

Well, Democrats have been saying for a long time that we should allow re-importation of drugs, because that is the way of bringing costs down. But the Republicans do not want to do that. When I tried to offer an amendment that would accomplish that in the Committee on Energy and Commerce the other night, they voted against it. The gentleman from Minnesota (Mr. GUTKNECHT) goes on to say, or his spokesman I should say, "If we do not address the cost comparison, it is like building a house without a solid foundation," the spokeswoman said for Mr. GUTKNECHT. So that means they are concerned about costs.

Once again, some of the Republicans seem to be unwilling to vote for this Republican bill because it does not have any cost containment. It does not control price the way the Democratic bill, in fact, would.

In fact, further on in Congress Daily it says, "Representative JACK KINGSTON and Jo ANN EMERSON plan to discuss the issue of cost at a press conference today and announce a new congressional caucus to deal with drug costs."

Once again, the problem the Republicans have, no Medicare benefit, no real benefit at all, and no effort to address the issue of cost. That is why they are running into problems.

Today's New York Times is about the Family USA study announced yesterday that talks about how the costs of prescription drugs are going up way out of proportion to the cost of inflation. It says in the article that one conservative Republican, the gentleman from Georgia (Mr. COLLINS), has indicated that he will vote against the Republican bill; and it goes on to say that one of the Republicans, the gentleman from Oklahoma (Mr. ISTOOK), has expressed concern about the effects on pharmacies, because, as we know, the chain drugstores and retail pharmacies oppose the Republican bill, and the reason they do so is because they do not think it is going to provide any benefit and will make it harder for them to operate and provide pharmacy benefits.

So let me say I understand full well why the Republicans are having a problem bringing up their bill, because it does not deal with price, it does not address the issue of price, it is forbidden to deal with the issue of price. That is why they have the noninterference language. It does not provide a benefit.

But they should still bring it up and allow the opportunity for us to debate the bill and bring up our Democratic substitute, which is a good bill and could be considered and passed here and go over to the Senate and become law. So the fact they are having problems with their legislation does not mean that they should postpone another week or two or three or a month or who knows how long between now and November before the end of this session, because we need to address this issue. And if there are faults in

their legislation, bring it to the floor and we will expose those faults and come up with a better bill, rather than just saying we are going to delay and not have an opportunity to address this issue, which is what the Republican leadership has done so far.

AGRICULTURE SUBSIDY CONCERNS

The SPEAKER pro tempore. Pursuant to the order of the House of January 23, 2002, the gentleman from Michigan (Mr. SMITH) is recognized during morning hour debates for 5 minutes.

Mr. SMITH of Michigan. Mr. Speaker, one challenge that we have in the U.S. House of Representatives, in Congress, is the overzealousness to spend more money. Of course, the money has to come from taxpayers throughout the United States that pay taxes into the Federal system.

What many politicians have discovered is that the more programs they start and the more money they spend, the more popular they are back home and the greater the likelihood they are going to be reelected. So members of congress take new pork-barrel projects home and end up on the front pages of the paper or on television: "Congressman such-and-such is giving you more government services." I think we have to remind ourselves that all of this money comes from taxpayers.

I see a lot of young people, Mr. Speaker, in the gallery; and they are the generation at risk. As we increase spending, as we increase borrowing, what we are doing in effect is increasing the mortgage, the debt, that these young citizens are going to have to pay off some day, and probably increasing the likelihood that their taxes are going to have to continue to rise as the size of government gets larger and larger.

One concern that I have that has been in a lot of the media and newspapers is the generosity of the farm bill that was passed in terms of giving million-dollar payments to many of the very, very large farmers in the United States. I met with Senator GRASSLEY last week, and we are trying to strategize how we can change that farm bill so that we have some kind of a cap, some kind of a limit on those exceptionally large million-dollar-plus payments that are going to the super-large landowners in this country. We are looking now at the appropriation bills and language we might put in the appropriation bills.

Very briefly, Mr. Speaker, this is somewhat complicated, so we have sort of hoodwinked a lot of the American people saying, there are limits on the price support that farmers can receive. But there is a loophole. That loophole is called "generic certificates," and that means that when you reach the limit on monetary price supports, you can still forfeit the grain back to the government, and the government will give you a certificate that a farmer can exchange for money, because the limits

are on cash payments to farmers and certificates are not considered a cash payment. That ends up being a loophole, allowing the very large farmers to get millions of dollars in price support benefits.

