

out how this tragedy occurred, and make sure it doesn't happen again. The American people are calling for answers, and we need them urgently. On Friday, the President declared that he wants answers too. I commend him for that, but I am concerned that no matter how well-intentioned he is—the truth will not come out of his Administration.

I am worried that a commission hand-picked by the executive branch, with an agenda and schedule crafted by the executive branch, will be incapable of producing an objective and useful assessment of executive branch failures. It is a fundamental human trait that groups tend to close ranks to shield themselves from scrutiny when they know they have made mistakes. That is why the framers of the Constitution built a system of checks and balances into our great government. The President has the power to veto any law Congress passes, and in return, Congress has a strict duty of oversight over the executive branch and the Agencies.

It would be a gross dereliction of our duties, if Congress sits idly by and assumes that the Administration will take care of this problem. In fact, we have already seen that the President's Commission is getting off on the wrong foot. We are getting reports that it is too broad in scope, and may not yield any answers until next year. That is unacceptable. Our national security depends on reliable intelligence information. Furthermore, the President has stated that we are in a global "War on Terror." we have soldiers on the ground around the world fighting that war. They, their families, and the American people, deserve to know what they are fighting for, and what dangers they may face. We simply don't have months or years to waste before we get around to fixing our intelligence-gathering system. We may be vulnerable now, so we cannot rest until we address this problem.

Congressional leadership should immediately launch a series of full and comprehensive hearings, including Homeland Security, Judiciary, Armed Services, and Intel Committees from both the House and Senate. Within six months, we need to report back to the American people how the Administration could have been so far off the mark on Iraqi weapons. We must learn from that mistake first. After that, we can move on to broader issues.

None of us knows what a real investigation will yield. It will take hard work to fully understand the function of our intelligence gathering agencies, since they are largely secret from the American people, and most Members of Congress. Even simple questions like, "Are we putting enough money into Intel?" is tough to answer since the CIA budget is top secret. I think we need to take a look at that policy. Funding of special programs should obviously be guarded. However, I think maybe the American people should have a general idea of how much we are spending on intelligence gathering, in total. Only then can they decide if they are getting their money's worth.

But more important than the financing is the functionality. Do we have adequate manpower? Do we have reliable data? Are we interpreting that data properly? Have we compromised our analysis by poisoning it with politics and partisanship?

The American people deserve answers. This isn't about politics; it is about prudence.

□ 2045

THE REAL COST OF THE PRESCRIPTION DRUG BILL

The SPEAKER pro tempore (Mr. MARIO DIAZ-BALART of Florida.) Under a previous order of the House, the gentleman from Illinois (Mr. EMANUEL) is recognized for 5 minutes.

Mr. EMANUEL. Mr. Speaker, last week we learned that after extensive debate we were told that the Medicare bill would cost \$400 billion to the taxpayers. We learned that the real number, and known all along, was \$540 billion. Not a single benefit has been accrued to a senior citizen. Not a single prescription drug or reduction in cost has been accrued to a senior citizen, and yet the taxpayers are being asked to foot the bill not for \$400 billion but for \$540 billion.

In the last 2 months since this Congress passed the prescription drug bill, three things have happened. First, the taxpayers have been asked to pay an additional \$140 billion. Second, Mr. Scully, who is over at Health and Human Services and negotiated this bill, got a huge lobbying contract and became a lobbyist. And in today's Wall Street Journal, there was an article about Delphi gets boost in new drug law where they are able to write off \$500 million in costs for health care for their seniors and retirees, and yet not a single new benefit from the Medicare bill. So we have one individual becoming a lobbyist, the taxpayers getting an additional bill of \$140 billion, and corporate America gets to write off more of their health care costs. Not necessarily a bad thing, but seniors have to wait until 2006 to see any benefit at all, if there is one, from this legislation.

That to me is exactly what was wrong with this bill is that we have HMOs and pharmaceutical companies getting huge dollars and huge investments of taxpayer-paid benefits, and no money, no resources towards our senior citizens.

This article talks about Delphi's benefit but Caterpillar, GM, Lucent Technologies, all with a number of their retirees who have health care plans as retirees, will now be able to accelerate the write-off on their bottom line. The Delphi article talks about them being able to accelerate a \$500 million write-off, and yet no new benefit in prescription drug benefit has been delivered to a single senior citizen.

