

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. ESHOO) is recognized for 5 minutes.

(Ms. ESHOO addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Mrs. MALONEY) is recognized for 5 minutes.

(Mrs. MALONEY addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

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

(Mr. WYNN addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

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

(Mr. STUPAK addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

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

(Mr. RUSH addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

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

(Mr. PASCRELL addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

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

(Mr. MARSHALL addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

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

(Mr. CUMMINGS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

THE REPUBLICANS' MEDICARE PRESCRIPTION DRUG PROPOSAL

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 2003, the gentleman from New Jersey (Mr. PALLONE) is recognized for half the time until midnight as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, many of my Democratic colleagues took to the

well this evening to talk about their concerns over the Republican Medicare bill, the Republican Medicare prescription drug bill that we expect to come to the floor here in the House of Representatives tomorrow. But I have to start out this evening by pointing out unfortunately that we do not really know what bill is going to come up tomorrow. We are waiting. Many of us are actually waiting right now to see what the Committee on Rules will do. The Republican bill has not actually been filed yet, and the latest information is it may not be filed until 11 or 12 o'clock and Committee on Rules will then consider the bill an hour after that, which might be one or two o'clock in the morning, and at that time Members, particularly Democratic Members, would be asked to come, review the bill very quickly obviously, and suggest any amendments or changes they might have to the Republican bill.

And I would suggest that that is certainly not the way to operate, particularly on a bill that is so important. I think all of us agree that Medicare is one of the most important programs that the Federal Government has ever offered, and to think that most of us will come here tomorrow and will not have even had the opportunity to see the bill and that the Republicans in having this Committee on Rules meet late at night where they would consider amendments would do such so late when most Members will not even be able to offer an amendment, it is just really a travesty of the process; and I have to believe that it is intentional. I do not think there is any question about it. The last vote today in the House of Representatives was about 5 o'clock. Why could all this not begin during the day or just after the session ended? Why does it have to take place at 12 o'clock midnight or even later?

It puts a great deal of fear in me, and it is pretty obvious from looking at some of the proposals that have already been considered in the committee, both in the Committee on Energy and Commerce, where I serve, as well as in the Committee on Ways and Means, that what the Republicans have in mind essentially kills Medicare. And I know that is a very severe thing to say. Many of my colleagues have said that this evening, that the Republican Medicare prescription drug proposal actually kills or destroys Medicare, and one might say to oneself how could we make such a statement? What is the basis for our making that statement? And I would say that the real reason we say it is because if we look at the Republican bill here in the House, it essentially privatizes Medicare. What does that mean?

The Federal Government operates a Medicare program. It is a Federal program operated by the government. And what the Republicans are proposing in this bill is that rather than have the government run a health care program

for seniors and pay out the money for the program to the doctors and the hospitals, that rather they would give seniors a certain amount of money. We call it a voucher. And those seniors would instead under the Republican plan be expected to go out and purchase their health insurance privately just like somebody might who is younger.

The problem with that, though, is that historically when Medicare was started back in the 1960s under President Lyndon Johnson, the majority of seniors could not find health insurance. They were unable to buy health insurance because the way insurance works, it is like a pool, and people who are older tend to be frailer, tend to be sick or tend to have to go to the hospital more. Those are not the people that insurance companies want to sell a policy to because they cannot make any money. And most of the insurance companies have told us that effectively they are not going to sell those insurance policies because they still cannot make any money today.

Nothing has changed from the 1960s until this year. Seniors are still the most vulnerable and the sickest population, the population that has to go to the hospital and to the doctor most often. Why in the world would anybody want to sell an insurance policy to seniors or at least to a lot of seniors?

What we are seeing here is that the Republicans, maybe because of their ideology, maybe because of their being beholden to the insurance companies, whatever reason there is, they essentially want to set up a system whereby the traditional Medicare that we have, which is a government program that guarantees certain benefits, would now essentially be privatized and they would get a certain amount of money and hope that they could go out and buy health insurance in the private market. It is a very vicious, in my opinion, thing to do. It is a wrong thing to do because Medicare has been a very successful program.

