

106TH CONGRESS
2D SESSION

H. R. 4764

To require the United States Trade Representative to enter into negotiations to eliminate price controls imposed by certain foreign countries on prescription drugs.

IN THE HOUSE OF REPRESENTATIVES

JUNE 27, 2000

Mr. EWING (for himself, Mr. McCRERY, and Mr. THOMAS) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To require the United States Trade Representative to enter into negotiations to eliminate price controls imposed by certain foreign countries on prescription drugs.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. FINDINGS.**

4 Congress makes the following findings:

5 (1) Americans should have access to the most
6 effective prescription medicines at affordable prices.

7 (2) The United States leads the world in the
8 development of new prescription medicines to help

1 and heal patients in the United States and around
2 the world.

3 (3) Americans pay disproportionately more for
4 many prescription medicines than most of their for-
5 eign counterparts.

6 (4) The use of price controls by foreign govern-
7 ments limits Americans access to prescription medi-
8 cines that can save, prolong, and improve lives by re-
9 quiring American patients to cover a dispropor-
10 tionate cost of pharmaceutical research and develop-
11 ment.

12 (5) The use of foreign price controls on innova-
13 tive medicines disadvantages Americans, distorts
14 trade, and constitutes an unjustifiable, unreasonable,
15 and discriminatory practice that burdens or restricts
16 United States commerce within the meaning of sec-
17 tion 301 of the Trade Act of 1974.

18 **SEC. 2. ACTIONS TO ELIMINATE INEQUITIES IN PHARMA-**
19 **CEUTICAL TRADE.**

20 (a) NEGOTIATIONS.—The United States Trade Rep-
21 resentative, with the advice of and in consultation with
22 the Secretary of Health and Human Services, shall enter
23 into negotiations with the Governments of the other G-
24 8 countries in order to achieve the agreement of those
25 Governments to eliminate price controls on innovative

1 medicines and the unfair trade practices that result from
2 the application of price controls.

3 (b) CONDITIONAL REQUIREMENT FOR ADDITIONAL
4 ACTIONS.—

5 (1) IN GENERAL.—If, within 12 months after
6 the date of enactment of this Act, negotiations under
7 subsection (a) have not achieved the objectives set
8 forth in that subsection, the United States Trade
9 Representative shall submit to Congress rec-
10 ommendations for the most effective measures (in-
11 cluding the effect of imposing measures under the
12 authority of section 301 of the Trade Act of 1974)
13 for eliminating the disparity between the price of
14 prescription drugs in the United States and the
15 price of prescription drugs in the other G–8 coun-
16 tries with the goal of reducing the price of prescrip-
17 tion drugs for United States consumers.

18 (2) MEASURES RECOMMENDED.—The measures
19 recommended under paragraph (1) shall be of a na-
20 ture and amount that fully reflect the economic
21 harm that is inflicted on patients and health care in
22 the United States, and the harm that is inflicted on
23 the United States economy when countries pay the
24 country specific marginal costs of prescription drugs

1 and let the United States cover the research and de-
2 velopment costs of innovative prescription drugs.

3 (3) CONSULTATION WITH FEDERAL TRADE
4 COMMISSION.—In determining the measures to rec-
5 ommend under paragraph (1), the United States
6 Trade Representative shall consult with the Federal
7 Trade Commission and shall also seek the advice
8 of—

9 (A) the United States International Trade
10 Commission regarding the extent of the direct
11 and indirect harm to the United States econ-
12 omy;

13 (B) the Secretary of Health and Human
14 Services regarding the extent of the direct and
15 indirect harm caused to American patients and
16 health care;

17 (C) the relevant private sector advisory
18 committees established under section 135 of the
19 Trade Act of 1974 (19 U.S.C. 2155); and

20 (D) representatives of appropriate inter-
21 ested private sector and other nongovernmental
22 organizations.

23 (c) DEFINITION.—For purposes of this section, the
24 term “G–8 countries” means the group of 8 industrial
25 countries consisting of Canada, France, Germany, Great

- 1 Britain, Italy, Japan, Russia, and the United States es-
- 2 tablished to facilitate economic cooperation.

