

counties have been declared Federal disaster areas due to tremendous floods last month. As a result, Northwest Minnesota, a rich agricultural region, has been devastated. According to the Minnesota Farm Service Agency at least \$370 billion in damage to the agriculture sector has been caused, due to these floods. We tried to include disaster relief in the supplemental bill. Unfortunately we could not do it because the administration said don't even try, no way. While there is some help for the Federal Emergency Management Agency, which is important, FEMA cannot help the farmers and the Small Business Administration cannot help the farmers.

This is a case of "there but for the grace of God go I." I said this to my colleagues yesterday, and I want to say it again today. I have never voted against disaster relief assistance for anybody in the country, be it a hurricane, tornado, fire, drought, or flooding. If, God forbid, it happens to others, we want to help.

This administration has said no to any emergency disaster assistance for agriculture. The President has said any emergency assistance for agriculture must come out of the farm bill. The farm bill is about loan rates, dairy, conservation and fair prices for farmers. The farm bill is about economic assistance, not natural disasters.

So our message today is this: We are going to look at every appropriations bill, and if any appropriations bill comes out on the floor and there is assistance for fire or any other emergency that has happened—be it for Arizona, or for flooding in Texas, or anywhere else—we will slow up that bill. In fact, we will stop that bill if we need to until we get the commitment that there will be the funding for emergency disaster assistance for the farmers in Minnesota, or for the farmers in Nebraska, for the people we represent.

Time is not neutral. People need help now. We intend to make the Senate address this issue. I yield to my colleague from Minnesota.

The PRESIDING OFFICER. The junior Senator from Minnesota is recognized.

Mr. DAYTON. Madam President, I thank the Senator for graciously taking the Chair so Senator NELSON could join with the Senator from Minnesota and myself. I know the Senator from Michigan, who is presiding, has strong support for this disaster assistance as well. I want to say to my colleague and friend, the senior Senator from Minnesota, I am proud to stand with him today, and I am proud to follow his leadership on this disaster assistance legislation.

The Senator and I both serve on the Senate Agriculture Committee, along with our colleague from Nebraska. The Senate Agriculture bill had disaster assistance funding in it. The House and the administration would not agree to the inclusion of disaster assistance in the package, which came out of the

conference committee and was enacted into law.

As the Senator said, it is imperative that the Senate and the House and the administration join together, given what happened in Minnesota, with 17 counties declared a disaster area because of excessive flooding in June. During a recent visit, I saw whole fields of crops underwater—giant lakes created by torrential rains one week, and again the week following. It is hard to see people, many of whom lost their crops last year, struggling again this year.

I asked Secretary of Agriculture Veneman last week in a committee hearing: Where is this money that is purportedly available in the legislation that was passed for disaster aid? And she could not identify any.

I join with my colleague in saying we must have this assistance. The Senate did it right in its version of the Farm bill. Unfortunately, the House and the administration have blocked disaster aid. We have to try again because farmers are going under if we do not.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. NELSON of Nebraska. I thank my distinguished colleague from Michigan for exchanging positions for a moment so I have an opportunity to make a statement about the importance of having disaster relief in the soonest possible timeframe.

Over the last several years in developing a farm policy, we have gone from virtually no help to a new farm program that is designed to help get agriculture on its feet, but it is designed to do that in a time when we would expect normal conditions. It is not designed to take care of disaster situations we are facing today for the livestock industry in particular.

If we are not able to step forward at this time, take care of this situation, and provide hope for the livestock industry in our country, particularly those that are experiencing severe drought, as in the case of Nebraska and the Midwestern States, many of those farmers and ranchers are going to divest themselves of their herds. They are going to cut down the size of their herds. They are going to sell off their breeding stock to survive under these terrible conditions. They are not going to be able to rebuild those herds overnight. It will take years to rebuild.

There is no coverage in the Crop Insurance Program for parched pastures that today will not sustain the grazing of our cattle. There is no support in the farm bill for those farmers and ranchers who are experiencing the losses on the livestock side. For those in this body who are looking for offsets, which is important in the Senate, they are looking for money. To go after the farm bill and the funding for building agriculture and take that money now to support the livestock industry is not the way to go. What we need to do is recognize that this is an emergency sit-

uation like other emergencies and it is a disaster that must, in fact, be addressed right now.

Many of the people who voted for the last four or five disaster programs without requiring any kind of an offset are today saying: If we do it today, we have to find an offset. It is because today we have a farm bill, and they found the source of dollars. That is the only reason I think they are looking at that program.

Robbing Peter to pay Paul at the present time will mean that both Peter and Paul will not make it. What we need to do is face this as a reality so that the farmers in Nebraska and the farmers all across our country, those who are selling their livestock, will know there is help on the way; that they can be sustained; that they are not going to have to sell off their herds.

