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House of Representatives

The House met at 9 a.m.

MORNING HOUR DEBATES

The SPEAKER. Pursuant to the order of the House of January 19, 1999, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to 25 minutes, and each Member except the majority leader, the minority leader or the minority whip limited to 5 minutes, but in no event shall debate continue beyond 9:50 a.m.

The Chair recognizes the gentleman from Oregon (Mr. BLUMENAUER) for 5 minutes.

ELECTION DAY 1999

Mr. BLUMENAUER. Mr. Speaker, today the issue for the 2000 election is being previewed from coast to coast, that experts term a sleeper issue, hidden just below the surface. That issue, Mr. Speaker, is a welcome change from the nasty and sometimes incomprehensible partisan politics that have characterized contemporary campaigns. The issue instead is one that is positive, inclusive, that brings people together rather than driving them apart for partisan advantage. That issue, of course, is related to livable communities.

How do we make our families safe, healthy and economically secure? Here in the Washington, D.C. metropolitan area, we in Congress have been witness just across the river in Northern Virginia to a variety of spirited campaigns. The hot button issues of these campaigns have been transportation, congestion, air pollution, unplanned growth and gun violence.

At the other end of the country, there are a variety of initiatives that are local responses to the State of California's refusal to have planned Statewide growth management in place. Citizens want more control and predictability.

In the State of Colorado, voters are increasingly concerned about the quality of life issues facing metropolitan Denver. This is understandable when we realize that just a couple of years ago, Colorado citizens discovered that the plans for their urbanized metropolitan Denver would sprawl more than a thousand square miles. That is bigger than Los Angeles, San Diego, Sacramento, San Francisco, San Jose and Long Beach combined.

Today with even a modestly pared down growth management approach and voluntary compliance, Denver is facing a significant referendum for both highway construction and, paired with a light rail referendum, both are expected to pass.

In the State of New Jersey, the State-wide Transportation and Local Bridge Bond Act of 1999 will be public question number 1 on Tuesday's ballot. This is coming hard on the heels of Governor Christine Todd Whitman's pronouncement that the theme of her second term as governor would be livable New Jersey. The already-approved open space bond in New Jersey has received strong support from transit and environmental groups. The New Jersey transportation Commissioner James Weinstein has pledged repeatedly that the dollars from this bond measure will be directed towards fixing existing infrastructure and not used to add new sprawl and traffic-inducing projects.

Greg Meyer of the tri-State transportation campaign was quoted as saying, "If you build it, they will come. If you fix it, they will remain. Preserving the transportation we have already got is the means to focus growth in already-developed areas without encouraging sprawl in the fringe. The bond plan follows this principle."

Mr. Speaker, time does not permit me to deal with even the highlights of initiatives in Arizona, Florida, Maine, Maryland, Michigan, Minnesota, Ohio, Pennsylvania, Texas or Washington State.

I do want to note that the State of Wisconsin just enacted the "growing smart" law, which is that State's first comprehensive growth management act. As one who came to Congress dedicated to having the Federal Government promote closer relations promoting livability, being a better partner, I am excited by what we are seeing from coast to coast. It is time for us in Congress to do our part, whether it is making the post office obey local land use laws and zoning codes, having the Federal Government lead by example with GSA or fully funding the Land and Water Conservation Act or reforming the national flood insurance program so that we no longer are subsidizing people who are living where God does not want them.

I am looking forward to seeing the results of today's election and I am excited for the election to come, because I think livability issues will continue to be the issues that Americans care about, and once again the citizens will be leading the political leaders.

END AMERICAN TAX SUBSIDIES FOR DRUG DUMPING

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

Mr. DOGGETT. Mr. Speaker, we have all seen the heartbreaking stories of huddled masses of refugees after a flood or hurricane, a civil war, a natural or manmade disaster, searching for food and water and lost family members. It warms our hearts to hear of international aid efforts, frequently led by America, to provide those in need with the assistance that they require. Congress decided long ago that

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we should reward these outreach efforts through generous tax deductions for property or items that are donated to help those most in need, even if the recipients are at the four corners of our world.

While many of these efforts are truly commendable, like those of the International Red Cross, others simply represent the dumping of worthless products. Under the title, ''In a Wave of Balkan Charity Comes Drug Aid of Little Use,'' the New York Times reported this very summer how camps filled with refugees from Kosovo received anti-smoking inhalers and hemorrhoid treatments instead of much-needed antibiotics.

The Times reported that ''the outpouring of aid from corporate America and elsewhere for more than a million refugees who flooded into Albania and Macedonia during the war was indeed vast and included many badly-needed medicines. But the World Health Organization said about one-third to half of all of the shipments were inappropriate and likely to gather dust in warehouses or be destroyed at government expense.''

Should American taxpayers subsidize the donations of useless pharmaceutical products to foreign countries? I think the question really answers itself, but this practice continues to occur, encouraged by our U.S. tax laws. Normally when a corporation donates property it may deduct its cost to produce the item.