If we look at Medicare at the time when Lyndon Johnson signed the first bill, the situation for America's seniors has just changed dramatically. Most seniors had no health insurance. Many of them could not afford any kind of significant health care. They had to go to a clinic or they had to go to charity care in order to pay for their health care, but all that has changed. Right now America's seniors have high-quality medical care, and they have protection from the devastating causes of illness because of this Federal program. And each of the 40 million Americans served by America today can attest to the program's stability, its affordability, and universal nature that has touched all seniors as well as disabled people alike. So why do the Republicans want to change that? What possible reason could they have to change it?

I would hope that the Republican majority would realize that if they do pass

legislation that changes and drastically changes Medicare and privatizes it that they are not really modernizing the program and what they are effectively doing is killing the program.

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Now, I cannot say that I am optimistic about what the Republicans might do tonight in the Committee on Rules. It just seems like many Republicans, because of their ideology, want to dismantle Medicare or they want to privatize drug coverage, or they want the prices of prescription drugs to continue to soar. It really gets to my second point which I think was very well made by my colleague, the gentlewoman from Ohio (Ms. KAPTUR), just a little earlier this evening.

She pointed out, essentially, that not only do the Republicans, in their effort to change Medicare and, I say, essentially destroy Medicare, not only do they not want to continue the traditional government program that we have had so successfully under Medicare, but in putting together what they claim will be a prescription drug program, which is the reason, theoretically now, why they are changing Medicare, is because they want to provide some kind of prescription drug program. However, they are doing it in a way that does not really add a meaningful prescription drug benefit, and that makes seniors pay a lot of money for their prescription drugs and, in some cases, more out-of-pocket than they would have to pay now, even without a benefit program. But, most of all, they do not want to address the issue of price.

Mr. Speaker, when I go around to my senior citizens, they tell me they like Medicare but, they say, the only thing they do not like about Medicare is that it does not cover prescription drugs, and the reason they feel that it should cover prescription drugs is because the cost of prescription drugs has gone up so much that they simply cannot afford to pay for those prescription drugs out-of-pocket.

Now, one might say to oneself, if the real problem with prescription drugs is the increasing costs, then why do the Republicans not want to do something about it? Why do they not just say in their bill that one of the ways that we are going to help senior citizens is by saying that the Secretary of Health and Human Services, or the Administrator in Washington of the Medicare program, could take the buying power of all of these senior citizens and essentially negotiate lower prices? I mean this is what the HMOs do now, they negotiate lower prices when they buy prescription drugs. This is what the Veterans' Administration does. This is what the military does. They try to negotiate lower prices for prescription drugs, as the gentlewoman from Ohio said, by buying in bulk.

But what we find in this Republican bill is that they not only do not want to do that, in the same way that they

were concerned about insurance companies, wanting to help them, now they want to help the drug companies by not allowing any mechanism in the bill that would lower drug costs or that would allow the Federal Government to lower drug costs.

So what we have, and the gentlewoman from Ohio pointed it out very effectively, we actually have in the Republican prescription drug bill a clause which is entitled the "Noninterference Clause" that says, "In carrying out its duties with respect to the provision of qualified prescription drug coverage to beneficiaries under this title, the Administrator," and that refers to the Medicare Administrator, "may not require a particular formula or institute a price structure for the reimbursement of covered outpatient drugs; interfere in any way with negotiations that are taking place between some of the other elements of the plan; or otherwise interfere with the competitive nature of providing such coverage through such sponsors and organizations."

This is a little roundabout way of saying that the Administrator of the Medicare program cannot do anything to interfere with price. He cannot negotiate price reductions. He cannot say to the drug companies, well, one of you give me a better price than the other. And the reason for that is because essentially, they do not want the drug companies to have to worry about possibly losing some money or not making as much money because the price goes down.

