy and the pharmaceutical industry. I think that really is the vote. At some point, if they vote, particularly if they change their vote this year, they are going to have to explain this chart to their constituents. They are going to have to explain why they should have to pay $30.12 for Glucophage in the United States when their European friends can buy it for $4.11.

Let me just talk briefly, if I can, about the whole issue of safety because frankly, that is an area where our opponents have really focused in and there have been a lot of scare tactics, as the gentleman mentioned, running newspaper ads and radio ads and television ads. But the interesting thing is at least in my area, my seniors are a whole lot smarter than those ads, because most of the calls that are coming in are saying absolutely, this is the right way to go. They understand these price differences, they understand safety, they understand that they are willing to take a slight risk. The most important thing is when they go down to the local pharmacy, they might get the wrong medication. It might get in the wrong bottle. There is always some element of risk.

Out there in New York Harbor, it is called the Statue of Liberty, it is not called the Statue of Security. We always take some risk. I cannot say that my amendment is risk-free, but as the gentleman indicated, the system today is not risk-free. But here is the interesting thing. In all of the advertising, they do not mention any people who have ever been injured by bringing legal drugs into the United States with a prescription. Not one. There is no known study that demonstrates that public health has been injured by patients importing legal medications with a prescription under the order of their doctor.

What is more, millions of Americans have no prescription drug coverage. And as I said earlier, a drug that one cannot afford is neither safe nor effective. That is when people start cutting up their pills. That is when they start looking to back-street vendors or people who may be selling adulterated drugs. Let us just talk about safety, because when we mention the FDA, we talk about drugs and medical devices and so forth, but we forget that part of the reason this amendment is in order to the agriculture appropriations bill is because it is the Food and Drug Administration. They get their money through the agriculture appropriation bill.

I asked my staff a few weeks ago, I said, now, wait a second. We import literally hundreds of thousands of pounds of raw meat every day. We import millions of pounds of fruits and vegetables. There must be some studies that people get sick, because I remember a couple of years ago, there were some kids who had gotten sick, about 200 kids who got sick from eating strawberries imported from Mexico. Maybe the gentleman remembers the story, that somehow, some pathogen had gotten on the strawberries and they got sick. Well, what did the FDA do about that? The truth is, almost nothing.

Mr. GANSKE. Mr. Speaker, if the gentleman would yield, in that situation, what Congress responsibly does is it provides the resources to the USDA to do those inspections at the border. That is why, for instance, we have increased our funding for making sure that Foot and Mouth Disease does not get into the United States. That is why last year we appropriated $23 million extra dollars for the FDA to do its appropriate job with monitoring to make sure that drug shipments that will come back in are the real thing.

But still, I just have to get back to this point, and that is that one can go down to the local pharmacy, they have their medicine from somewhere in California or New Jersey or Florida. What is their level of confidence? Their level of confidence is that we have an FDA that monitors that every so often. But every so often, once in a while, very rarely, especially with this particularly very, very high-priced drugs, they have found that there have been some fraudulent drugs. They are doing their job when they find that. And they will do their job if Congress appropriates the appropriate amount of money to monitor any medicines coming back into the country from Switzerland or Germany or Ireland or Canada. I mean, it is not a problem that cannot be solved.

Mr. Speaker, I would tell the gentleman, the savings to the individual that we are talking about is the difference between, as the gentleman has already said, is the difference between many times their having the drug at all for their heart failure or for their high blood pressure or for other serious conditions. There is no question. We would not be dealing with the issue of high cost of prescription drugs in this Congress, it would not have been such a big issue in the last presidential campaign if this were not a real problem.

So I commend my colleague from Minnesota for talking about this. I look forward to the debate tomorrow on this amendment. I do think that the gentleman's amendment is well thought out because, correct me on this, but there is nothing in the gentleman's amendment that would prevent any funding for the FDA to do its job; is that correct?

Mr. GUTKNECHT. No, it just simply says you cannot use the money to pursue law-abiding citizens who have a legal prescription.

Mr. GANSKE. But there is no decrease in the funding overall for the FDA's surveillance.

Mr. GUTKNECHT. No. We have made it clear to the FDA, as we did last year, you tell us what you need to do this job, and we will see that you get the funding. They asked for $23 million. We appropriated $23 million. Then after we had appropriated the $23 million and literally let them write the language, they reneged on the deal. So this year, in effect we are saying, and we really mean it.

