

rules on UPL. This change would devastate California. We could potentially lose up to \$300 million in Medicaid funding this year. CMS says the change in UPL is necessary because States were abusing the Upper Payment Limit by using these monies for nonhealth-related purposes. But this is not the case in California. Those monies were used in the health care delivery system, and it is simply unreasonable to punish California, to punish our uninsured patients, for the mistakes that other States have made.

I want to remind my colleagues that now is the time to work together in a bipartisan fashion, and I hope we can agree that these important Upper Payment Limits need to continue at an agreed-upon rate. It is simply unfair to play politics with people's lives and health care services. We in Congress have an important role to play in Federal health care efforts.

Right now, funding for another Federal program, known as the Disproportionate Share Hospital program, or DSH, is also scheduled to be cut. Cuts in the DSH program will cost California \$183 million, and L.A. County can potentially get a hit of \$37 million. That would ruin our safety net.

Fortunately, the support for stopping the DSH cliff is bipartisan. Many in this Congress are working together to ensure that hospitals that serve indigent patients get the help they need in our communities immediately. I know our Republican and Democratic leadership have pledged to stop what they call the "DSH cliff." I urge my colleagues to work together to resolve this matter. Patients in our county are counting on us here in the Congress to take care of this problem.

I also want to bring to Members' attention another issue that is of great concern to us in L.A. County, and we call this "the waiver." It is known here in Washington as the Medicaid 1115 waiver. This waiver allows L.A. County to operate our health care system in a unique way that is designed to serve patients better and saves the Federal Government money.

I would ask that we also renew our efforts to provide full support for DSH funding.

Mr. Speaker, as Los Angeles County faces new realities in our health care system, including a rising uninsured rate, the County has begun to renegotiate its waiver with the federal government.

I hope that my colleagues at CMS will look favorably at the County's efforts to renegotiate the waiver. The County is taking serious steps to reconfigure its health care system, but we can't do it alone. We need the partnership of the federal government. Without it I fear we will force thousands of Los Angelinos who depend on our emergency care services to forgo urgently needed health care.

We can't afford to sit idly by while patients in Los Angeles County face a health care crisis, we simply must do more.

CONGRATULATING MIAMI CHILDREN'S HOSPITAL ON ITS RECOGNITION AS ONE OF AMERICA'S BEST HOSPITALS

The SPEAKER pro tempore. Pursuant to the order of the House of January 23, 2002, the gentlewoman from Florida (Ms. ROS-LEHTINEN) is recognized during morning hour debates for 5 minutes.

Ms. ROS-LEHTINEN. Mr. Speaker, I am proud to congratulate Miami Children's Hospital for recently having been recognized among America's best hospitals by U.S. News and World Report. "We are here for our children" is the motto of Miami Children's Hospital, and this principle is demonstrated every day by always seeking innovative ways to better serve the children of south Florida.

A recent groundbreaking celebrated the hospital's new expansion efforts to renovate its medical campus. These include a radiology expansion, an ambulatory care building, a helistop, and a hurricane-proof encapsulation.

Based on the vision of one man, Ambassador David Walters, Miami Children's Hospital is indeed building on a dream. Under the leadership of its President and CEO, Thomas Rozek, it is demonstrating a never-ending commitment to children and its pioneering achievements in pediatric care.

Mr. Speaker, I ask my colleagues to join me in congratulating Miami Children's Hospital for this prestigious achievement and recognition.

CORPORATE GREED

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, the Bush administration has very close ties to the prescription drug industry. In and of itself, that might not be a problem. Part of any administration's job is to support American industry, so long as it coincides with the best interests of the American people.

That is, unfortunately, where the Bush administration runs into problems. The best interests of the American people should outweigh the interests of industry, but too often with this administration, the drug industry prevails at the expense of American consumers.

Last year, for instance, prescription drug costs increased 17 percent, while the inflation rate was only 1.6 percent. Rising drug costs have fueled double-digit increases in health insurance premiums. Rises in drug costs are putting State budgets in the red. Rising drug costs are bankrupting seniors on fixed incomes.

