

education, and research programs. The report also presents an inventory of all such programs, indicating the legal authority for each program and the amount of funding in the last 2 fiscal years.

GEORGE W. BUSH.  
THE WHITE HOUSE, June 12, 2003.

#### FATHER'S DAY 2003

(Ms. CARSON of Indiana asked and was given permission to address the House for 1 minute.)

Ms. CARSON of Indiana. Mr. Speaker, Sunday, June 15 is Father's Day in America. Children and families will give tribute to men who are wonderful, caring parents. According to the 2000 census, there were 27 million fathers who had children under the age of 18 in their households in the year 2000. According to the National Fatherhood Initiative, an estimated 25 million children live absent from their biological fathers, up from under 10 million in 1960. Of the children under 18 in the United States, 66 percent lived with both parents and 5 percent lived with only their father in 2000.

All fathers can be important contributors to the well-being of their children. Kristin Clark Taylor, author of "Black Fathers, A Call for Healing," in her introduction writes:

"We are in need of our fathers. Our stomachs are growling, hungry for their presence. Our throats are parched, thirsty for the moment, the minute, the second that they walk back into our lives and bring smiles."

I encourage, Mr. Speaker, the fathers across this land to do all that they can do to be with their children, not just for a Sunday holiday but to be a permanent part of their life. To quote Marian Wright Edelman, director of the Children's Defense Fund, "We do not need an \$82 billion bill to correct a \$3.5 billion injustice." Fathers are struggling to be the best dad for the most part.

I salute Father's Day 2003 and fatherhood. I call upon the Congress to do what they can do to help the fathers, fatherhood and the wannabe fathers through responsible child tax credit legislation.

Happy Father's Day.

#### SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 2003, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. DEFAZIO) is recognized for 5 minutes.

(Mr. DEFAZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gen-

tleman from Texas (Mr. CULBERSON) is recognized for 5 minutes.

(Mr. CULBERSON addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. BROWN) is recognized for 5 minutes.

(Mr. BROWN of Ohio addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

#### EXCHANGE OF SPECIAL ORDER TIME

Ms. WOOLSEY. Mr. Speaker, I ask unanimous consent to give my Special Order at this time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

#### CHILD TAX CREDIT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Ms. WOOLSEY) is recognized for 5 minutes.

Ms. WOOLSEY. Mr. Speaker, today's vote on the Republican child tax credit bill was a squandered opportunity, a squandered opportunity to invest in our children and their families. We missed the chance to pass legislation that would immediately grant our Nation's hardworking families an increased child tax credit. The families I am talking about are those with dedicated workers that put in full-time hours at a low wage, pay taxes, and earn less than \$26,000 a year. It is unfortunate that Republicans believe these forgotten children and families do not contribute enough to deserve a break. Their actions today left me no doubt that their priorities are dead wrong.

Why could the House Republican leadership not follow the other body and bring a clean child tax credit bill before us today? According to a colleague on the other side of the aisle, "If we're going to do it, we should get something in exchange. If we give people a tax break that don't pay taxes, it's really welfare."

Mr. Speaker, these families are not on welfare. They do pay taxes. They are not seeking welfare. They are seeking the same acknowledgment for their hard work as the rich received in the Republican tax package earlier, and they deserve tax relief now. This supposed party of compassionate conservatism has exploited the child tax credit issue to pass even more tax cuts for their wealthy friends. Rather than bringing up a child tax credit bill costing \$3.5 billion with full offsets, which means fully paid for, they passed a bill that costs over \$80 billion with no offsets, totally unpaid for, at a time when America's Federal deficit will exceed \$400 billion.

Our priority should be to put money in the hands of working Americans while keeping our fiscal house in order. That way we can create jobs and build a strong economy. If we do not help our children now, I ask you, when will we? How can we ever expect to strengthen our Nation in the future when we ignore our children, 25 percent of our population, 100 percent of our future?