Now, in conference committee I am willing to work with them to get this done.

Mr. Speaker, I do want to come back briefly, and I know the gentleman has to go; but I want to come back to the safety issue. There is another secret that the FDA does not want to talk about, and I started to mention how many tons of raw meat and fruits and vegetables come into the United States. There has been concern about pathogens and what they can do. The gentleman is a physician; and I might just ask him, if someone gets salmonella, what can happen?

□ 2130

Mr. GANSKE. Well, one can die.

Mr. GUTKNECHT. One can die. In fact, I had a friend who got salmonella. He was virtually blinded. He can still see, and I do not know what his vision level is, but he almost died, and he ended up with a severe loss of vision from salmonella.

I did not know until this particular episode how serious it was, and that one of the consequences can be a loss of vision. This is a study done by the FDA in 1999. They analyzed 1,003 samples of produce items coming into the United States from other countries. I have the numbers here in terms of how much we import from different countries.

From Canada, for example, the latest year we have, we imported 335,000 metric tons of beef into the United States. We imported 322,000 pounds of pork. We imported from Mexico a grand total of 3.1 million metric tons of fruits and vegetables from Mexico. We imported from South America over $742 million worth of fruits and vegetables from South America.

Now, we import a lot of food into this country every single day. Here are the numbers. According to their study, the total percentage of food that was contaminated with either salmonella, shigella, and I am probably not saying that right, or E. Coli, the total percentage of that sample that they took was 4.4 percent.

Now, we know people get sick every single day in the United States. I have had food poisoning twice in my life. We know there are thousands of people who get sick from food poisoning, from salmonella. We know that is serious. What is the FDA doing to inspect every single piece of produce, every pork belly, every carcass of beef that comes into the United States?

Do Members know what they are doing? It would not be fair to say nothing, but it would be almost fair. Almost nothing is done.

I just want to make one last point, and it is this. What the FDA is doing in terms of prescription drugs is they are going to build a wall about a mile high. Yet, when it comes to food that we eat every day, of which, by their own study, 4.4 percent is contaminated with salmonella and other dangerous pathogens, there is almost no inspection, almost none. It comes right across the border.

If we are going to say we have to be absolutely certain of every single package of pharmaceuticals, then by golly, should we not say the same for fruits, for vegetables, for pork bellies? That is all I am saying. I am willing to work with them, and with new technology I think we can have a system that will be far safer than it is today, but they do not want to work with us.

Mr. GANSKE. Continuing the gentleman's analogy, Mr. Speaker, what the gentleman is saying is that there is not anyone in this House who is going to propose that we cut off all imports of beef or vegetables or fruits that come into the United States. Nobody is proposing that. If there is a problem related to pathogens in meat or in some of those vegetables, that is why we have a USDA. That is why we have an inspection process. That is why we appropriate a certain amount of money.

If there is a problem, then we will appropriate more funds for the inspection to make sure that our food and vegetables coming into the United States are safe. But as the gentleman has pointed out on prescription drugs, there is no known scientific study demonstrating a threat of injury to patients importing medications with a prescription from industrialized countries.

When we went to the Food and Drug Administration last year, we said, ''If there is an increase in the flow of reimported drugs, what do you think you need to do to adequately inspect those to make sure there is not a problem?'' They told us, and we appropriated that. We can continue to do the same.

The real question is, do we allow some competition to help lower the cost of prescription drugs. I think it will be a very interesting vote here on the floor tomorrow on this amendment, because I think that the opponents to last year's legislation have seized upon a red herring. They have seized upon the fact that even within the United States there have been a few examples of exceptionally high-priced drugs where there has been fraud. Then they say, ''Well, see, if there have been a few cases here in the United States, that could happen from drugs imported from abroad.''

I think my response and the gentleman's response to that would be that that is even more reason why we adequately fund the FDA, but it can happen in the United States just the same as it could happen on a reimported drug. That is not a reason per se to argue against reimportation.

Mr. GUTKNECHT. Mr. Speaker, here is another chart that basically says we have to do something to bring our prices into line. Last year the average senior in the United States, well, seniors in the United States got a cost of living adjustment in Social Security of 3–½ percent. Total expenditures on pharmaceuticals went up 19 percent. We cannot continue this. This will eat us out of house and home. This kind of thing, this is what is causing consumers to look at ways that they can save some money.