The Bush administration's response to this situation? They recently released a "study" arguing that American consumers must continue to pay the highest prices in the world for pre-

scription drugs. If we do not, the study said, medical research and development will dry up. This study is available online at www.hhs.gov.

It could just as easily, however, appear at www.phrma.org, the drug industry association's Web site. If Members had any questions about how closely aligned the administration is with the drug industry, this study makes it clear they are in lockstep.

I wonder, Mr. Speaker, if it is any coincidence that this study comes out of the Department of Health and Human Services' Planning Office, which is managed by a former employee of, you guessed it, the drug industry.

This study says the best bet for American consumers is the status quo. If we do anything about price, this study, the administration, or the drug industry, and it all, unfortunately, seems like the same thing too often, if we do anything about price, the administration says, we will be responsible in this country for killing research and development in the drug industry.

It is a pretty difficult sell to claim this when we consider that the drug industry has topped, or in terms of profitability, it has been the most profitable industry in America for 20 years running, return on price, return on sales, return on equity. While the overall profits of Fortune 500 companies declined 53 percent last year, the top 10 drugmakers increased profits by 33 percent last year.

Drug companies spend twice as much on marketing and administration as they do on research and development. U.S. tax dollars fund almost half of the research that the drug industry does, but American consumers are supposed to be so grateful that they are supposed to gratefully pay twice for that R&D. We are supposed to thank the drug industry for charging us prices two and three and four times what prices are in every other country in the world.

To explain this, look what happened last month. Last month, the drug industry wrote a prescription drug coverage bill for the Republican leadership that was introduced in the Committee on Energy and Commerce to give a prescription drug plan for Americans. The drug industry wrote the bill.

The Republicans started a hearing. The Republicans, as we were marking up this drug industry bill sponsored by Republicans, our committee recessed at 5 o'clock so Members of the committee, Republican Members of the committee, could go off to a fundraiser underwritten by the drug companies, chaired by the CEO of GlaxoSmithKline, a British drug company, who gave \$250,000. The next morning, the Republicans and all of us met again to work on this drug bill. Every pro-consumer amendment was defeated by the drug industry and by the Republicans.

After this bill then passed the committee and passed the House of Representatives, the drug industry spent,

through a group called United Seniors Association, but paid by the drug industry, spent \$3 million on an ad campaign thanking those Republican Members for passing it and thanking them for their concern for America's seniors. So the drug industry wrote the bill, the Republicans passed the bill, the drug industry gave money to the Republicans while the bill was being passed, and then the drug industry ran TV ads thanking the Republican Members and congratulating them on a job well done.

The Bush administration then, no surprise here, followed suit by claiming that seniors' best hope for drug coverage is the Republican bill.

Now, why is this? Why should the drug industry have this kind of influence here? Well, over the last 12 years, the drug industry's lobbying expenditures have increased 800 percent. In the 2000 election cycle, the drug industry contributed \$26 million to candidates running for office, the overwhelming majority of which to Republicans. The industry contributed \$625,000 to the Bush-Cheney inaugural. So far in this election cycle, the drug industry has contributed \$14.6 million in political donations, the vast majority of which to Republicans.

This may explain, Mr. Speaker, why the administration is working so hard for the drug industry, but it begs the question: Is what is good for the drug industry in the best interests of the American people?

DEPARTMENT OF HOMELAND SECURITY, WHO NEEDS IT?

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

Mr. PAUL. Mr. Speaker, the Department of Homeland Security, who needs it? Mr. Speaker, everyone agrees the 9-11 tragedy confirmed a problem that exists in our domestic security and dramatized our vulnerability to outside attacks. Most agree that the existing bureaucracy was inept. The CIA, the FBI, the INS, and Customs failed to protect us.

It was not a lack of information that caused this failure; they had plenty. But they failed to analyze, communicate, and use the information to our advantage.

The flawed foreign policy of interventionism that we have followed for decades significantly contributed to the attacks. Warnings had been sounded by the more astute that our meddling in the affairs of others would come to no good. This resulted in our inability to defend our own cities, while spending hundreds of billions of dollars providing more defense for others than for ourselves. In the aftermath, we were even forced to ask other countries to patrol our airways to provide security for us.