I only mention this by way of introduction, because there are a lot more things that I want to say tonight about the Republican bill that is going to be before us tomorrow, Mr. Speaker. But I only say this because I think that the sort of hallmark of this Republican legislation, and the greatest criticism that I have and that most of my Democratic colleagues have about it, is one, it tries to destroy Medicare by privatizing it, which may be, in some ways, a boon to the insurance companies or a way of helping the insurance companies; and secondly, it does nothing about lowering the price of prescription drugs, which again I think is some significant effort on the part of the Republicans to help the prescription drug companies.

So instead of looking at this legislation as a way of trying to help seniors improve Medicare by simply adding a prescription drug benefit, what we see is the Republican Party and the Republican leadership in the House essentially being in bed with the insurance companies and the drug companies to make sure that whatever is offered for Medicare and for prescription drugs does not in any way harm them or their interests.

Mr. Speaker, I do not have any problem if an insurance company or a drug company wants to make some money. There are a lot of drug companies in my State of New Jersey, and God bless

them, they should make money and they should hire more people. But it is ridiculous that in crafting this legislation that is so important to the future of America's seniors, that the two things that are most important, the two things that are most important to the Republicans is that they do not do anything to hurt the insurance companies or anything to hurt the drug companies. I think that says a lot about where they are coming from with this bill that we expect to be considered tomorrow.

Mr. Speaker, I yield to the gentleman from Ohio (Mr. BROWN), who is the ranking member on our Subcommittee on Health and who has been here every night talking about the need for a prescription drug benefit, but realizes, as I do, that this Republican bill falls short and, in fact, hurts the Medicare program.

Mr. BROWN of Ohio. Mr. Speaker, I thank the gentleman from New Jersey (Mr. PALLONE), my friend, and the fabulous work he has done and the courage he has shown in standing up to very powerful interest groups in this country in supporting and fighting for a drug benefit.

I noticed something that the gentleman just said as I was sitting here watching this evening, that this bill does nothing to hurt the drug industry or the insurance industry. In fact, this bill, by and large, was written by the drug and insurance industries.

Let us talk for a moment about price. When any of us, Republicans or Democrats, people on that side of the room and people on this side of the room, go to a town meeting or go to a senior center or walk down the street or walk downtown or walk through a shopping mall and talk to people of all ages, especially seniors, but people of all ages about the whole issue of prescription drugs, the first thing they say is, why are our drug prices higher than the drug prices anywhere else in the world? And these are prescription drugs generally made in the United States, developed in the United States, manufactured in the United States. And, in fact, these drugs often, much of the research and development for these drugs was done in America and funded by U.S. taxpayers through the National Institutes of Health.

So we have the most profitable industry in America, 20 years running, whether it is return on investment, return on sales, return on equity, the drug industry, we have an industry that enjoys the lowest tax rate in America, in large part because of what this Congress and this President have done in giving them tax advantages. And, on top of that, we have an industry where much of the research, almost half of the research and development which leads to this industry's profits, to the drugs this industry manufactures, almost half of the research and development has been done by taxpayers, a full half has been done by taxpayers and by foundations. We put

all of that together, and then we say, why is it fair that this industry charges American consumers more than consumers in any other country in the world?

I have sponsored a dozen or so bus trips to Canada for seniors in my district and people who are not seniors, on some occasions. It is about a 2½ hour ride from Lorain in my district. We have taken trips from Medina and we will take them from Akron. It is about a 2, 2½, 2¾ hour drive to Canada. They buy their prescriptions, they have saved literally hundreds of dollars per person, sometimes even more than that.

But why should drugs made in the United States and, in many cases, underwritten by taxpayer research, why should those drugs cost two and three times more here than they do in Canada? The reason is, frankly, because of the drug industry's influence on my colleagues on the other side of the aisle. The reason is President Bush's close alliances with the drug companies and the fact that the drug industry funds large parts of his campaign.