This chart, as I say, when our colleagues vote tomorrow, and I have prepared this and I will make this available to any Member who wants a mailing in a sense explaining, A, the problem, the chart, the differentials, and it also answers the four most commonly asked questions or arguments against this simple little amendment. Anybody who wants a copy can get a copy of the amendment. It is a very simple amendment.

Mr. GANSKE. Mr. Speaker, I wonder if the gentleman would mind reading that amendment.

Mr. GUTKNECHT. I would be happy to. It is now in the CONGRESSIONAL RECORD, ''Amendment to H.R. 2330 as reported offered by Mr. GUTKNECHT of Minnesota.''

''At the end of Title VII, insert after the last section preceding any short title the following section, section 7: None of the amounts made available in this act to the Food and Drug Administration may be used under Section 801 of the Food and Drug and Cosmetic Act to prevent an individual who is not in the business of importing prescription drugs within the meaning of Section 801(g),'' and I am not a lawyer, but we had three very smart ones help write this, ''of such act from importing a prescription drug that, 1, appears to be FDA approved; 2, does not appear to be a controlled substance,'' and we do not even allow codeine under my amendment, we are not talking about any controlled substances or narcotics, ''or, number 3, and appears to be manufactured, prepared, propagated, compounded, or processed in an establishment registered pursuant to section 510 of such act.''

In other words, it has to be made in an FDA-approved plant. It has to be sold through FDA-approved channels. It has to be sold with a legal prescription.

Again, simply put, this says the FDA cannot spend its resources chasing law-abiding citizens who are bringing in legal drugs with a legal prescription. That is all we are saying in this amendment. We are not talking about bulk reimportation.

Mr. GANSKE. If the gentleman will yield further, Mr. Speaker, there is nothing in the gentleman's amendment that reduces the amount of funding to the FDA?

Mr. GUTKNECHT. No. It just says they cannot spend the money chasing law-abiding citizens. Go after the people who really are the problem.

More importantly, I would love to see the FDA do a better job of policing the fruits and vegetables, and the pork bellies and all the beef and raw meat that comes into this country every day.

I do not want to scare people, but that was a scary number to me. Does it not bother the gentleman that 4.4 percent of the samples that they tested had either salmonella, shigella, or other dangerous pathogens present on the product? That bothers me.

The gentleman has a pretty good solution to some of this. It is electronic pasteurization. That is the term I like to use. Frankly, I think we need to move down that path. But this is the scary thing. If the gentleman has ever had food poisoning, in some respects I think it is far more dangerous than people trying to save a few bucks on coumadin by buying it through a pharmacy in Winnipeg, Manitoba.

Mr. GANSKE. If the gentleman will yield further, Mr. Speaker, speaking from personal experience, I have had a life-threatening experience with food poisoning, which became a case of encephalitis. It is a serious problem.

I believe that the USDA is doing a pretty good job on its inspection of meat and vegetables, fruit. I would certainly be in favor of additional funding for that, and I am in favor of additional funding to help the FDA do its job of monitoring the validity of drugs in this country, as well as that that would be imported or reimported.

I just want to commend my colleague, the gentleman from Minnesota, for bringing this important issue to the attention of our colleagues.

Mr. GUTKNECHT. I thank the gentleman from Iowa (Mr. GANSKE) for coming down to visit with us tonight. This is a very important issue.

Ultimately, if we open up the markets and we allow American consumers to have access to prescription drugs at world market prices, I believe that this simple little amendment, once fully implemented, could save American consumers $30 billion.

I may be wrong, it may be $28 billion, it may be $31 billion, but even here in Washington, that is a lot of money. If one is a consumer that needs a drug, like that lady with that ointment, and one can save $1,200 a year buying the same drug that comes from the same manufacturer from the same FDA-approved facility simply by picking up a phone and making a $2 phone call to Ireland, I do not think we as public policymakers should stand idly by and allow our own FDA to stand between American consumers, and particularly American senior consumers, we should not and cannot stand idly by and allow our own FDA to stand between those people and lower prescription drug prices.

I just want to close with a few other points. Some say a Medicare drug benefit will eliminate the need for importation and open markets. Mr. Speaker, if we think about that argument for even a moment we will realize that simply shifting high drug prices to the government only transfers these huge pharmaceutical bills to the American taxpayers.