Mr. Speaker, the House Republican leadership failed our children today. They failed working families. The other body handed us a bill that would have increased tax credits for 6.5 million tax-paying families. The President, after hearing from the public and getting the pressure from the majority of the people in this Nation, actually came out in strong support of this cleaner legislation. He supported what the other body passed 94 to 2. But the bill passed today will not address the real needs of this Nation's hardworking, low-wage-earning families in the same way at all.

Mr. Speaker, it is time to restore true compassion for our Nation's working families rather than our Nation's millionaires. Our families need to know that we have not forgotten them. They are the core, they are the engine, they are what makes this Nation work, and we cannot forget them.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BURTON) is recognized for 5 minutes.

(Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

#### EXCHANGE OF SPECIAL ORDER TIME

Mr. GUTKNECHT. Mr. Speaker, I ask unanimous consent to claim the time of the gentleman from Indiana (Mr. BURTON).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

#### ADDRESSING THE HIGH COST OF PRESCRIPTION DRUGS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. GUTKNECHT) is recognized for 5 minutes.

Mr. GUTKNECHT. Mr. Speaker, I rise again tonight to talk about the high cost that Americans pay for prescription drugs. I am so lucky. Today I got to spend a good part of my day with a true American hero. Her name is Kate Stahl. For Members who have not seen it, I recommend, and I will submit for the RECORD, a copy of last week's U.S. News and World Report; and they did a story, the title of which is "Health on the Border, Elderly Americans head north and south to find drugs they can afford."

Featured in the story is this American hero. Her name is Kate Stahl. She is an 84-year-old grandmother. She was here in Washington today. She wore a little sign. It just said, "Kate Stahl, Old Woman." In my opinion, Kate Stahl is an American hero, and she is a patriot. She stands on the shoulders of great patriots like the Sons of Liberty who threw tea in Boston Harbor, because she has said in this article, and I will quote, "I'd like nothing better than to be thrown in jail."

Kate Stahl has thrown herself into this fight for lower prescription drug prices. She calls herself a drug runner. She goes to Canada regularly to bring back prescription drugs for her friends and neighbors who cannot afford them. She is a patriot. Recently, the Kaiser Foundation did a study. They found that 29 percent of seniors say that they have had prescriptions that have gone unfilled because they could not afford them. I do not say shame on the pharmaceutical industry. Shame on us. Because we have the power to change it. The reason that we pay so much, and no one disputes this, and they have charts in here and comparisons of what people pay in Canada, Mexico and in Europe. No one disputes the charts. The numbers are always the same. America, the world's best market for prescription drugs, pays the world's highest prices. No one disputes that.

But the question is why. The answer I think is pretty simple. Because we are a captive market. Because the FDA has literally said that Americans, unlike most other people in the world, cannot take drugs across the border.

I am a Republican, and I happen to believe that there is nothing wrong with the word "profit." But, ladies and gentlemen, there is something wrong with the word "profiteer." They have every right to expect a reasonable rate of return on their investment and their research, but they should not get it all from American consumers like Kate Stahl. Kate Stahl, is she a common criminal? I do not think so. But our own government treats her like a common criminal. In the end, we are going to have a debate in the next several weeks about prescription drugs; and in the end every one of us is going to have to decide, will we stand with those brave patriots like Kate Stahl or will we stand with the huge pharmaceutical industry? I hope we make the right choice.

[From U.S. News & World Report, June 9, 2003]

#### HEALTH ON THE BORDER

#### ELDERLY AMERICANS HEAD NORTH AND SOUTH TO FIND DRUGS THEY CAN AFFORD

(By Susan Brink)

It's become something of a joke along the Maine-Canada border. So many busloads of retired people crisscross the line looking for affordable drugs that the roadside stands should advertise, "Lobsters. Blueberries. Lipitor. Coumadin." Except, of course, that such a market in prescription drugs would be illegal.