The gentleman from New Jersey may remember a couple of years ago, last year when we considered this drug bill about this time of year, we were in the middle of our committee work and the gentleman from Louisiana (Chairman TAUZIN) recessed the committee for the day at about 5 or 6 o'clock because all of the Republican Members had to go off to a fundraiser headlined by President Bush, sponsored by the CEO of Glaxo Wellcome, a British drug company who makes millions of dollars a year, sponsored by them and headlined by President Bush. President Bush personally thanked the CEO of Glaxo Wellcome for all of the work they did in raising literally millions of dollars. Then, it is no surprise that come election time, the drug industry put in literally \$80 million, hard money, soft money, independent expenditures, all the way, directly or indirectly, they put money into campaigns, they put that kind of money into these political campaigns. We can see the chart, if the gentleman from New Jersey would point out the chart next to him and in front of me, about drug company contributions, and if the gentleman would explain that.

Mr. PALLONE. Well, the gentleman mentioned Glaxo. Down here I guess is line 6, GlaxoSmithKline in the last congressional campaign gave \$1.3 million to congressional candidates. Twenty-two percent went to Democrats, 78 percent went to Republicans. And then if you look at all of the PhRMA, which is the prescription drug trade company, they spent \$3.1 million, 5 percent for Democrats, 95 percent for Republicans. So those statistics alone give us an idea of where the money is going.

Mr. BROWN of Ohio. Mr. Speaker, if the gentleman will yield, the issue is partly campaign money, but the real issue is the fact that Republicans and President Bush have invited the drug

companies into their offices, into the Oval Office to meet with the President's people, into the Lincoln bedroom, if you will, in terms of putting big amounts of money into the White House, big amounts of money into President Bush's campaign and getting out pieces of legislation that benefit them.

In this country we continue to pay two and three and four times what the Canadians pay, the French pay, the Germans pay, the Japanese, the Israelis, the Finns, the Brits, all of the wealthy countries in the world, we pay two and three and four times what they do. And this drug bill, written by the drug companies and introduced by the Republicans, there is nothing in this bill, nothing in this bill to get prices under control. And that is what is outrageous, when the drug industry continues to fleece the American public. And it does not just hurt every senior who reaches into his pocket to pay the high cost of drugs, it is also what it does to American business, what it does to GM, or what it does to GoJo Industries in Akron or what it does to Inyicare in Elyria.

On the one hand, taxpayers are paying for all of this research and, on the other hand, Medicaid and other tax-supported institutions in this country are paying high prices for prescription drugs. I yield back to the gentleman.

Mr. PALLONE. Mr. Speaker, I just wanted to explain, if I could just briefly, and then I would ask the gentleman from Ohio (Mr. BROWN) to comment on it as well, why I say that what the Republicans are proposing here is basically a boondoggle for the insurance companies as well as for the drug companies, and why, the very fact of the Republicans trying to do their bidding is going to destroy the program.

I talked earlier about two things. I said on the one hand, we know that insurance companies, generally speaking, do not want to cover senior citizens because they are older, they are frailer, they are more expensive. So in suggesting in the bill, in mandating, I should say, in the Republican version of the bill, in the House version, that by a certain year seniors will get a voucher and they will have to go out and shop for their insurance privately, we know that no insurance company is going to want to offer that insurance.

So what the Republicans do is they subsidize the private insurance companies. Basically, at our Committee on Energy and Commerce Committee markup the other day when we were both there, some questions were asked by the Democrats about how this process is going to work. How is it that you are going to give a voucher to seniors and they are going to go out into the private sector to buy insurance instead of Medicare when we know that insurance companies do not want to offer that coverage because they cannot afford it? The response that came back from the Republicans and the counsel for the Republicans: we will just keep

giving them more and more money, higher and higher subsidies, until someone finally provides this type of insurance privately.

Now, what does that do? That means that these insurance companies are going to have a windfall, but they are not going to provide the same kind of coverage that seniors have now under the government-run Medicare program, so the seniors are going to get less services and the Federal Government is going to be paying more money. It undermines the very nature of the program and simply lines the pockets of the insurance companies. Talk about that, and then we will go to the drugs.