To encourage donations to a charity for needy causes, as is the case for these drugs that are destined for foreign relief, our tax laws permit a corporation to receive twice its basis. That is fine when the drugs are useful, but it is totally unjustified when they are worthless. I am filing legislation today to prevent this abuse of the enhanced charitable deduction for overseas contributions of worthless drugs, and some 50 of my colleagues are joining me in this effort.

A recent study by the Harvard School of Public Health entitled An Assessment of U.S. Pharmaceutical Donations concluded that up to 40 percent of the drugs that are sent abroad were not requested and that about one third had less than a year of usefulness remaining. This is not a new problem. The New England Journal of Medicine had previously described a similar situation surrounding the misery in Bosnia. After analyzing about 30,000 metric tons of drugs and medical materials donated over a 4-year period, the Journal of Medicine study concluded, ''in total, we considered 50 to 60 percent of all the medical supplies donated to Bosnia and Herzegovina to be inappropriate.'' Over one-third of these donations consisted of the dumping of large quantities ''of useless or unusable drugs.'' They even included medicine for leprosy, a disease not found in these countries, and this is a problem not limited to the Balkans. It stretches from Armenia to Papua New Guinea.

Yet our existing law continues to encourage and subsidize such contributions. We should stop this now with straightforward amendments to the Internal Revenue Code. These amendments would include requiring that there be one year of good shelf life remaining as specified by Food and Drug Administration regulations, that drugs be labeled in a manner understandable to foreign health professionals, and that charities assure the drugs that are sent are drugs that are requested and needed by the foreign recipient.

Said one World Health Organization official, ''if you overload people with things that they do not recognize and do not know how to use, you're not helping.'' And indeed to those in need around the world, the dumping of useless drugs is actually worse than no help at all, since such toxic junk must be destroyed by those most in need.

The Journal of Medicine study estimated that the cost of destroying 17,000 tons of inappropriate drug donations in the Balkans reached $34 million. That is $34 million wasted, some of which went to destroy drugs subsidized by American taxpayers that never should have been sent in the first place.

The bill that I am filing today has received the support of the Partnership for Quality Medical Donations, a group consisting of a number of major pharmaceutical companies and international relief agencies.

The provisions of this bill are drawn from the drug donation guidelines of the World Health Organization. These guidelines and this bill incorporate what are really the ''best practices'' of industry at present, but we incorporate these into Federal tax law. Some companies have been singled out for public praise, and rightly so, but U.S. tax laws provide an incentive for foreign dumping that must end. Let us stop rewarding those who have been more interested in obtaining a tax deduction than helping those who are truly in need. Let us stop the tax subsidies for drug dumping.

MICROENTERPRISE DEVELOPMENT, THE TIME HAS COME TO SUPPORT HARD-WORKING AMERICANS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentlewoman from Maryland (Mrs. MORELLA) is recognized during morning hour debates for 3 minutes.

Mrs. MORELLA. Mr. Speaker, this seemed like a good opportunity to call attention of this body to a bill that I think is worthy of consideration and passage. From Bangladesh to Guatemala, one of the most exciting strategies for fighting poverty in developing countries is microenterprise development. For poor women especially, the practice of extending very small loans and improving access to financial services has revolutionized the lives of poor people and the way in which we think about poverty-focused development.

We are now learning that microenterprise development can transform the lives of poor Americans as well. The time has come for us to provide the same support to these hard-working Americans that we have provided so successfully to millions of people around the world.

The program for investment in microentrepreneurs, called the PRIME Act of 1999, which is H.R. 413, sponsored by my colleagues the gentleman from Iowa (Mr. LEACH) and the gentleman from Illinois (Mr. RUSH), and I am a cosponsor, that provides us with an opportunity to do just that.

Unlike developing countries where access to credit is the biggest obstacle to poor entrepreneurs, American entrepreneurs face significant challenges to access the training and the technical assistance that is necessary to navigate the complex American economy. Though poor entrepreneurs may already have a business idea and a willingness to work hard, they may lack the financial and business skills that are necessary to turn a good idea into a sustainable business.

Very often, a little training and technical assistance can be the difference, the difference between success and failure, between food on the table and an evening of hunger. The PRIME Act can be a catalyst for such change. I hope this body will consider it and pass it.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until 10 a.m.

Accordingly (at 9 o'clock and 14 minutes a.m.), the House stood in recess until 10 a.m.

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AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mrs. BIGGERT) at 10 a.m.

PRAYER

The Chaplain, the Reverend James David Ford, D.D., offered the following prayer:

Let us pray using the words of St. Francis:

Lord, make us instruments of Your peace.
Where there is hatred, let us sow love;
where there is injury, pardon;
where there is discord, union;
where there is doubt, faith;
where there is despair, hope;
where there is darkness, light;
where there is sadness, joy.
Grant that we may not so much seek
to be consoled as to console;
to be understood as to understand;
to be loved as to love.
For it is in giving that we receive;
it is in pardoning that we are pardoned; and