These senior long-distance shopping sprees fall in a legal gray zone. But as long as peo-

ple cross the border with prescriptions from a physician and have them filled for no more than a three-month supply for personal use, customs and other federal officials leave them alone. The trip might be tiring, but people can save an average of 60 percent on the cost of their prescription drugs. For some, that's the difference between taking the drugs or doing without. "The last bus trip I was on six months ago had 25 seniors," says Chellie Pingree, former Maine state senator and now president of Common Cause. "Those 25 people saved \$19,000 on their supplies of drugs." Pingree sponsored a bill known as Maine Rx, which authorizes a discounted price on drugs for Maine residents who lack insurance coverage. The law was challenged by drug companies but recently upheld by the U.S. Supreme Court. It hasn't yet taken effect.

For years, field trips of senior citizens who live near the borders have been organized to roll north to Canada and south to Mexico. People in the middle of the country sometimes found, if their prescription drug costs were especially high, that they could save money on medications even if they flew to Europe. The Internet has made it even easier for people to fill their prescriptions from mail-order pharmacies.

Figuring out ways to spend less on prescription drugs has become a multi-faceted national movement of consumers, largely senior citizens. The prescription drug bill in America is \$160 billion annually, and people over 65 fill five times as many prescriptions as working Americans on average. "But they do it on health benefits that are half as good and on incomes that are half as large," says Richard Evans, senior analyst at Sanford C. Bernstein, an investment research firm. What's more, seniors account for 20 percent of the voting public.

Face-off. It's little wonder that the May 19 Supreme Court ruling got the attention of drug manufacturers and politicians across the country. The often-over-looked state of 1.3 million tucked in the northeast corner of the country became David to the pharmaceutical industry's Goliath. The face-off began three years ago when state legislators like Pingree began questioning why Maine's elderly population had to take all those bus trips.

Americans who are elderly and uninsured pay the world's highest prices for prescription drugs. That's because they buy their drugs individually, without the bulk bargaining power of an insurance company or the federal government. Other industrialized countries, like Canada, France, Germany, and Japan, have national healthcare systems and can use the bargaining power of their entire populations to negotiate drug prices and set limits on how much drug manufacturers can charge.

Though Congress has been debating a prescription drug plan for years, seniors today still have no drug coverage under Medicare. The Maine plan does not provide a drug benefit. Seniors and the uninsured would still purchase their own medicines, but the plan helps them get a discounted price on drugs similar to that available to Medicaid recipients, in effect bringing hundreds of thousands of individual (and powerless) consumers into a powerful negotiating block.

Teaming the elderly and uninsured with Medicaid recipients gives them bargaining power they've never had before. Drug manufacturers are required to give Medicaid a discount of about 15 percent below the list price or match the lowest price on the market. That creates an incentive to keep the market price as high as possible, says Katharine Greider, author of *The Big Fix: How the Pharmaceutical Industry Rips Off American Consumers*. But most consumers don't no-

tice the high drug prices, because with health insurance they only pay a small co-payment. Only those lacking prescription drug coverage—including many elderly—end up paying full retail price for drugs.

The law's leverage disturbs the drug industry. It would create formulary, or list of preferred drugs, for this block of patients, similar to those used by many managed-care organizations. If a manufacturer did not lower its prices, it would not be on the state's formulary. Drug companies oppose the law as a quality-of-care issue. "Under Maine's program, government officials, rather than doctors and patients, would effectively decide which medicines will be available for Medicaid and non-Medicaid patients," says a statement from Pharmaceutical Research and Manufacturers of America, the industry's trade organization.

The Maine drug plan was crafted three years ago, and health officials are now refining a draft of the law to send to the Legislature. But the pharmaceutical industry is far from ready to give up the fight. "I don't go to any meetings that don't have five lawyers sitting around the table," says Peter Walsh, acting commissioner of the Maine Department of Human Services. Even when it goes forward, one small New England state's law won't solve the nation's prescription drug crisis.

The greater hope for consumers—and the greater threat to the industry—is the clout of about 18 other states that have filed bills similar to Maine's. "The point at which you get half or more states to do this, it becomes a more and more significant intrusion into the market. And it becomes harder for the pharmaceutical industry to fight back. That's why they had to fight so hard against Maine's law," says Sara Rosenbaum, professor of health-policy law at George Washington University.