As we look at this downward spiral, the spinoff problems are consequential. In addition to having smaller herds, there will be less cattle to eat corn. In a bumper crop year, there will be more corn, and therefore that will depress the price of corn.

This is not a situation without consequences to those outside interests. It will harm the smaller communities that depend on agricultural income for their very existence. We must, in fact, act now and not make this a partisan or political football to kick back and forth. We must, in fact, step forward now and recognize the urgency of this situation and not hold the farmers and ranchers of the livestock industry hostage while others are playing partisan politics.

I thank the Senators from Minnesota and other colleagues who are looking forward to having an emergency aid package, recognizing this disaster at the soonest possible time.

I yield the floor. I thank the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Michigan.

Ms. STABENOW. Mr. President, we are playing revolving chairs today. It is a pleasure to be in the Chamber with you. I indicate to my colleagues—the Senator from Nebraska and my colleagues from Minnesota—that I completely understand and support what they are fighting for and join them in that fight.

We also have had in northern and western Michigan disasters that happened as late as this spring where we have seen our cherry crop wiped out because of extremely hot weather, in the nineties, and then immediately going into freezing temperatures. We have seen our orchards literally wiped out in terms of the ability to produce cherries and other crops.

When this happens to our farmers, it is critical we step forward in a bipartisan way and do everything we can to support them to get through this year, to get through these disasters.

PRESCRIPTION DRUG BENEFIT

Ms. STABENOW. Mr. President, I rise today, as I have now for many

weeks, and in particular in the last 2 weeks, focusing on prescription drugs, which is another disaster, quite frankly, that has been facing our seniors, our families, our farmers who are trying to find health insurance for their families, our small businesses that are seeing their health care premiums double in some cases, trying to afford health care for themselves and their employees.

I rise on behalf of those workers who have had their employer say: You are going to have to take a pay freeze this year because we have to have money to pay for health care benefits.

I rise for those manufacturers that are seeing an explosion as well, and basically for everyone who is paying the price for the explosion in prescription prices, and the system that is basically out of control.

We have been working hard in the last week and a half. I think we are making some progress, but we are not there yet.

Yesterday, we had an opportunity to vote on two different plans before the Senate. One was a plan to strengthen Medicare, to put a system in place that was promised in 1965 with the advent of Medicare: That once you are 65 or you are disabled, you will know that health care is available for you. We all pay into the system. The promise was made, and we have been trying to update and modernize that system to reflect the way health care is provided today, which is primarily on an outpatient basis with prescription drugs. Yesterday, we had that plan that would pay the majority of the bill and would do it within Medicare, which we know works.

Then we had another plan much more focused on private insurance, HMOs, and I believe a step in privatizing the system. Quite frankly, that is supported by the drug industry, the pharmaceutical industry that has a situation right now for them that is too good to give up voluntarily. They fight everything. They fight any effort to modernize Medicare, to put 40 million people, seniors and disabled persons, in one insurance system because they know that if 40 million seniors and disabled persons are in a system together, they will be able to get a group discount, like all the other insurance companies. They are fighting that. They know when the Federal Government goes to buy for veterans in the VA hospitals, we do not pay retail, we get a discount on behalf of the veterans.

The outrageous part of the system today is that the only people who pay retail, the only people who walk into the pharmacy and have nobody negotiating on their behalf, are the seniors of this country and those who are disabled and need help with health care.

Everybody else gets a discount. So we are trying to change that. The companies are fighting us every step of the way.

I think we did something historic yesterday. We did not get all the way

to where we need to be, but for the first time in the Senate—52 people, a majority of our colleagues—voted for a Medicare prescription drug benefit. Unfortunately, in this process we need to get to 60 votes, but I believe we sent a very strong message with 52 people—and the other plan, in fact, had fewer; I believe it was 48 people that voted for that plan. So fewer than the majority voted to move in the direction of privatizing, to set up a system that is much more favorable to the drug companies.

A majority of us, in fact, said we want to do this under Medicare; we want to pay the majority of the bill for our seniors. I am very hopeful that now we will be able to bring enough of our colleagues together, on both sides of the aisle, to be able to get those eight extra votes for something that moves us in the right direction. We know it is not going to be all that we had originally hoped, but I desperately hope the drug companies are not successful again in stopping anything real from happening.

I believe this is a point in history that people will look to just as they will look to 1965, and it is up to us to show that we will do the right thing.

Mr. DORGAN. Mr. President, will the Senator from Michigan yield for a question?

Ms. STABENOW. I would be honored to yield to my friend from North Dakota, who has been such a leader in this effort.

