ANOTHER REPUBLICAN ATTEMPT TO UNDERCUT MEDICARE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. BROWN) is recognized for 5 minutes.

Mr. BROWN of Ohio. Mr. Speaker, Republican leadership will soon unveil legislation representing yet another attempt to undercut Medicare. As they did last year, my Republican colleagues will try to coopt the prescription drug needs of Medicare beneficiaries to secure fundamental changes, privatization, in the way they receive coverage. My Republican friends will use stand-alone drug coverage as a lever to try to privatize Medicare. The irony is that their proposal is being marketed as a kinder, gentler take on Medicare reform. Kinder and gentler, that is, than the President's breathtakingly callous ''let them eat cake'' approach.

You have got to give the President and Republicans credit. By playing good cop, bad cop, they are poised to set the clock back 38 years to the beginning of Medicare, 1965, and force seniors back into the private insurance market for their coverage. It is a shining moment for compassionate conservatism.

The President acclimated Congress and the public to the most irresponsible of Medicare privatization gambits by proposing to force seniors who need drug coverage out of Medicare and into HMOs. Blatantly exploiting the most vulnerable seniors to achieve the purely ideological goal of Medicare privatization is so offensive, in fact an egregious breach of the public trust, that virtually any alternative would look good in comparison.

When Republicans announced they planned to reprise their stand-alone drug plan proposal, everyone applauded because at least seniors would not be, as the President wanted initially, forced out of Medicare altogether in order to get drug coverage. Unfortunately, there is more than one way to gut Medicare, and the Republicans have found it. You can force seniors into HMOs, you can coerce seniors into HMOs, you can lure seniors into HMOs. You can, as my Republican colleagues are proposing, require seniors to buy stand-alone private prescription drug plans if they want drug coverage. It would be difficult to come up with a less efficient, less reliable, or more costly way to deliver drug benefits than to build an individual market for them. Yet that is what they are proposing.

The only reason to manufacture this new insurance market is to privatize Medicare. Here is how you do it: you give seniors two options. They can juggle traditional Medicare, plus a supplemental policy, plus a stand-alone drug coverage; or they can join a private insurance plan that offers all three. Once you sweeten the pot by offering enhanced preventive and catastrophic benefits at more cost under the private plans, you have effectively set traditional Medicare up for failure.

Make no mistake about it. Every Member of Congress who votes for the Republicans' Medicare prescription drug coverage plan is voting for Medicare privatization. You know and I know that seniors will not be better off choosing between and among private insurance drug plans just as they have not been better off choosing between this Medicare+Choice HMO or that Medicare+Choice HMO. Health insurance is not like a car. You do not customize it to fit your life-style. Good health insurance covers medically-necessary care delivered by the health care providers we trust. Bad insurance simply does not. Good health insurance lasts. Disappearing health plans and shrinking benefits are the hallmarks of the private insurance experiment that is already part of Medicare, Medicare+Choice. Instead of alleviating uncertainty, Medicare+Choice plans breed it.

Proponents of privatization argue Federal employees have a choice of private health plans, but the fact that FEHBP, the Federal program, features lots of private health plans does not mean it is a better system than Medicare. Federal employee health plan premiums grew 11 percent in 2003. Social Security income grew by 4 percent. Seniors earned $14,000 on average last year. There is not much cushion in that for unpredictable premium increases as you will get under privatized Medicare.

Let us not forget that my Republican friends want to means-test Medicare benefits. So goes the coverage guarantee. So goes Medicare's practical value to every enrollee regardless of income. And so goes popular universal support for the program that we know and respect, known as Medicare. If the Republicans' prescription drug coverage plan is signed into law, Members of Congress who voted for it will be able to look back and take credit for undermining a popular, successful, public insurance program that covers 40 million people and that ensures your parents access to reliable, high-quality care and replacing it with another iteration, another experiment of the failed Medicare+Choice program.

I do not know how any Member of Congress, Mr. Speaker, can look their constituents in the eye after voting to sabotage a public program, Medicare, that anchors the financial security of our Nation's retirees. I hope a majority of us will stand up for Medicare and block any attempt, covert or overt, to destroy it.

ANOTHER VOICE IN THE PRESCRIPTION DRUG DEBATE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. BURGESS) is recognized for 5 minutes.