Mr. BROWN of Ohio. Mr. Speaker, if the gentleman will yield, Congress continues, as they have done with Medicare HMOs, as President Bush has pushed for, and as the Republicans in their drug plan, cowritten by the drug and insurance industries suggest and propose, we have continued to "subsidize" is one word, "pay off" is another one; we continue to dump more and more millions and tens of millions, hundreds of millions of dollars, ultimately billions of dollars we dump into these insurance companies, and what are we getting?

There was a study put out literally today by a group called Families USA, a group that represents seniors and especially families around the country, a large organization.

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They did a study of the average salary of CEOs for big insurance companies, the big HMOs that will benefit from this Medicare privatization plan. So understand, President Bush wants seniors out of traditional Medicare, put them in these private insurance HMOs. Now the average pay for the CEOs of these largest insurance companies, HMOs that will be handling Medicare if the Republicans get their way, is more than \$15 million.

Now, contrast the \$15 million salary, plus I am not even counting stock options and all that, but just their base salary, contrast \$15 million the CEO of the insurance companies make with the \$130,000, which is what the CEO, if you will, Tom Scully of the Center for Medicare and Medicaid Services makes, the agency that runs Medicare for our government.

So you have got \$15 million on the average for the CEO of the insurance companies which will run Medicare if the Republicans get their way, versus \$130,000 running Medicare the way it is done now, traditional Medicare.

You make one other comparison. You have the insurance companies are spending three and four times on administrative expenses more than Medicare spends. Medicare's administrative expenses are between 1 and 2 percent. Insurance company Medicare expenses are between three and four times that amount. And then the last comparison if you are in traditional Medicare, you stay in Medicare. They do not cut you

out. They do not throw you off. They do not decide to abandon you. They do not take your plan out of the county. If you are in a private Medicare HMO, even with these big salaries they are paying the executives, maybe because of that, they pull out of a county. They drop tens of thousands, hundreds of thousands of seniors out of their plan.

One CEO in particular, United Health Care, a big insurance company HMO, paid Norm Payson, last year he was paid \$76 million. And that \$76 million could cover about 30,000 seniors for prescription drugs. So look at what you have got. You have got big salaries, high administrative expenses, and organizations that will dump seniors out, that is, unreliable care; or you have lower salaries, smaller bureaucracy, a government program which will never ever dump seniors, which will provide reliable care, which will always be there for those seniors.

It is a pretty easy choice. You have the Republican plan, the privatized plan; or you have the Democratic plan, traditional Medicare, which seniors in this country have used and plans that have obviously served seniors well for 38 years.

Mr. PALLONE. I agree with the gentleman completely. And my only point I am trying to stress here tonight and the gentleman certainly made the same point is because of the fact that the Republicans want to cater to the insurance interests and to the prescription drug pharmaceutical companies' interests, they are essentially going to destroy the Medicare program, in other words, if you look at the insurance aspect. If they keep giving more and more larger subsidies to private insurance companies so they will eventually cover senior citizens, there will be so little money left in the traditional Medicare program that is government run that it will be broke. The government will not be able to pay for it anymore.

So essentially by giving all this money to the private insurance companies to get them to try to insure seniors, we will make it much more difficult for the traditional Medicare program to operate.

Let us go to the prescription drugs part. We know there are several problems with the Republican plan on prescription drugs. First of all, it is not very generous. In other words, you will have to pay a lot more than out-of-pocket and not get much of a benefit. In the case of the House plan, there is a huge doughnut hole so that if your expenses are over \$2,000 until maybe \$4,000 or \$4,500, you get no benefit. In the case of the Republican plan in the Senate, it only pays for 50 percent of your coverage. So seniors are going to have to pay a lot of money out of pocket, and they are going to have to get very, very little in return. In addition to that, in order to get the plan, they have to join an HMO. So, again, here we go back to the same thing again which is the Republicans are saying if

you wanted to get any kind of drug benefit, and it is not even a good benefit, you have to join an HMO; and if no HMO wants to join the drug plan, we will give them more money so eventually they will.

But the real problem is we know that unless something is done by the Federal Government to control the price of the drugs, the cost of the drugs is going to rise and the Federal Government will not be able to pay for the program. In other words, I am saying because you do not have any way of controlling prices either through negotiation or some other means, the cost of prescription drugs is going to continue to go up and the drug companies are going to get all of this money.