Mr. DORGAN. I would like to ask a question of the Senator from Michigan. It is true that yesterday we had 52 votes for a prescription drug plan in the Medicare Program. It is also true that we desperately need it. Medicare is now roughly 40 years old. Had we had these lifesaving and miracle drugs available when Medicare was created, there is no question that we would have had a prescription drug benefit in the Medicare Program. Our task now is to put a prescription drug benefit in the Medicare Program and do it in a way that does not break the bank. Both goals are important.

Yesterday, we had 52 votes for a prescription drug plan in the Medicare Program, but we need 60. It is also true that although a majority of the Senate have now expressed themselves that they want this prescription drug plan in the Medicare Program, a minority of the Senate can block it.

My hope is we will find a way now to reach 60 votes put a prescription drug plan in the Medicare Program in a thoughtful, responsible manner, that is helpful to senior citizens. At the same time we must put downward pressure on prescription drug prices. Both approaches are necessary.

I ask the Senator from Michigan if it is not the case that although we had 52 votes and the Senate has already said, yes, let us do it, a minority can block it? The question is, over the next 48 hours, Will a minority in the Senate block the majority's efforts to pass this bill? Is that not where we stand at this point?

Ms. STABENOW. That is exactly where we stand. My friend from North Dakota is correct. That is exactly where we stand. The question is, Will the minority be able to block what the majority of people want to have happen?

Turning back and asking my friend a question as well, I want to say for those who are watching today, there is a way to express yourself. We certainly hope you will engage with your Senator. You can also go to fairdrugprices.org and be part of an online petition drive urging the Senate to act, and share your own individual story. We have never had a more important time for people to be involved. We need people now to be involved. There are six drug company lobbyists for every one Member of the Senate, but the majority of the people in this country, regardless of where they live, know that we need action for them now, and that is what this is about.

Since my colleague has been a leader in another important effort, lowering prices for everyone, which is the other piece of the puzzle, we want to make sure Medicare is updated to cover prescriptions for those on Medicare, and that is critical. But for everyone else who is not on Medicare, they also pay too much, and there are a number of efforts we are equally engaged in to get more competition, to lower prices for everyone, and I wonder if I might ask my colleague to speak to that specifically, since we have joined in efforts to open the border to Canada, and other efforts.

I know that the Senator has been very involved in those efforts to create more competition.

Mr. DORGAN. Mr. President, the Senator from Michigan knows that one issue with respect to this bill is adding a prescription drug benefit to the Medicare Program, but that is not the only issue concerning prescription drugs in this country. The other issue is that all Americans who get sick, who have a disease or an illness and who need prescription drugs need to be able to afford and have access to these medicines. Miracle drugs provide no miracles, lifesaving drugs save no lives for those who cannot afford them. So we are trying to find a way to put some downward pressure on prescription drug prices.

The fact is that American people are charged the highest prices in the world for prescription drugs. Virtually everyone else in the world buys the same pill, put in the same bottle, made by the same company, and pays a much lower price. There is no Republican or Democratic way to get sick. There is no Republican version of Celebrex, Zocor, or tamoxifen, and there is no Democratic version of Celebrex, Zocor, or tamoxifen. There is just sickness, medicine, and need.

I want the drug companies to do well. I want them to invest in research, experimentation, and finding drugs. We are doing that in the public sector,

doubling the amount we are spending on the National Institutes of Health searching for cures for these diseases. By the same token, I want what we reap from all this research to be affordable by the American people who need them when they get sick.

Regrettably, what has happened is every year the cost of prescription drugs is going up—18 percent last year, 16 percent the year before, 17 percent the year before that. There is this relentless increase in the cost of prescription drugs, and the fact is a lot of vulnerable people in this country desperately need those drugs and cannot possibly afford them.

Yes, it is important we do a prescription drug benefit in the Medicare Program. Fifty-two Senators have already said yes. The question is, Will a minority block us in the next day or two from getting this done?

We also need to find a way to put downward pressure on prices. One way we have worked on—and the Senator from Michigan has been a leader—is the reimportation of prescription drugs from Canada. The same drug, put in the same bottle, made by the same company, is sold in Canada at a fraction of the cost that the American consumer is charged.

To use one example, someone suffering from breast cancer who needs to take the drug tamoxifen is going to pay \$100 for that which they could buy for \$10 in Canada, the same medicine made by the same company, FDA approved, similar bottle, different price. The U.S. consumer is charged 10 times more than the Canadian consumer. It is wrong, it is unfair, and it ought to stop. These are the things on which we are working.

Ms. STABENOW. Absolutely.

Mr. DORGAN. We do not have perfect solutions, but we must in the next day or two make progress to get this bill completed so that we can go to conference with the House and make prescription drugs available to senior citizens, especially in the Medicare Program, and also begin to find a way to bring prescription drug prices down for all of us.