Moreover, Medicare coverage will not help the millions of Americans who currently have no prescription drug benefit. So simply shifting the burden of $300 billion, or whatever the number we ultimately come up with, and I support expanding the Medicare program. In fact, I think the gentleman from Iowa (Mr. GANSKE) has the best program in doing it through the Medicaid systems that every State already has in place.

But it is not an answer to just create a new entitlement funded by the Federal Government. If we do not get control of prices of prescription drugs, if we continue to allow what really amounts to unregulated monopolies, where American consumers, through the Tax Code, through the research dollars that taxpayers pay for and ultimately through the prices that they pay for, if we stand idly by and say, well, I guess American consumers have to pay for all of the research of all of the governments and all the other people of the rest of the world, then shame on us. Shame on us. We have an opportunity tomorrow to set the record straight.

We do not necessarily want price controls in the United States. We do not want a huge bureaucracy and more regulations. But we do want to have access to markets.

In a couple of weeks, we are going to have another great debate about free trade. The President of the United States, I have supported giving the President what used to be called fast track trading authority. Now I think we have a somewhat different name, advanced trade authority or trade promotion authority. There is some other term for it.

Basically, I support giving the President more lattitude to negotiate trade agreements. I support that idea. I support free markets.

However, Mr. Speaker, I support free markets when it comes to American consumers, too. We cannot just have free markets when it benefits large corporations, we have to have free markets when they benefit consumers, too.

This idea that we are going to stand idly by and allow American consumers to pay three, four, five, six, seven times more for the same prescription drugs in the Information Age, as they say back home, that dog will not hunt.

I do not know if we are going to win this debate tomorrow on the amendment or not. I do not know what is going to happen. We have given every good argument. We have talked about free trade, about safety, about prices, about how we can help American consumers.

I do not know whether we are going to win this amendment tomorrow, but we are going to fight a good fight. We are saying to the administration, it is time for them to decide, are they going to stand on the side of the big pharmaceutical industries? Are they going to defend an FDA bureaucracy which cannot even protect American consumers all that well from food-borne pathogens? Or are they going to stand with American consumers, stand with seniors?

I will say this, if the FDA decides that they want to take Grandma to court for trying to save an extra $35 on a three-months' supply of coumadin, some of the people in this room are going to be there on the courthouse steps to meet them.

This is an important issue. It amounts to billions of dollars. It is the right thing to do. It is good policy, and ultimately, it means good things for American consumers.

Frankly, I think in the long light of history it will be good for the pharmaceutical industry, because it will force the Europeans to rethink their pricing structures. It will level the playing field. That is what we want to do, and we hope tomorrow, with the support of the Members of this Congress, we are going to get that done and send a clear message that we stand with American consumers, we stand with free markets.

It is time for us to say the subsidization of the starving Swiss must end.

RECESS

The SPEAKER pro tempore (Mr. FLAKE). Pursuant to clause 12 of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 9 o'clock and 45 minutes p.m.), the House stood in recess subject to the call of the Chair.

□ 2149

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. FLAKE) at 9 o'clock and 49 minutes p.m.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Ms. JACKSON-LEE of Texas (at the request of Mr. GEPHARDT) for today on account of attending a funeral for a family member.

Ms. MILLENDER-MCDONALD (at the request of Mr. GEPHARDT) for today on account of official business in the district.

Mr. PUTNAM (at the request of Mr. ARMEY) for June 25 and the balance of the week on account of attending the birth of his first child.

Mr. PAUL (at the request of Mr. ARMEY) for today and the balance of the week on account of a death in the family.

Mr. TOOMEY (at the request of MR. ARMEY) for today on account of travel delays.

Mr. WATTS of Oklahoma (at the request of Mr. ARMEY) for today on account of travel delays.

Mr. WICKER (at the request of Mr. ARMEY) for today on account of travel delays.

Mr. CANNON (at the request of Mr. ARMEY) for today on account of family medical issues.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

The following Members (at the request of Mr. MCNULTY) to revise and extend their remarks and include extraneous material:

Ms. NORTON, for 5 minutes, today.

Mr. FILNER, for 5 minutes, today.

Mrs.MALONEY of New York, for 5 minutes, today.

Mr. MATHESON, for 5 minutes, today.