Mr. Speaker, we have a system in Congress where seniority tends to rise you to the top in terms of being a committee chairman. Right now agriculture is pretty much dominated in terms of leadership by members from Texas. We have the chairman of the House Committee on Agriculture from Texas; we have the ranking member of that committee, that is the top ranking Democrat, from Texas. Also the chairman of the Committee on Appropriations Subcommittee for Agriculture is from Texas.

When it turns out that Texas is one of the top States in the Nation that uses this generic certificate, if you will, loophole, then we see great political pressure to continue that loophole provision. I am in hopes there can be a better understanding by the American people, by this Congress, of what the loophole is; and that it is reasonable to set limits on price support payments.

Our public policy should be to help and hopefully strengthen the traditional family farm in this country. That family farms might be 500 or 5,000 acres, but it is not the 80,000-acre farms.

Mr. Speaker, I would conclude by saying I am hopeful we can, in our appropriation bill, come up with some language to have an effective limitation on these exceptionally large payments that go to the exceptionally large farmers.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair must remind Members that references to persons in the gallery are prohibited by clause 7 of rule XVII.

MEDICARE PRESCRIPTION DRUG COVERAGE

The SPEAKER pro tempore. Pursuant to the order of the House of January 23, 2002, the gentleman from Ohio (Mr. BROWN) is recognized during morning hour debates for 5 minutes.

Mr. BROWN of Ohio. Mr. Speaker, I wanted to follow up on the comments of my friend, the gentleman from New Jersey (Mr. PALLONE), about the prescription drug industry, the unwillingness of this Congress, which is so captured by corporate prescription drug company special interests and the Republican leadership ties to those large corporate drug company interests, and why this Congress will not move forward on providing a prescription drug benefit inside America for America's seniors and doing something about the outrageous price scheme that prescription drug companies inflict on this country.

We are talking about an industry that has been one of the most profitable industries in America, return on investment, return on sales, return on equity, for almost every one of the last 20 years. We are also talking about an industry, the prescription drug industry, which has the lowest tax rate of any industry in America. We are also talking about an industry where half of the research and development that flows to new prescription drugs is given by taxpayers through the National Institutes of Health and foundations and others. Yet Americans are rewarded by paying more for their prescription drugs than people in any other country in the world.

America's seniors pay two and three times what seniors in Canada and France and Germany and Israel and Japan and nations all over the globe pay. The reason for that, Mr. Speaker, is in large part because of the lobbying force, the lobbying strength, the prowess of the prescription drug industry.

There are more than 600 lobbyists for the prescription drug industry that lobby this Congress, more than 600 people. There are very close ties between the prescription drug industry and the President of the United States. There are very close ties between the prescription drug industry and the Republican leadership in this Congress.

All you had to do was watch last week in the Committee on Energy and Commerce, watch vote after vote after vote on the prescription drug legislation, where many of us were saying we want a Medicare prescription drug benefit, we wanted to do something about prices, we believe that senior citizens should have as good a benefit as Members of Congress. Every amendment we had to do that, Republicans down the line in every case voted no.

I had an amendment to the legislation that said no senior should get a prescription drug benefit less than any Member of Congress. That was voted down on a party-line vote. Other Democrats had amendments to try to control prices, to try to bring prices down, to try to bring competition into the prescription drug business so we would see prices drop. Those were voted down on party-line votes. But when it came to subsidizing insurance companies for prescription drug benefit, that is what the Republicans supported.

Let me compare the two pieces of legislation, the Democratic plan and the Republican plan; and you can see the influence that the prescription drug industry had over Republican leaders.

The Democratic plan has a \$25-a-month premium. The Republican plan has a premium that will be set by the insurance companies, somewhere between \$35 and \$85 a month. The Democratic plan had a \$100 deductible. The Republican plan had a deductible, again set by the insurance industry, but probably upwards of \$250.