A clear understanding of private property and an owner's responsibility

to protect it has been seriously undermined. This was especially true for the airline industry. The benefit of gun ownership and second amendment protections were prohibited. The government was given the responsibility for airline safety through FAA rules and regulations, and it failed miserably.

The solution now being proposed is a giant new Federal department, and it is the only solution we are being offered, and one which I am certain will lead to tens of billions of dollars of new spending.

What is being done about the lack of emphasis on private property ownership? The security services are federalized. The airlines are bailed out and given guaranteed insurance against all threats. We have made the airline industry a public utility that gets to keep its profits and pass on its losses to the taxpayers, like Amtrak and the post office. Instead of more ownership responsibility, we get more government controls.

Is the first amendment revitalized, and are owners permitted to defend their property, their passengers, and personnel? No, no hint of it, unless you are El Al airlines, which enjoys this right, while no others do.

Has anything been done to limit immigration from countries placed on the terrorist list? Hardly. Have we done anything to slow up immigration of individuals with Saudi passports? No, oil is too important to offend the Saudis.

Yet, we have done plenty to undermine the liberties and privacy of all Americans through legislation such as the PATRIOT Act. A program is being planned to use millions of Americans to spy on their neighbors, an idea appropriate for a totalitarian society. Regardless of any assurances, we all know that the national ID card will soon be instituted.

Who believes for a moment that the military will not be used to enforce civil law in the near future? Posse Comitatus will be repealed by executive order or by law, and liberty, the Constitution, and the Republic will suffer another major setback.

Unfortunately, foreign policy will not change, and those who suggest that it be strictly designed for American security will be shouted down for their lack of patriotism. Instead, war fever will build until the warmongers get their wish and we march on Baghdad, making us even a greater target of those who despise us for our bellicose control of the world.

A new department is hardly what we need. That is more of the same, and will surely not solve our problems. It will, however, further undermine our liberties and hasten the day of our national bankruptcy.

A common sense improvement to homeland security would allow the DOD to provide protection, not a huge, new, militarized domestic department. We need to bring our troops home, including our Coast Guard; close down the base in Saudi Arabia; stop expand-

ing our presence in the Muslim portion of the former Soviet Union; and stop taking sides in the long, ongoing war in the Middle East.

If we did these few things, we would provide a lot more security and protect our liberties a lot better than any new department ever will, and it will cost a lot less.

THE INFLUENCE OF THE DRUG INDUSTRY ON THE WHITE HOUSE AND ON CONGRESS

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

Mr. PALLONE. Mr. Speaker, more information comes out every day about the influence of the drug industry, both on the White House and on Congress, in terms of what kind of prescription drug plan we pass here in the House and in the other body, which is currently debating the bill.

I do not bring up the information about the links between the prescription drug industry because of any desire to defame them, but only because I am very concerned that their amount of influence that they exert here basically skews the dialogue and what we pass in a way that is not beneficial to the average Americans.

The bottom line is that Democrats in the House a few weeks ago, when the Republicans passed the prescription drug bill, were very critical of the Republican bill because it was basically giving money to private insurers in the hope that they would offer drug-only policies to senior citizens.

There was nothing in the Republican prescription drug bill that passed the House that would guarantee a prescription drug benefit for seniors. There was no guarantee, and there was no absolutely effort on the Republican part to address the issue of price, which is the main problem most Americans face now, that the price of drug continues to rise.

What Democrats said then and continue to say is that we need a prescription drug benefit under Medicare that guarantees the plan a benefit, a generous benefit, 80 percent of the cost paid for by the Federal Government, that guarantees that benefit to every American, or to every senior, I should say, to everyone who is eligible for Medicare, and that is basically under Medicare, an expansion of Medicare, and that addresses the issue of price by saying that the Secretary of Health and Human Services will basically negotiate for the 30 or 40 million Americans who are under Medicare to reduce price maybe 30 or 40 percent.

Now, the reason that the Democratic bill did not get a chance, and the reason the Republican bill, which is private subsidies for insurance companies, passed, is not only because the Republicans are in the majority, but because