windfall a few branded drug companies are receiving because of a drafting error in the Uruguay Round Agreements Act of 1994, which is the bill that implemented the GATT trade treaty.

Conservative estimates indicate that correcting this oversight will save the health care system $2.5 billion, with $281 million of that amount saved by the Federal Government and State governments in Medicaid payments. Unfortunately, the Senate recently defeated by one vote an effort led by Senators CHAFEE, BROWN, and PRYOR that would have corrected this glaring mistake.

Opponents of the Senate amendment want to delay resolution of this issue by holding hearings. However, every day that passes is another day consumers are being denied access to lower-cost generic drugs because of Congress' multibillion dollar drafting error.

Mr. Speaker, my home State of New Jersey is known as the medicine chest of the country. I have long been a supporter of our domestic drug industry, whose products have alleviated so much pain and suffering. Unfortunately, some members of the press and some special interest groups continue to overlook the tremendous amount of good the drug industry does, and instead, are only interested in beating up the industry with tired cliches about greed and avarice. This controversy, which started due to the lack of a technical conforming amendment, plays right into the hands of the industry's critics. The House needs to fix this drafting error soon before long-term damage is done to the reputation of these fine companies, and more importantly, so that the millions of Americans who rely on generic drugs can continue to purchase them at affordable prices.

[From the Washington Post, Dec. 4, 1995]

THE ZANTAC WINDFALL

All for lack of a technical conforming clause in a trade bill, full patent protection for a drug called Zantac will run 19 months beyond its original expiration date. Zantac, used to treat ulcers, is the world's most widely prescribed drug, and its sales in this country run to more than $2 billion a year. The patent extension postpones the date at which generic products can begin to compete with it and pull the price down. That provides a great windfall to Zantac's maker, Glaxo Wellcome Inc.

It's a case study in legislation and high-powered lobbying. When Congress enacted the big Uruguay Round trade bill a year ago, it changed the terms of American patents to a new worldwide standard. The effect was to lengthen existing patents, usually by a year or two. But Congress had heard from companies that were counting on the expiration of competitors' patents. It responded by writing into the trade bill a transitional provision. Any company that had already invested in facilities to manufacture a knock-off, it said, could pay a royalty to the patent-holder and go into production on the patent's original expiration date.

But Congress neglected to add a clause amending a crucial paragraph in the drug laws. The result is that the transitional clause now applies to every industry but drugs. That set off a huge lobbying and public relations war with the generic manufacturers enlisting the support of consumers' organizations and Glaxo Wellcome invoking the sacred inviolability of an American patent.

Mickey Kantor, the president's trade representative, who managed the trade bill for the administration, says that the omission was an error, pure and simple. But it has created a rich benefit for one company in particular. A small band of senators led by David Pryor (D-Ark.) has been trying to right this by enacting the missing clause, but so far it hasn't got far. Glaxo Wellcome and the other defenders of drug patents are winning. Other drugs are also involved, incidentally, although Zantac is by far the most important in financial terms.

Drug prices are a particularly sensitive area of health economics because Medicare does not, in most cases, cover drugs. The money spent on Zantac is only a small fraction of the $80 billion a year that Americans spend on all prescription drugs. Especially for the elderly, the cost of drugs can be a terrifying burden. That makes it doubly difficult to understand why the Senate refuses to do anything about a windfall that, as far as the administration is concerned, is based on nothing more than an error of omission.

DR. MARIE FIELDER HONORED

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 21, 1995

Mr. DELLUMS. Mr. Speaker, it is with pleasure that I rise to honor Dr. Marie Fielder for the work done and the leadership given over more than 30 years. I have known her for more than three decades, and her distinguished accomplishments in the behavioral sciences, her constructive organizational change strategies in school systems and in communities, as well as her towering strength and problem-solving ingenuity have contributed enormously to the goals and objectives of the San Francisco Bay Area and Berkeley community where she resides.

While serving as associate professor of education at the University of California, Dr. Fielder helped the Berkeley Unified School District, its board of education, administrators, teachers, students, parents, and citizens plan very carefully for the desegregation of its public schools. Despite an unsuccessful attempt to recall those particular board members, the city went on to become the first school system in the Nation to desegregate its schools, not by placing the burden only on minority students, but by two-way bussing which shared the responsibility across the city. This effort required enormous planning, building of trust, encouragement of participation, and the sharing of all points of view, and the empowering of parents and community members who had not been as active in the public schools before.