The Democratic plan had for the first \$1,000 of costs, out-of-pocket costs for

seniors, they would only pay 20 percent, the first \$1,000; 20 percent of the second \$1,000; and the government would pick up the cost beyond that. In the Republican plan, the seniors will reach into their pockets and pay thousands of dollars more than under the Democratic plan.

As the gentleman from New Jersey (Mr. PALLONE) said earlier, the Republican plan does nothing to restrain prices so that Americans will continue to pay two and three and four times for their prescriptions what people in every other country in the world pay.

Now, not coincidentally, last week we stopped our markup in the middle of the day one day so the Republican Members could go to a fundraiser underwritten by the prescription drug industry. The Chair of the fundraiser was the CEO of a British prescription drug company GlaxoWellcome. He and his company contributed \$250,000 to get Republicans elected to Congress. Other drug companies gave \$150,000 and \$250,000 to this event.

The next day after this event, which raised millions and millions of dollars for Republicans, millions of which, several hundred thousand, millions of which actually came from drug companies, the next day this committee voted down the line over and over again, with Republicans supporting the drug industry.

It should come as no surprise as you watch this drug debate unfold this week, or maybe when we come back through the month of July, you will see Republicans continue to do the bidding of the prescription drug industry. That is one reason the Democratic plan should pass, which is written for and by seniors over the Republican plan, which is written for and by the drug companies.

TAX CUTS BENEFITING AMERICANS

The SPEAKER pro tempore. Pursuant to the order of the House of January 23, 2002, the gentleman from Illinois (Mr. WELLER) is recognized during morning hour debates for 5 minutes.

Mr. WELLER. Mr. Speaker, just a brief response to my friend from Ohio's partisan comments. It is always interesting that some will criticize campaign contributions, when their own party has solicited and accepted campaign contributions from the same industries or interests. So hypocrisy is nothing new in Washington D.C.

Mr. Speaker, I want to talk this morning about an issue of fairness, fundamental fairness. Let me begin by just drawing attention to what we in Washington and around the country call the Bush tax cut.

Last year, with the leadership of the House Republican majority, we passed through the House and Senate, and the President signed into law, an across-the-board tax cut that cut taxes for every American. Over 100 million Americans saw their taxes lowered. We

eliminated the death tax, the marriage tax penalty, and we made it easier to save for retirement and for college education.

Unfortunately, because of a quirk in the rules of the archaic rules of the other body, that tax cut had to be temporary. As we debate various issues before the Congress, it is always interesting that in the Congress historically it has been easy to raise taxes permanently, it has been easy to increase spending permanently, but it is very difficult to cut taxes permanently.

Today I want to talk a little bit about one issue that I have been very involved in, an issue of fairness, and that is, is it right, is it fair that under our Tax Code millions of married working couples where a husband and wife are both in the workforce and because they are married, they pay higher taxes? We call it the marriage tax penalty.

On average, the marriage tax penalty today is about \$1,700. Where you have a husband and wife both in the workforce, they pay on average about \$1,700 in higher taxes just because they are married. We thought it was wrong that under our Tax Code society's most basic institution, which is marriage, was being punished.

I have a couple here that is from the district that I represent, Jose and Magdalena Castillo, their son Eduardo, daughter Carolina. They live in Joliet, Illinois. They are laborers, construction workers.

In the case of Jose and Magdalena Castillo, prior to the Bush tax cut being signed into law they paid about \$1,150 more in higher taxes. The reason that a married couple where you have both the man and the woman in the workforce and your taxes are higher because you are married is because, in the case of Jose and Magdalena, like millions of other married working couples, they file jointly, which means that you combine your income. That pushed them into a higher tax bracket and cost them \$1,150 in higher taxes.

In Joliet, Illinois, \$1,150 is several months' worth of car payments; it is several months of daycare for Eduardo and Carolina while mom and dad are at work. It is real money for real people.

I was proud that one of the centerpieces of the Bush tax cut this past year, signed into law last June by President Bush a little over a year ago, was our legislation to eliminate and wipe out the marriage tax penalty.

Unfortunately, because this provision was temporary, unless we make permanent the elimination of the marriage tax penalty, that we make permanent the Bush tax cut, 36 million married working couples, like Jose and Magdalena Castillo of Joliet, Illinois, will see their marriage penalty come back, where they are going to end up paying higher taxes just because they are married. The Congressional Budget