

over the course of this week. That intelligence reform is now out of committee and ready to be brought to the floor, or will be shortly after the appropriate paperwork and processing is done. The intent would be to go to that Monday as the next order of business. That is why we really need, as leadership from both sides of the aisle, to have people focused on the immediate business before us, in an orderly, systematic way, so we can turn our attention on the floor to the report that has come out of the Governmental Affairs Committee as it deals with intelligence.

With that, Mr. President, I yield the floor.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. The Democratic leader is recognized.

ORDER OF PROCEDURE

Mr. DASCHLE. Mr. President, I ask unanimous consent that when we move to morning business Senator KENNEDY have the first 15 minutes of the time allotted to the Democratic caucus.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SPEECH OF PRIME MINISTER ALLAWI

Mr. DASCHLE. Mr. President, I share the view of the majority leader that we have just experienced a historic moment. Prime Minister Allawi spoke for all of us as he expressed the hope and vision for democracy in his country. His speech was eloquent, and I believe it was a stirring reminder of the importance that we all must place on the ongoing effort to ensure that the people of Iraq have an opportunity to experience democracy for the first time in their history.

I ask unanimous consent that the speech be made a part of the RECORD.

(The speech is printed in today's RECORD of the House Proceedings at page H7446.)

COMPLETING SENATE BUSINESS

Mr. DASCHLE. Mr. President, I also note the interest of leadership on both sides in following through with what the majority leader has just described. I think it is important for us to complete the work on the tax bill this morning, or this afternoon at the latest. I have no indication there is an objection to bringing up the conference report. I hope we could have a short period for deliberation and a vote.

We would be prepared to move to the Foreign Operations bill with or without an agreement. There is no opposition to moving to the bill on our side. Again, it provides an opportunity to

complete yet one more appropriations bill this week.

So I am hopeful we can complete our work on time. I would hope we could do so this afternoon. I do think that in respect for the Jewish holiday it is important for us to complete our work to allow Senators the opportunity to travel tomorrow.

Next week, we look forward to the debate on the legislation passed out of the Governmental Affairs Committee regarding recommendations from the 9/11 Commission. Again, as I have said several times this week, I think that our two leaders, Senators COLLINS and LIEBERMAN, have done an outstanding job. I would hope that the spirit of bipartisanship that was so clearly on display during those deliberations could be achieved in equal form here on the Senate floor next week and, I might say, as we go to conference.

I heard some disconcerting news this morning that there are some in the House of Representatives who may want to insert in this legislation extremely divisive and counterproductive language having to do with expansion of the PATRIOT Act. Whether we ought to expand the PATRIOT Act is certainly a matter for debate, but if we are going to maintain that kind of bipartisan spirit, provisions such as those could be extraordinarily counterproductive. I think we need to be very concerned as we complete our work that we do so in as broad a bipartisan fashion as was demonstrated in the Governmental Affairs Committee.

NEED TO VOTE ON REIMPORTATION

Mr. DASCHLE. Mr. President, we have just two short weeks before the Senate is scheduled to adjourn. Regrettably, this Congress seems on track to be remembered for all the different challenges it failed to confront.

Forty-five million Americans lack health insurance, and this Congress has done nothing to lower the cost of health care. Medicare premiums are set to rise 17 percent next year, and yet this Congress has done nothing to keep these increases from eating into seniors' Social Security benefits. Eight million Americans are out of work, and we have let a jobs bill that would stop the flow of American jobs overseas languish on the shelf.

America deserves better.

Today I want to talk specifically about an issue that has strong bipartisan support, is vitally important to millions of Americans, and one that we felt the majority leader was committed to considering. I am talking, of course, about the price of prescription drugs.

Each year, the cost of prescription drugs outpaces inflation and moves further out of reach for far too many Americans. This is particularly tough on seniors, many of whom are living on fixed incomes. The AARP revealed last week that during the first quarter of 2004, drug prices rose more than three-

and-a-half times the rate of inflation, and there is no end in sight.