Mr. BURGESS. Mr. Speaker, I rise tonight to talk to my colleagues about the prescription drug reimportation debate that has been the subject of so much discussion in this House. I would urge my colleagues to use caution and reason when approaching this issue. Several complicated and interconnected issues dominate this situation: trade relations, patient safety, drug costs and government regulation, just to name a few. Some in this House believe that if Americans had the ability to purchase their drugs from Canada or Mexico or Europe or Mars that the United States market would adjust to reflect the importation of cheaper medicines. Let us be clear: foreign countries place price controls on their prescription drugs. This means that the drugs purchased by Canadian citizens may be priced lower than that which an American citizen will pay for the same compound because of that government's artificial market intervention. If an American citizen purchases a drug from a Canadian pharmacy, it may be cheaper. But by permitting the reimportation of drugs into this country, we effectively allow the importation of foreign price controls in the United States market as well. This would be shortsighted and run counter to the free market system that is established in this country. If drug reimportation becomes the established policy in this country, the United States would in essence be allowing foreign governments to set the prices for American businesses.

If we truly believe in the power of the free market, we should remove the market distortion of foreign price controls, a market distortion which ensures that America's seniors and America's uninsured pay the highest prices for their medications. And what happens in countries that have adopted price controls? Pharmaceutical companies and biotech companies have left in droves. According to a report by the Directorate General Enterprise of the European Commission, European drug multinationals have increasingly relied on sources of research capabilities and innovation located in this country. Because of the stranglehold of regulation in European countries, including price controls on pharmaceuticals, Europe is lagging behind in its ability to generate, organize, and sustain innovation processes that are increasingly expensive and organizationally complex. The United States biotech industry in the last decade has had a meteoric rise; but we would place a chill on the industry's development, the number of jobs it creates and the revenue it produces if we allowed foreign drug prices to stymie its growth.

More importantly, if we inject foreign drug price controls into the United States, you will see less innovation in this very promising new field of science. Most importantly, underlying all of the complex economic and trade issues is one that ultimately impacts us all, and that is patient safety. The Food and Drug Administration exists to protect American consumers from

dangerous substances that may be in the food we eat for nourishment or the pharmaceuticals that we take to cure our ills. Only our FDA in this country can assure the safety of drugs for American citizens. I think this House would be shirking its duty if we created a system that relied upon the actions of regulatory officials in Canada, Thailand, Belize or Barbados to ensure the safety of American patients. Allowing drug reimportation from foreign countries would only be a signal to foreign drug counterfeiters that it is open season on the health and safety of Americans citizens. Make no mistake, Mr. Speaker, these foreign counterfeiters are very clever; and with all due respect to my colleague who held up the package this evening, packaging in and of itself does not guarantee that that has not been tampered with and that that is not a counterfeit item. I could relate to you stories from my own medical practice from a few years ago where patients had what might be politely described as therapeutic misadventures by the ingestion of drugs which were imported, illegally, from Mexico.

The House can approach the drug cost issue through far less shortsighted solutions than permitting drug importation from foreign countries. Make no mistake, Mr. Speaker, the pharmaceutical companies in this country also have an obligation to control the cost and be certain that their profits are reasonable. Without this, we will continue to hear the arguments for reimportation nightly on the House floor. The purchasing power of the Federal Government should bring down the cost of safe pharmaceuticals in this country.

Mr. Speaker, we should remember the admonition of a long-ago physician, to first do no harm. In this House, we would do wise to heed that advice.

NATIONAL RAIL INFRASTRUCTURE PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. LIPINSKI) is recognized for 5 minutes.

Mr. LIPINSKI. Mr. Speaker, tonight I rise in support of investing in our Nation's rail infrastructure and making rail transportation part of a strong transportation triad that includes highway, air, and rail. The freight rail industry is one that provides services that are key to the operation of practically every other industry.

In an atmosphere of mounting highway congestion and pollution, shippers ought to be changing more and more of their loads to rail. However, due to the fact that trains are not moving fast enough, these switches to rail are not being made. With 19th century signaling systems and antiquated grade-level junctions, railroads are often unable to deliver a truck-competitive service for many shippers. For example, trains that should be able to move through Chicago in 6 to 8 hours are taking over 2 days.