Going south. Meanwhile, individual consumers are figuring out their own ways to bypass steep American drug prices. For example, Bill Goff goes to Tijuana, Mexico, four times a year. He flies from his home in Reno, Nev., to San Diego, stays in the Travelodge, rents a car for a day, and crosses the border to visit Carlos Cortez of Farmacia Internacional with a fist-full of prescriptions. He has a host of medical disorders, including rheumatoid arthritis, diabetes, asthma, glaucoma, and osteoporosis. He would spend \$32,000 a year on prescription drugs in the United States, but he has cut his annual cost to \$9,500, even including travel costs. "It's not a matter of saving money. It's a matter of living," says Goff. "If I didn't go to Mexico, I couldn't afford the drugs. I'd be dead."

Others are skipping the travel altogether, some with the help of 84-year-old Kate Stahl. She is not above using the "grandmother" image to further a cause. "I'd like nothing better than to be thrown in jail. People would say, 'Oh, the poor, frail old granny,'" she says with a laugh. "I can be very frail if I have to." Stahl volunteers with the Minnesota Senior Federation, helping people get the forms and information they need to get mail-order prescription from Canada. The plan, called the Canadian Prescription Drug Importation Program (www.mnseniorfed.org), is open to anyone in the United States. But while no one seems ready to throw the likes of Stahl in the slammer, the program's legality is murky.

Though the Food and Drug Administration says it cannot guarantee the safety of imported drugs (even if they're exported from the United States, then reimported, as many are), individuals filling their personal prescriptions are generally left alone. But the agency has sent warning letters to profit-making drugstores in the United States that

help consumers get mail-order prescriptions from Canada, saying that reimporting cheap drugs is a violation of the law and a risk to public health.

Since Stahl and her organization do not profit from their efforts, so far no one has hassled them. Rep. Gil Gutknecht, a Minnesota Republican, is trying to pass legislation that would make it easier for people to get their drugs from Canada or overseas. Laws to that effect have passed twice before, but both times the FDA protested that it could not guarantee the safety of drugs reimported from Canada, and so the law has not taken effect. Still, Gutknecht is not alone in interpreting present laws in a way that allows people to buy personal three-month supplies of drugs overseas without problems.

Cortez has a conference table display of brand-name prescription drugs in his Tijuana office. One by one he holds them up. Pfizer's Lipitor, Eli Lilly's Prozac, Merck's Fosamax. They're not loose pills; they are individually bubble-wrapped within sealed boxes. "We have no doubt that what we're buying is what it is. It comes from world-class labs," he says. And the 30 percent of his customers who are American seem to agree.

He's aware of the irony: a businessman from the developing world profiting on sales to desperate citizens of the wealthiest country on Earth. "It doesn't get more stark than right here. You can see so clearly: Third World," he says, pointing to the roadside squalor in Tijuana, the concrete barriers at dusk crowded with men waiting for night-fall and a risky dash across the border. "First World," he finishes, pointing toward the city of San Diego across the border. "My business thrives on people coming here from the States. But I shouldn't have people thanking me for making it possible for them to survive when they are from a country like the United States."

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. DAVIS) is recognized for 5 minutes.

(Mr. DAVIS of Illinois addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from the District of Columbia (Ms. NORTON) is recognized for 5 minutes.

(Ms. NORTON addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BUYER) is recognized for 5 minutes.

(Mr. BUYER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

#### ORDER OF BUSINESS

Mr. HENSARLING. Mr. Speaker, I ask unanimous consent to give my Special Order now.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

#### LITIGATION REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gen-

tleman from Texas (Mr. HENSARLING) is recognized for 5 minutes.

Mr. HENSARLING. Mr. Speaker, today the House passed landmark legislation in the passage of the Class Action Fairness Act of 2003. Lawsuit abuse is everywhere. It is harming American businesses, consumers, and families.