Dr. Fielder's genius in working respectfully with all kinds of people to help empower and enable them to solve their own problems became an inspiration for students in education at the University of California at Berkeley, at San Francisco State College, and at Stanford. Dr. Fielder herself became a role model, who encouraged and nurtured university students to pursue and attain their graduate degrees; and many of them went on to become impressive leaders in their respective careers in the decades which followed. Other campuses which called upon her for her expertise and assistance in multicultural and intergroup relations theory and practice included Oregon State university, Michigan State, the University of Miami, and St. Mary's College.

Similarly, over the decades, school systems across the Nation in at least 10 States have sought her assistance; and she has helped them. Dr. Fielder has shared her wisdom and skill in numerous California school districts; she has helped educators, students, and others learn very important things about themselves and about other human beings. She has been an exemplary public servant, bringing quiet dignity and distinction to every project on which she has worked.

Our local community, as well as our national community, are indeed fortunate in having amongst us the person, the work, and the leadership of Dr. Marie Fielder, and it is with great respect and admiration that I commend her to your attention.

THE TEMPORARY DUTY SUSPENSION ACT

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 21, 1995

Mr. CRANE. Mr. Speaker, today, I am introducing a bill that could prove vital to the health and competitive position of U.S. companies that rely on imported components and raw materials, as well as their workers and communities. Specifically, my bill gives authority to the Department of Commerce to suspend the imposition of antidumping or countervailing duties temporarily on a limited quantity of a particular product needed by the American industry when users are effectively unable to obtain that product from U.S. producers.

Under current laws, antidumping and countervailing duties are imposed on all covered products, even where there is no domestic production. However, imposing such duties on products that cannot be obtained in the United States hurts U.S. manufacturers who must compete globally, but does not reduce injury to any U.S. industry. Current U.S. trade laws simply do not provide adequate redress for American firms that need products subject to orders but cannot obtain them from U.S. producers. Present procedures are operative only in situations in which domestic producers have no intention of ever producing a particular product.

By contrast, my bill would address situations in which a product is only temporarily unavailable—i.e., situations in which the domestic industry is not currently producing a product but may wish to leave open the option of doing so in the future. The bill provides the Department of Commerce with the flexibility to suspend duties temporarily until the domestic industry is able to produce a particular product. The temporary relief will encourage the domestic industry to develop new products since it will enable U.S. downstream users to stay in business in the United States until the U.S. industry begins to manufacture the needed input product—thus assuring that there will be U.S. customers for new products produced by the domestic industry.

This proposal is a substantial departure from the short supply proposal considered by the Ways and Means Committee last year. Last year's proposal was modeled on the short supply provision in the U.S. voluntary steel restraint agreements and limited the discretion to be exercised by Commerce. My proposal is modeled on the temporary duty suspension provision that the European Union included in its antidumping regulation last year.

It increases the degree of flexibility and discretion that Commerce will have in administering a temporary duty suspension provision, thereby responding to Commerce's concern about the burden of administering such a provision. With this increased flexibility and discretion, the proposal should not impose any significant burden on the Department.

My temporary duty suspension provision would not in any way undermine the effectiveness of the antidumping or countervailing duty laws or the protections that these laws afford to U.S. producers and workers. This provision would apply only in situations in which no U.S. producer benefits from the protection of antidumping laws and downstream U.S. producers and their suppliers would be harmed because the product cannot be obtained in the United States.

The current failure of U.S. antidumping and countervailing duty laws to consider domestic availability of products subject to these proceedings continues to hamper the competitiveness of numerous U.S. companies. A large and diverse group of trade associations and companies employing well over 1 million American workers supports including a temporary duty suspension provision such as this one in the trade laws because it gives Commerce the flexibility and control necessary to address changing market conditions.

I look forward to moving this provision forward at the earliest opportunity.

THE ''REAL FRIEND'' OF U.S. EDUCATION

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 21, 1995

Mr. BEREUTER. Mr. Speaker, this Member highly commends to his colleagues the following editorial from the December 13, 1995, edition of the Norfolk Daily News.

[From the Norfolk Daily News, Dec. 13, 1995]

THE ''REAL FRIEND'' OF U.S. EDUCATION

Who is helping education in the United States more?

President Clinton, is resisting Congress' balanced-budget plan, says that federal lawmakers are being too zealous in cutting government education programs. By resisting those cuts, the president said he's making a strong strand for education.