I will say one thing. The pharmaceutical industry, the insurance industry, and other special interests have surely gotten their money's worth out of this Congress, and so I applaud them for their hard work.

A number of my colleagues on the other side always talk about how they would like government to start emulating and working like a business. There was a bipartisan group that talked about how to make the government, and specifically prescription drugs, operate like a business, creating

in Medicare a Sam's Club entity, 41 million seniors would be pulled together, the purchasing power of the seniors. We could save hundreds of billions of dollars by negotiating bulk prices, just like Sam's Club does, just like private insurers do. But the legislation that was passed in this Congress at the behest of the pharmaceutical industry prohibits Medicare from doing what private industry does, what Sam's Club does or private insurance companies do, what even the Veterans Administration does, negotiate on behalf of who they represent, using the leverage power of a quantity of people. In this case it would be 41 million seniors.

Another way of reducing the price and delivering the prescription drugs would be allowing people to buy their drugs in Canada and Europe, again proving we pay 40 percent more here in the United States than anywhere else in the world. People are allowed to use competition in choice to buy their medications. We would have lower prices here in the United States, save our senior citizens dollars and our taxpayers dollars, but both attempts to get the government to operate like a business, to save money, to be more efficient, wring out synergies, has been prevented.

I have found in the last 2 weeks one of the most incredible news on this legislation.

First of all, I believe if we had known the true number and not been lied to or not told the truth or denied the access to the truth, and we had been told that the number was \$540 billion, the legislation never would have passed. But that information was consciously, specifically denied access in the public debate, as has been in the past for cases where the administration has refused to share information. Now we know the true number, and the taxpayers are going to be asked to pay an additional \$140 billion on top of the \$400 billion, and we do not have the money to do it. Yet we are asking them to do it, and not a single benefit.

Mr. Scully, nothing against that, has negotiated himself a wonderful contract to be a lobbyist on the prescription drug benefit, and companies like Delphi will now be eligible to accelerate and write down \$500 million on their taxes, and yet not a single benefit has been given for seniors. Everybody sat here and talked about what we were doing for seniors, and this year the prices of prescription drugs will go up 15 percent. They are projected to go up another 15 to 18 percent the following year, and we have done nothing to affect the price.

After this type of behavior in this Congress and the actions taken by this Congress, I am surprised that anybody wonders why people are cynical about politics. We have done a great job out of this institution, taking care of the special interests. Hopefully we will return and look at this legislation and once again think about how we can

save our seniors money and our taxpayers.

CORPORATE CORRUPTION

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

Ms. WATERS. Mr. Speaker, I rise to express my grave concerns about corporate corruption of the highest order, corruption towards which President Bush and his administration have been utterly indifferent.

Halliburton, the Houston-based energy company formerly led by Vice President DICK CHENEY for 5 years before the 2000 Presidential election, has been giving the shaft to the American people and our brave military personnel stationed in Iraq, and the American people know it. They also know that despite the President's attempt to talk a good game on this issue, the Bush administration will do absolutely nothing about it.

Vice President CHENEY is still on Halliburton's payroll. He received \$205,298 in 2001, \$162,392 in 2002 in deferred salary, and is expected to receive similar amounts in 2003, 2004 and 2005. He also holds 433,000 unexercised Halliburton stock options.

It is deplorable to see corporations gouge the American taxpayers under any circumstances. To watch Halliburton overcharge our government and render inadequate services to our troops in a time of war is totally unconscionable.

The issue of corporate corruption and the Bush administration's willingness to look the other way at conflicts of interest when it would benefit their friends is not a new issue for me. On March 19 of last year, the year that the war in Iraq actually commenced, I circulated a Dear Colleague letter in support of my amendment to the Defense Production Act.

My amendment was designed to ensure that senior-level executives in the Bush administration could not use a conflict with Iraq to obtain financial benefits for companies with which they had been affiliated. Specifically, the amendment would have prohibited contracts under the bill with companies in which high-ranking administration executives were senior managers or members of the board of directors within the last 4 years.

At the time, I noted that there was a considerable amount of suspicion of the motives of this administration in pursuing a war against Iraq, and I expressed my concern about the importance of avoiding both actual and perceived conflicts of interest at a time when the administration's decisions about war and peace would be affecting so many.

My amendment failed. I offered similar amendments on several other occasions which were also unsuccessful.

Unfortunately, my concerns about Halliburton have proven to be all too

accurate. Look at what has happened in Iraq.