While freight rail is a sensible, cost-effective way to absorb the expected increase in freight traffic, it is also becoming a major contributor to a variety of social ills, including air and noise pollution, congestion and a declining quality of life. Rail infrastructure improvements would raise the capacity of our transportation network for both goods and passengers; increase safety along the rail network; improve the environment wherever congestion is relieved; and eliminate waits at grade crossings. Since passenger rail service and rail-based transit systems typically share infrastructure with freight rail, improving freight rail infrastructure would also provide much-needed assistance to passenger and commuter rail.

In January, the American Association of State Highway and Transportation Officials released their freight rail bottom line report that states that an additional 2.6 to $4 billion is needed annually for capital investment in our freight rail system. Last fall, the Federal Railroad Administration and the American Short Line and Regional Railroad Association commissioned a study that found short line railroads need nearly $7 billion to upgrade tracks and structures to handle the newer 286,000-pound rail cars used by the class I railroads.

□ 2000

So, how can we meet these growing rail capital needs? We cannot afford to simply rely on the railroads for these funds. The Association of American Railroads' policy position book for the 108th Congress states, ''Especially over the past couple of years, railroads have become increasingly constrained in how much capital they can devote to infrastructure spending.''

The answer to this rail infrastructure funding gap is the bill I have introduced, the National Rail Infrastructure Program, H.R. 1617. H.R. 1617 would create a new significant and dedicated stream of funds for rail projects. Just as we have the Highway Trust Fund and the Aviation Trust Fund, this legislation that I introduced last month would create a national rail infrastructure program. The total revenue stream in my legislation would amount to $3.3 billion annually.

This is a Federal investment that the American public desperately wants. In fact, Strategies One, a Washington, D.C. polling firm, conducted a national public opinion poll that shows 63 percent of Americans strongly favor moving more freight by trains, especially when the alternative is adding to highway capacity larger and longer trucks.

We cannot afford to sit back as freight and passenger traffic swells. We must craft a multi-modal solution to this capacity shortfall in which we can all win, or else we will all massively lose. Therefore, I urge Members to join the 40 bipartisan cosponsors and me and cosponsor H.R. 1617, the National Rail Infrastructure Program.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2115, FLIGHT 100—CENTURY OF AVIATION REAUTHORIZATION ACT

Mr. LINCOLN DIAZ-BALART of Florida, from the Committee on Rules, submitted a privileged report (Rept. No. 108–146) on the resolution (H. Res. 265) providing for consideration of the bill (H.R. 2115) to amend title 49, United States Code, to reauthorize programs for the Federal Aviation Administration, and for other purposes, which was referred to the House Calendar and ordered to be printed.

THE NEED FOR ASBESTOS LITIGATION REFORM

The SPEAKER pro tempore (Mr. FEENEY). Under a previous order of the House, the gentleman from Illinois (Mr. KIRK) is recognized for 5 minutes.

Mr. KIRK. Mr. Speaker, in 48 hours Congress will face the single most important pending issue of legislation to help our economy. Does your 401(k) look like mine? If so, it is due to the dot.com bust, the war, recession, and possibly even a little bit of Martha Stewart. But it is also due to another problem, and this problem is depressing the value of 900 stocks that form the bedrock of our retirement savings.

The issue is asbestos liability reform. Really. We bankrupted asbestos makers like Johns Manville and U.S. Gypsum a long time ago, but lawsuits now reach out to many companies, most companies, who have had asbestos anywhere in their ceiling tiles, walls, or in the case of Sears Roebuck, in one washer and one iron sold between 1957 and 1958.

Spending on the lawsuits might make sense if our justice system actually compensated victims suffering from asbestos poisoning. But, as the chart behind me shows, most asbestos awards go to lawyers' fees and court costs, and a minority actually goes to the lawsuit plaintiffs. Of the amount that goes to plaintiffs, only a small fraction goes to people who are actually suffering from asbestos poisoning.

When you look at this situation, as Justice Ruth Bader Ginsberg did, you see a system crying out for reform. Amazingly, the American Bar Association has called for this liability reform.

In this House, I introduced the Asbestos Compensation Act with 40 cosponsors, and my colleague the gentleman from Utah (Mr. CANNON) introduced similar legislation. But in 2 days, our eyes will be on the Senate Judiciary Committee, who will take up this issue with Senator LEAHY and Senator HATCH, and I think it is the best chance that we have to move a key piece of legislation forward to help our economy.