The typical senior will pay \$191 more for their drugs this year than they did in 2003. This has sent a lot of seniors looking for solutions, and many are looking to Canada.

Recently, a man in the town of Mitchell, SD contacted my office with a question: Was the prescription drug card he was considering better than the savings he was getting in Canada? The answer is that it wasn't. He and his wife were saving 50 percent when they got their drugs from Canada, much more of a benefit than they would get from the drug card.

His doctor told him what he was doing was safe; his wife's quilting group was very excited about the savings they could get. There was only one problem: they were afraid what they were doing was illegal. Technically, what they wanted to do—purchase in Canada the same, safe, doctor-prescribed and FDA approved drugs that they would get in America—is illegal. And the only reason that it is illegal is because there are those who would put the profits of drug companies over the needs of America's seniors. That needs to change.

The drug companies and their friends in Congress have tried to stop straightforward reforms by making the issue of health care appear complicated or even dangerous. The White House tells us that reimportation wouldn't be safe. But just the other day, an executive from Pfizer said it was "outright derogatory" to suggest that reimportation wasn't safe. These are the same drugs, manufactured to the same safety standards.

What is not safe is when seniors skip doses or split pills because they can't afford their full prescription. That is the real safety issue.

There is not mystery to bringing down drug costs. You don't need a PhD in economics. You just need common sense. If two stores offer the exact same product, you save money if you buy it from the store that is selling it for less.

It works the same for medicine. Drug companies charge American consumers the highest prices in the world. Some medicines cost American patients five times more than they cost patients in other countries.

By giving Americans the freedom to find the best price, we can lower the cost of prescription drugs for all Americans. This isn't a Republican solution or a Democratic solution. It is a common-sense solution.

What doesn't make sense is why we haven't done this already. In March, the Republican leader said that we would begin a process of "developing proposals to allow for the safe reimportation of FDA-approved prescription drugs." But, the Republican leader was quoted as saying it was doubtful that we would have the opportunity to vote on prescription drug reimportation legislation.

A number of us have sent a letter asking the Republican Leader to reconsider his position and allow us to vote on our legislation legalizing reimportation before the Senate adjourns.

This problem isn't going to go away if we ignore it. It has gotten worse for the past decade, and it will keep getting worse until we act. Tomorrow, hundreds of seniors will gather outside the Capitol to make their voices heard on this issue. Those voices must also be heard inside the Capitol as well.

It is time we make the statement that the pocketbooks of Americans are more important than the profits of big drug companies. It is time the Senate got a chance to provide seniors real, meaningful relief from high drug costs.

I yield the floor.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will be a period for the transaction of morning business for up to 30 minutes, with the first 15 minutes under the control of the Democratic leader or his designee, and the final 15 minutes under the control of the majority leader or his designee.

The Senator from Massachusetts.

WELCOMING PRIME MINISTER ALLAWI

Mr. KENNEDY. Mr. President, if the Chair would let me know when 13 minutes have expired, I would appreciate it.

First, I want to join with others in expressing a welcome for the comments of Prime Minister Allawi which we just heard in the House Chamber in the joint meeting. His challenge in governing and stabilizing Iraq is enormous. I believe that challenge has been made far more difficult by the continuing mistakes and persistent miscalculations of the Bush administration. Our policies are failing. We need to correct our course in order to stay the course, guarantee success, and bring our troops home with dignity and honor.

HEALTH CARE

Mr. KENNEDY. Few if any issues are more important to American families than health care—and in few areas has this Administration failed more dismally. Its record is marked by inattention, incompetence, and outright deception. And because its record is so weak, its campaign strategy is based on false attacks on JOHN KERRY's plan.

The Administration's failures have been especially damaging for senior citizens and Medicare. Today's seniors

built our country. They stood by it through World War II and the Cold War, through good economic times and bad. Medicare is a commitment to stand by them, to guarantee the affordable health care they need in their retirement.

As George Bush said in his acceptance speech to the Republican convention on September 2, "we have a moral responsibility to honor America's seniors." He's right about that—but senior citizens know that on Medicare, George Bush may say the right words, but he constantly does the wrong things.

