

Patrol agents and urging higher staffing levels on the northern border.

Madam Speaker, how many more illegal drugs and weapons will flood across our northern border before the INS finally cleans up its act.

MEDICARE PRESCRIPTION DRUG COVERAGE

The SPEAKER pro tempore (Mrs. MORELLA). Under the Speaker's announced policy of January 19, 1999, the gentleman from Ohio (Mr. BROWN) is recognized during morning hour debates for 5 minutes.

Mr. BROWN of Ohio. Madam Speaker, should the Medicare program offer prescription drug coverage? What good is insurance if it covers the diagnosis, but not the cure. Of course, Medicare should cover prescription drugs.

Why can we not target coverage to just the lowest income seniors? I can think of several reasons why that is a bad idea. First, Medicare endures in this country because every American contributes to it and every American at the age of 65 will benefit from it. A third of all seniors, over 10 million seniors, lack drug coverage; millions more are barely insured; employers are dropping their retiree coverage and private health insurers are cutting back their prescription drug benefits.

This is not an isolated or a status problem that can be solved in a piecemeal fashion. It is broad based and it is getting worse. Whether or not Medicare should cover prescription drugs should not even be a real question. If one believes this Nation benefits from helping seniors live in good health and above poverty, then Medicare should cover prescription drugs. But it is expensive to cover prescription drugs.

Can our government afford it? We are the wealthiest Nation in the world. Our retirees are collectively responsible for our current prosperity. Their security and their well-being resonate across families, communities, and the Nation. We can afford to, and it is in our interests, to provide seniors health coverage that makes sense, and that means providing prescription drug coverage. But we cannot afford to waste tax dollars that otherwise would be used to bolster Medicare's long term solvency. We need to pay fair prices for prescription drugs.

So are the current prices fair? For the sake of argument let us define "fair" in this case as necessary to continue a brisk pace of research and development. Maybe prices are fair, maybe drug companies have no choice but to charge such high prices. But I doubt it. Knowing how much drug companies are investing in marketing, knowing what their profit margins are, knowing what their CEOs and top executives are paid, knowing that any reduction in prices can be largely offset by increases in sales volume, I doubt prescription drug prices need to be that high.

But even if drug makers could justify their revenue requirements, how could

they justify placing such a disproportionate burden on Americans? How can they justify charging Americans two and three and four times what they charge individuals in other industrialized nations. How and why are prescription drugs more expensive here? Because other countries will not tolerate these outrageous prices and because we in this Congress have tolerated them.

We do not negotiate prices; we do not demand that drug manufacturers reduce their prices to reflect the federally funded portion of research and development. We do not make use of the collective purchasing power of 38 million seniors to demand fairly-priced drugs. Instead, we nod our heads knowingly when drug manufacturers warn us that any action we take could stifle research and development. Drug prices can come down in the U.S. without stifling that research and development.

Take the case of medical devices. The Medicare program is the largest purchaser of medical devices in the U.S. Medicare pays discounted prices for medical devices and yet new devices are developed every day. The government funds 40 percent of the R&D in the United States. Sources other than drug companies fund another 10 percent of drug research and development. Drug companies receive huge tax breaks, drug makers pay an effective rate 10 percentage points lower than the average for all major industries. Drug profits are 5 percent higher than any other industry.

In 1998, the CEO of Bristol-Meyers-Squibb was paid \$146 million in salary and benefits. Obviously, a fast way to make money is to charge inflated prices for prescription drugs. It works beautifully for the drug companies, but it does not make it right.

So what do we do about high drug prices? The drug industry says the best way is to make prescription drugs affordable for seniors by enrolling all 38 million in private health insurance plans. That clearly has not worked as we have seen the price of health insurance go up and up and up.

We have other options. I have introduced legislation that would give drug manufacturers a choice. They could either disclose their true costs and work with us to bring the prices down, or they could license their patents to generic drug companies and let the free market, using good old-fashioned competition, bring prices to a more reasonable level.

The gentleman from Maine (Mr. ALLEN) has introduced legislation that would permit seniors to purchase drugs at discounted prices. The gentleman from Vermont (Mr. SANDERS) and the gentleman from Arizona (Mr. BERRY) have introduced legislation that would permit us to import drugs when they are priced less expensively in other countries.

So I ask again, should Medicare provide prescription drug coverage for seniors? The answer is yes. Will it be ex-

pensive? The answer is yes. Is there some way we can make it less expensive? The answer is a resounding yes.

Now, will this Congress add a drug benefit to Medicare this year? I do not know the answer to that. We may not get a chance to vote, or the majority of the Republican leadership may go with yet another stopgap measure rather than taking a logical step in updating the Medicare benefits package.

LEGISLATION TO ALLOW FDA AUTHORITY TO REGULATE TOBACCO

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentleman from California (Mr. WAXMAN) is recognized during morning hour debates for 5 minutes.

Mr. WAXMAN. Madam Speaker, today the Supreme Court recognized that tobacco use is perhaps the most single significant threat to public health in the United States. Unfortunately, the Court also ruled that Congress had not given the Food and Drug Administration explicit authority to regulate tobacco.

We can change that today.

The Republican leadership blocked legislation in the past to give FDA this authority. This afternoon, I will reintroduce a bill that gives FDA explicit authority to regulate tobacco.

The Republican leadership has sole power to bring this bill to the floor this week or next week or next month. But the day has passed to ignore tobacco's deadly toll and the thousands of children who start smoking every day. We cannot look to FDA. We cannot look to the courts. We have the responsibility, and we must act.

Two years ago, I reached a comprehensive agreement with the gentleman from Virginia (Mr. BLILEY), the chairman of the Committee on Commerce, to reduce smoking by children. The Republican leadership must let the House consider tobacco legislation. It is long overdue.

We had hoped the Supreme Court would have allowed the FDA to regulate tobacco on its own. Their decision today by 5 to 4 has sent the issue back to the Congress. It is now our responsibility. We can ignore that responsibility no longer.

With the bill that I will introduce today, it will be very clear that FDA will be able to regulate tobacco as they have chosen to do to stop them from targeting our kids. I call on the Republican leadership to work on a bipartisan basis to give the FDA this authority. We must stop tobacco companies from going after our children at the ages of 12, 13, and 14 to get them to start smoking a product that they know will hook many of them and keep them smoking into adulthood.