Halliburton was the beneficiary of no-bid contracts, which have served as the vehicle for war profiteering, such as the contracts that Kellogg Brown & Root, the Halliburton subsidiary, received to control Iraq oil well fires resulting from military action.

In the limited time available to me this evening, I want to look briefly at three issues: Halliburton's inflated oil supply contracts, the kickback scheme to which the company recently admitted, and the outrageous overcharges on its food supply contracts for our troops in Iraq.

Halliburton's inflated oil supply contracts. As my colleagues the gentleman from California (Mr. WAXMAN) and the gentleman from Michigan (Mr. DINGELL) have so ably demonstrated, the United States government paid the Halliburton company an average of \$2.64 a gallon to import gasoline and other fuel to Iraq from Kuwait, more than twice what others were paying to truck in Kuwait fuel. Halliburton, which has the exclusive United States contract to import fuel to Iraq, subcontracted the work to a Kuwaiti firm, government officials said, but Halliburton gets 26 cents a gallon for its overhead and fee, according to the documents from the Army Corps of Engineers.

Simply put, Halliburton was inflating gasoline prices at a great cost to American taxpayers. In October 2003, when Democrats first raised questions, it was estimated that Halliburton was charging the United States Government and Iraq's Oil for Food Program an average of about \$1.60 a gallon for fuel available for 71 cents wholesale.

A breakdown of fuel costs, contained in Army Corps documents, recently provided the Democratic congressional investigators, and shared with the New York Times late last year, showed that Halliburton is charging \$2.64 for a gallon of fuel it imports from Kuwait and \$1.24 per gallon for fuel from Turkey.

The oil price gouging is just the first of many Halliburton misdeeds that give rise to grave concern. Consider the recent allegations concerning Halliburton's food supply contracts.

Corruption. Halliburton charges for food it did not serve. The February 2, 2004, Wall Street Journal reported that, according to Pentagon investigators, "Halliburton company allegedly overcharged more than \$16 million for meals at a single U.S. military base in Kuwait during the first 7 months of last year." The revelations have "spurred an expansion of an already widening inquiry into Halliburton's government work in Iraq."

Apparently, a Saudi subcontractor, hired by the Halliburton subsidiary KBR, billed for 42,042 meals a day on average. But guess what? They only served 14,053 meals a day. The Pentagon will now review 50 other dining facilities in Kuwait and Iraq for meal-billing discrepancies.

This announcement comes just weeks after Halliburton reimbursed the Pentagon \$6.3 million after disclosing that two employees had taken substantial kickbacks from a Kuwaiti subcontractor.

I do not have time to finish all of this tonight, but there is more to come, more to come. We are going to learn more about DICK CHENEY, the Vice President of the United States, and his company ripping off the American taxpayers.

QUESTIONABLE ACTIVITIES DURING AND AFTER MEDICARE PRESCRIPTION DRUG LEGISLATION PASSED THE HOUSE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 2003, the gentleman from New Jersey (Mr. PALLONE) is recognized for 60 minutes as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, tonight I would like to highlight several questionable activities during and after the Medicare prescription drug legislation passed the House of Representatives last year, and there is no doubt that this legislation, which passed here in the House after the Republican majority kept the vote open more than 3 hours in order to get the results they want, and it would be one thing, Mr. Speaker, if the result were beneficial to seniors who desperately need prescription drug coverage within the Medicare system; however, that is simply not the case.

The prescription drug legislation is a perfect example of how the Republican majority has turned the people's House of Representatives over to the special interests and the wealthy elite. Seniors should not be forced or, I should say, be fooled into believing that this Medicare legislation was written for their benefit. How could it have been considering Republicans forcing seniors to actually get the prescription drug benefits out of Medicare?

□ 2100

The bill also provides a minuscule benefit, considering that seniors with \$1,000 in annual prescription drug costs would pay \$857 out of their own pockets and those seniors with prescription drug costs of \$5,000 per year would be forced to pay \$3,920. What kind of a benefit is that if seniors are not getting the money? Where is the more than \$500 billion that now the President and the White House says that this Medicare prescription drug so-called benefit is going to cost the Federal Government? Where is the money going?

The answer, Mr. Speaker, is to the special interests. Republicans did not write this bill to help the seniors; instead, they wrote it to benefit insurance companies and the pharmaceutical companies.

Now, I could talk all night about why this bill is bad and how it is not helpful