The Medicare crisis gets worse every day for our seniors. The Administration's Medicare bill was passed by Congress, but only after the Administration concealed its true cost—and broke the law in the process. Now they are at it again. As the Washington Post reported last Sunday, the Administration concealed internal estimates showing that the cost of the bill is even higher—\$42 billion higher—than they admitted in January.

Last week we learned that the Administration has suppressed estimates showing that Medicare cost sharing and premiums will eat up more than 40 percent of the total Social Security benefit of the typical 85 year old. Three weeks ago, the Bush Administration announced the highest premium increase in Medicare's entire history.

That's the Bush doubletalk in action. Pledge to honor our senior citizens on September 2, impose the highest Medicare premium increase in history on September 3, hide the truth about the erosion of Medicare on September 14, and suppress yet another estimate of the cost of the Medicare bill on September 19. And that's just in the last three weeks. If George Bush gets four more years, senior citizens will fare even worse.

The basic problem with George Bush on Medicare is that he puts the interests of drug companies and HMOs first and the needs of senior citizens last. The Medicare bill forces 15 million senior citizens to pay more for their prescription drugs than they do today. It causes 3 million retirees to lose their good retirement coverage. It forces 6 million of the poorest of the poor—the elderly and disabled under Medicaid—to pay more out of pocket for their prescription drugs. It requires 6 million senior citizens to pay more in premiums than they will get back in benefits. Its high deductibles, high premiums and huge coverage gaps leave large numbers of senior citizens unable to pay their drug bills.

The Administration's Medicare bill also prohibits safe drug imports from Canada, so that drug companies can continue to gouge Americans, while citizens of Canada are able to buy the same drugs at half the price. The bill prohibits Medicare from negotiating drug discounts so that senior citizens can get fairer prices. The bill gives drug companies \$139 billion in windfall profits. It gives HMO's \$46 billion in

unfair subsidies, instead of using those funds for a decent drug benefit or to keep premiums at affordable levels.

Every major company and every major health plan in America negotiates prices for drugs. The Veterans Administration does it to see that veterans pay fair prices for the drugs they take. But when it comes to using the negotiating power of Medicare, the Bush Medicare bill says, "Oh, no—not for senior citizens."

George Bush must think the CEOs of the drug companies need senior citizens' money more than senior citizens do. Senior citizens are living on fixed incomes—and his Medicare bill is a fix to give away millions to drug industry CEOs.

Not only does the Bush Medicare bill block imports of drugs at fair prices, the Bush Administration and the Republican Congress won't even allow a vote on bipartisan legislation to give senior citizens and all other Americans safe access to affordable imported drugs.

President Bush said in Muskegon, Michigan, two weeks ago that he opposed drug imports because he wants to make sure the drugs were safe. Our GOP Senate Majority Leader says he won't allow a vote on the issue in the Senate, because he wants to protect Americans from unsafe drugs.

The safe drug argument is a sham. Our bipartisan bill guarantees safety. The only drugs that can be imported are drugs approved by the FDA and manufactured in FDA approved plants. The fact is that George Bush and the Republican leadership won't allow a Senate debate because they're afraid to defend their position before the full Senate, afraid of the accountability that a Senate vote gives the American people. The real safety issue for George Bush is the safety of the profits of the big drug companies, not the safety of American patients.

According to another revelation in the very last paragraph of last Sunday's Washington Post article, of all the money that the Bush Medicare drug bill lavishes on HMOs, only about 5 percent goes for increased benefits to patients. The rest goes for HMO profits and excess costs.

This Administration has been touting all the wonderful extra benefits for senior citizens who give up their regular Medicare and join a Medicare HMO. That's no justification for the \$1,000 in overpayments that the Medicare trust fund gives to HMOs. If those extra benefits are needed, they should be available to every senior citizen—not just those who join an HMO. But it turns out that the vast majority of that overpayment—according to the Bush Administration's own estimate—doesn't benefit senior citizens at all. It benefits HMO profits.

For this President, when he says "honor senior citizens," he really means honor big drug companies and big HMOs.