Mr. DAVIS of Illinois, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

Mr. LANGEVIN, for 5 minutes, today.

Mr. RAHALL, for 5 minutes, today.

Mr. CUMMINGS, for 5 minutes,today.

The following Member (at the request of Mr. FLAKE) to revise and extend his remarks and include extraneous material:

Mr. SIMMONS, for 5 minutes, July 12.

The following Member (at his own request) to revise and extend his remarks and include extraneous material:

Mr. SMITH of Michigan, for 5 minutes, today.

ADJOURNMENT

Mr. GUTKNECHT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 50 minutes p.m.), the House adjourned until Wednesday, July 11, 2001, at 10 a.m.

OMISSION FROM THE CONGRESSIONAL RECORD OF TUESDAY, JUNE 26, 2001

OATH OF OFFICE MEMBERS, RESIDENT COMMISSIONER, AND DELEGATES

The oath of office required by the sixth article of the Constitution of the United States, and as provided by section 2 of the act of May 13, 1884 (23 Stat. 22), to be administered to Members, Resident Commissioner, and Delegates of the House of Representatives, the text of which is carried in 5 U.S.C. 3331:

> I, AB, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties of the office on which I am about to enter. So help me God.

has been subscribed to in person and filed in duplicate with the Clerk of the House of Representatives by the following Member of the 107th Congress, pursuant to the provisions of 2 U.S.C. 25:

Honorable J. RANDY FORBES, 4th Virginia.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

2743. A letter from the Acting Administrator, Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting the Department's final rule—Cranberries Grown in the States of Massachusetts, et al.; Establishment of Marketable Quantity and Allotment Percentage; Reformulation of Sales Histories and Other Modifications Under the Cranberry Marketing Order [Docket Nos. FV01–929–2 FR and FV00–929–7 FR] received July 2, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2744. A communication from the President of the United States, transmitting the District of Columbia Fiscal Year 2002 Budget Request Act and Fiscal Year 2001 Supplemental Budget Request, pursuant to Public Law 105–33 section 11701(a)(1) (111 Stat. 780); (H. Doc. No. 107–94); to the Committee on Appropriations and ordered to be printed.

2745. A letter from the Secretary, Department of Defense, transmitting a letter on the approved retirement of Lieutenant General James C. King, United States Army, and his advancement to the grade of lieutenant general on the retired list; to the Committee on Armed Services.

2746. A letter from the Secretary, Department of Defense, transmitting a letter on the approved retirement of Lieutenant General Donald L. Peterson, United States Air Force, and his advancement to the grade of lieutenant general on the retired list; to the Committee on Armed Services.

2747. A letter from the Under Secretary, Department of Defense, transmitting the Department's revisions to both the Fiscal Year (FY) 2001 and FY 02 Annual Materials Plan (AMP); to the Committee on Armed Services.

2748. A letter from the Secretary, Department of Defense, transmitting the Department's review of policy on payment of claims; to the Committee on Armed Services.

2749. A letter from the Assistant General Counsel, Department of the Treasury, transmitting the Department's final rule—Resolution Funding Corporation Operations (RIN: 1505–AA79) received June 5, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

2750. A letter from the Assistant General, Counsel for Regulations, Department of Housing and Urban Development, transmitting the Department's final rule—Mortgage Insurance Premiums in Multifamily Housing Programs [Docket No. FR–4679–I–01] (RIN: 2502–AH64) received July 3, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

2751. A letter from the Acting Deputy Assistant Secretary for Congressional and Intergovernmental Relations, Department of Housing and Urban Development, transmitting the Federal Housing Administration's (FHA) Annual Management Report for Fiscal Year 2001, pursuant to 31 U.S.C. 9106; to the Committee on Financial Services.

2752. A letter from the Chairman, Federal Deposit Insurance Corporation, transmitting a copy of the Corporation's Annual Report for calendar year 2000, pursuant to 12 U.S.C. 1827(a); to the Committee on Financial Services.

2753. A letter from the General Counsel, Federal Emergency Management Agency, transmitting the Agency's final rule—Changes in Flood Elevation Determinations [Docket No. FEMA–B–7415] received July 2, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

2754. A letter from the General Counsel, Federal Emergency Management Agency, transmitting the Agency's final—National Flood Insurance Program (NFIP); Clarification of Letter of Map Amendment Determinations (RIN: 3067–AD19) received July 2,