Members of Congress, on the other hand, say their budget plan does much more for education in the United States by providing all American families with a $500-per-child tax credit—even if some current government education programs are reduced in scope.

So, who's right?

We'll side with Congress on this one.

Consider this. If an average American family saved the entire $500-per-child tax credit for a period of 18 years and invested it, that same family would be able to accumulate an amount of money equal to what $14,000 buys today. That's a long way toward paying the cost of education at a public university.

Or, that same American family would be able to use the tax credit to pay a portion of tuition at a typical private elementary school.

What's more, Congress' balanced-budget plan—if passed—would cause interest rates to drop by at least one-half percentage point. That kind of reduction in rates would save a student more than $400 on the cost of an average student loan. That kind of money can pay for books, some tuition costs or a big portion of a personal computer.

The reality is that Congress' plan would cut less than 2 percent per year during the next seven years from a federal education budget that represents only a tiny fraction of the total amount of dollars spent on education in the United States, according to figures from the Heritage Foundation in Washington, D.C.

So, here's the real choice: Cut a tiny portion of a budget that itself is a small fraction of America's educational effort or deny 28 million American families a financial gain that would help provide for a better education for their children.

We shouldn't have to struggle long on this one. We hope President Clinton realizes the same, too.

BALANCING THE BUDGET

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 21, 1995

Mr. PACKARD. Mr. Speaker, the Clinton administration made a commitment a month ago to balance the budget in 7 years using the honest numbers of the non-partisan CBO. My Republican colleagues and I responded to that commitment by offering smaller reductions in the rate of growth in Government spending in certain areas favored by the President while still achieving balance in 7 years.

Through hard work and compromise, we obtained a promise from the President. Congress has held up its end of the bargain both to the President and the American people. The question now is whether Mr. Clinton's word and his signature mean anything—whether his administration has any intention of balancing the budget. Yesterday, the President finally agreed to take personal charge of the budget negotiations—instead of using various members of his staff—and once again committed to work toward crafting an agreement by New Year's eve.

Perhaps I do not have to reiterate this point, but a balanced budget is essential for the future of the country. A recent survey by the Joint Economic Committee shows that the financial cost of not balancing the budget would be about $2,300 per family. A failure to balance the budget would cause slower economic growth, higher interest rates, and taxes. This in turn would result in mortgages, student loans and car loans costing families more each year.

Mr. Speaker, this renewed interest in the budget negotiations by the President is a step in the right direction. We now have reason for optimism in the new year, but only if the President remains committed to his word.

PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 104–150)

SPEECH OF

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 20, 1995

Mr. SCHUMER. Mr. Speaker, I strongly support the override of the President's veto of H.R. 1058. I voted in favor of both the original House bill and the conference report, and I must respectfully differ with the President and urge my colleagues to vote in favor once again of this fair, well-balanced bill, which passed the House only 2 weeks ago by an overwhelming vote of 320 to 102.

We need to put an end to frivolous securities suits that needlessly cost millions of dollars, impair capital formation and investment, and clog up our court system. Under the current system lawyers often bring lawsuits immediately after a drop in a company's stock price, without any further research into the real cause of the price decline. As a result the suits often have no substantive merit, but they have the effect of presenting the company with the unhappy choice between a costly, lengthy discovery process and an exorbitant, unjustified settlement. And what's worse, an inordinate share of the ultimate settlement often ends up in the pockets of the lawyers who brought the case, rather than in the bank accounts of the shareholders on whose behalf the lawyers ostensibly filed in the first place.

This bill goes a long way toward correcting these abuses without curtailing the essential rights of shareholders to sue corporations and insiders when there is legitimate evidence of fraud and deception. It continues to protect those vital rights—as we must—while at the same time protecting companies from needless and costly distractions. In the end, shareholders will win twice because the value of their investments will grow, and the American economy will win because we'll have removed one more impediment to the kind of robust growth and investment we all agree are so critically needed. I urge my colleagues to support this bill.

TRIBUTE TO SANFORD M. LITVAK

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 21, 1995

Mr. WAXMAN. Mr. Speaker, I ask colleagues to join me in paying tribute to Sanford M. Litvak, a distinguished attorney who currently serves as the senior executive vice president and chief of corporate operations of the Walt Disney Co.

Mr. Litvak is greatly respected both in the legal community and among the advocates of legal reform and legal services for the poor. He has led the crusade to make the law a field of humane service, and not merely a remunerative profession.

On January 27, 1996 Bet Tzedek Legal Services will honor Sanford M. Litvak for his