Mr. Speaker, there is something wrong with our legal system when it is easier to sue a doctor than it is to see a doctor. There is something wrong with our legal system when a plaintiff can be awarded millions of dollars because McDonald's serves hot coffee and not lukewarm coffee. There is something wrong with our legal system when people can sue Kentucky Fried Chicken for their weight gain because they ate too much fried chicken. And, Mr. Speaker, there is definitely something wrong with our legal system when the awards and settlements from class action lawsuits more often than not benefit the trial attorneys and not the purported victims.

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That is right, studies show that over half of all tort liability costs go to trial lawyers and administrative expenses, not the victims, real or imagined. In one egregious example, a Bank of Boston settlement ordered \$8.64 to each class member, but then turned right around and assessed each of those members \$90 in trial lawyer fees.

In a case against Blockbuster, the attorneys took home \$9.25 million in fees, while customers got a \$1-off coupon for future video rentals.

In a suit against Cheerios, the trial lawyers were paid nearly \$2 million in fees, while the customers from the suit received coupons for a free box of cereal.

Mr. Speaker, the examples go on and on and on; millions for trial lawyers, pennies for purported and real victims.

In recent years, State courts have been flooded with interstate class action lawsuits, many without merit. In fact, more than 15 million civil lawsuits were filed in 1999 alone. That is one lawsuit for every 18 people in our country.

Over the last 10 years alone, class action filings in State courts have increased 1,000 percent. That is right, 1,000 percent. Why is this happening? Well, with so many class action suits and so much at stake, most companies are deciding to settle these suits, even if they do not have merit, enriching trial lawyers and giving little or nothing to victims and costing the rest of us dearly.

How does it cost us, Mr. Speaker? The cost of litigation accounts for one-third of the price of an 8-foot aluminum ladder, it doubles the price of a football helmet, it adds \$500 to the sticker price of a new car, and it increases the cost of a pacemaker by \$3,000.

Mr. Speaker, the American people may not realize it, but they are paying

\$1,200 a year more for goods and services because of lawsuit abuse. That is enough to pay a couple of months of day care, purchase a home computer for a child, or buy 9 months of prescription drugs for a senior citizen. That is what each of us is losing.

It costs us in other ways as well. Another survey has found that for fear of product liability, almost half of small businesses have had to withdraw products from the marketplace, and 39 percent decided not to introduce new products. Litigation concerns have led several companies to postpone or cancel promising AIDS vaccines.

Class action lawsuit abuse especially hurts small businesses, because small businesses are often named as defendants in these suits so that the suits can be kept in trial-lawyer-friendly local courts.

These suits cause huge increases in insurance premiums, causing many small businesses to either pay up or go belly up. What a loss, Mr. Speaker, because two out of three jobs in America are created by small business.

Mr. Speaker, we must make the class action process more fair. The Class Action Fairness Act of 2003 will implement several important changes to dramatically improve our judicial system. By expanding Federal jurisdiction for truly multistate lawsuits, the Class Action Fairness Act will reduce the number of frivolous lawsuits and help prevent venue shopping by trial attorneys for favorable rulings. The judicial review and approval process will prohibit courts from awarding larger settlements to plaintiffs based solely on their proximity to the courthouse, and, very, very important, it will provide a much-needed safeguard for plaintiffs from being shortchanged by trial attorneys.

Mr. Speaker, many class action lawsuits are valid, meritorious, and address legitimate grievances by groups of people with similar claims. But the abuse of this legal tool is overwhelming. It is costing us jobs, bankrupting businesses, depleting businesses, and gouging consumers. We must have reform.

#### REPUBLICANS AND SPENDING

The SPEAKER pro tempore (Mr. FRANKS of Arizona). Under a previous order of the House, the gentleman from Texas (Mr. STENHOLM) is recognized for 5 minutes.

Mr. STENHOLM. Mr. Speaker, just yesterday, the Congressional Budget Office projected the Federal Government will end fiscal year 2003 with the largest deficit in the history of our country, more than \$400 billion. The Republican leadership responded to that news by scheduling a vote today on legislation that would add another \$100 billion in debt over the next decade. The Republican leadership claims that we can afford their tax cuts and balance the budget by controlling