I appreciate the work the Senator from Michigan has done. She has done in her leadership position a lot of work on this issue, and I deeply appreciate it.

Ms. STABENOW. I thank my colleague from North Dakota.

To support the comments of the Senator from North Dakota, it is so frustrating to look at what is happening, and I think so unfair for consumers in the United States, taxpayers, and ratepayers. People say: How can this happen?

The reality is that today, while the companies say, oh, no, they cannot possibly lower prices at all because they would have to cut research, we know today that they spend two and a half times more on advertising, marketing, and administration than they do on research. When we look at the

numbers for last year, the top companies' profits were three times more than they spent on research. This is not about research. We all are for research and, as my friend from North Dakota indicated, we as taxpayers fund research. This year we will contribute over \$23 billion to basic research. I support that. I support doing more than that. It is an important investment.

After we do that, the companies take the basic information and see if they can develop new lifesaving medicine. That is great. However, we give tax deductions for research, as well as advertising and other costs of doing business. When they get to the point where they actually have a new drug, we give them a patent of up to 20 years to protect their competitive edge, their brand name, so they can recover their research costs.

We know it costs a lot of money to develop a lifesaving drug. We want to make sure it is a good investment and they can recover their costs. The problem is, we get done with all of this and what do we have? The highest prices in the world—higher than anyone else. If you are uninsured and using medications—which is primarily the seniors of this country—and you walk into your pharmacy, you get the great pleasure and honor of paying the absolutely highest prices in the world. That is outrageous. That is what we are trying to fix, both by making sure the health care system works with medications through Medicare, and also making sure that we have greater competition, that we address the outrageous spiraling prices and we can bring those down for everyone. That is the point of the debate.

We made some progress through amendments last week on cost containment. Yesterday we had an important debate on Medicare coverage. The question now is whether or not we will be able to get this done on behalf of the American people. I am hopeful we will be able to do that.

I am happy to yield to my friend.

Mr. DORGAN. Some say, when you talk of prescription drug prices, let the market decide. There is, after all, an open, free market; let the market decide.

Is it not the case that there is no free market for prescription drugs in this country? There are price controls in the United States but the prices are controlled by the pharmaceutical industry, and they like that. I understand that. Most other countries have price controls in which the governing authority sets the price, including profit, and the drug manufactures market those drugs in those countries under those conditions.

In this country, there are no such limitations. So in this country, you can charge whatever you like. The problem is, what if you charge too much for tamoxifen? What if you charge 10 times more than you should for tamoxifen, and they can actually buy it for one-tenth the price in Win-

nipeg, Canada? What prevents the consumer from voting with their feet and going to Canada? What prevents it is a perversion of the free market, and that is a law that says the pharmacist at the Main Street drugstore, the distributor cannot access drugs and bring them back.

There is a law that creates an artificial barrier against the free market working. When we try to change that, people say they are worried about bioterrorism, poppy seeds in Afghanistan, or they are worried the Moon is made of blue cheese—the most Byzantine arguments I have heard since I have been in the Senate.

Is it not the case that to say let the market decide, the free market is not a free market with respect to drug pricing in the United States?

Ms. STABENOW. The Senator is absolutely correct. There is not a free market. There are barriers placed in the way from real competition, real trade across the border, and there are ways now that the companies stop competition—buying up generic companies and blocking other competition.

I say in conclusion, unfortunately, we cannot just say, let the free market prevail. We are not talking about optional products. We are not talking about a family saying, we cannot afford a new car this year, we will wait; we cannot afford a pair of new tennis shoes or lawn equipment. We are talking about lifesaving medicine. Sometimes when people have to wait, they do not survive. This is different. We have to be serious about the difference.

I urge my colleagues to come together and get something done.

The ACTING PRESIDENT pro tempore. The Senator from Texas.

EMERGENCY SUPPLEMENTAL APPROPRIATIONS

Mrs. HUTCHISON. Mr. President, I rise today to speak in favor of the emergency supplemental appropriations bill on which we will be voting at about 1:30 this afternoon. It is high time we pass this bill. The President asked for emergency appropriations to fund the Department of Defense and the war on terrorism about 4 months ago. It is critical. It contains \$14 billion to fund the war on terrorism. With the cost of antiterrorist operations in Afghanistan and elsewhere exceeding \$2 billion per month, these funds are certainly needed.

Because Congress has taken so long to produce this bill, the Pentagon has already reached into \$3 billion worth of funds budgeted for ongoing activities in the fourth quarter of the current fiscal year.

Last week, the Pentagon's comptroller warned of dire consequences if Congress did not provide the funds soon. He said the Department would have to suspend ship deployments and aircraft training operations for units that are not forward deployed, with the result that many units would no longer