But at the same time, the Federal Government is going to have an increasing problem paying for it. In other words, if you were able to control prices in some way by having the Secretary or the Medicare administrator negotiate prices, you would save money for the program and you would not have to keep shelling out all these dollars or limiting the generosity of the program so that seniors do not get much of a benefit. They are going to kill the whole idea of the drug program by not having some limitation on price.

Mr. BROWN of Ohio. It can be so simple. In Canada, what the Canadian people do, what the Canadian Government does is they have created a small office with a board called the Pricing Board and the Pricing Board negotiates on behalf of 29 million Canadians with individual drug companies, German companies, French companies, American companies, Canadian companies. They negotiate price and then the drug is sold, for every drug manufactured, then the drugs are sold to retailers, sold wholesale into Canada at those much, much lower prices because they have negotiated them on behalf of 29 million Canadians. Then the drug stores negotiate, and they end up with much lower prices.

So it would not be difficult for this Congress to figure out a way, there are a dozen ways, the Canadian way is a very simple and effective way obviously because you can tell from the prices there, but it is not difficult to come up with a way to bring prices down.

The reason that the Republicans have not chosen any of those methods is anybody's guess; but it is hard to believe that they are doing it for any other reason than their political closeness, if you will, political allegiances to the big drug manufacturers.

I know it offended our chairman in the markup and it offends some Republicans, including the President, to suggest that their behavior on this bill is connected to their drug company contributions. But when you saw the drug companies spend 80 or \$90 million last year, 85 percent of it going to Republicans, when they spend that kind of money, it is hard to believe that the

Republicans would do anything without the drug companies' approval.

I would argue the Republicans have not just not done anything without drug company approval. I suggest they have turned over the writing of the legislation to the drug companies. They could not have done a less effective job. They could not have done a worse job of controlling prices, of ratcheting drug prices down than this bill does.

As the gentlewoman from Ohio (Ms. KAPTUR) pointed out, as the gentleman from New Jersey (Mr. PALLONE) pointed out earlier this evening, this bill not only does not do anything to try to restrain prices, to ratchet prices down; it expressly prohibits the government from doing anything to get the price down. It is so logical to say to the Secretary of Health and Human Services, all you have to do is negotiate on behalf of U.S. consumers, Medicare beneficiaries or the entire consuming public of all ages. You simply need to negotiate price.

Another way we could do it is say that Medicare should pay no more than the Canadian price or the average price of the G-7 nations, the largest economies in the world, whatever price they are paying. There is a lot of ways to do it; but the way not to do it is the Republican way of doing nothing and actually prohibiting the government from doing anything from getting prices down. The higher prices are hurting seniors individually, hurting American business, and American competitiveness in this economy that continues to drift, continues to stagnate; and it obviously is hurting U.S. taxpayers because we are paying too much for drugs.

I yield back because I think the gentleman wants to share with other Members of the House the language that is actually in the Republican drug bill.

Mr. PALLONE. Absolutely. And I mentioned this noninterference clause, and I will mention it again. Before I do that, just quickly, I know we have spent a lot of time tonight, not only us but our Democratic colleagues earlier this evening, talking about what is wrong with the Republican plan. Maybe we should quickly explain what our alternative is, and the gentleman talked about it in terms of the price.

We are saying forget about all this nonsense of changing Medicare and privatizing Medicare. Forget about all this nonsense about having to go to an HMO to get your prescription drugs. Just take the same Medicare program that has been so successful and add a prescription drug benefit in the same way that we added a few years ago a program under part B that pays for your doctor bills.

In other words, without getting too complicated, Medicare part A pays for your hospitalization. Medicare part B is a program where you pay a certain amount of money per month for a premium, and when you go to your doctor there is a \$100 deductible for the whole

year, and 80 percent of the costs of your doctor bill is paid for by the Federal Government and 20 percent is paid for by you. Very simple program. You pay a small premium, 80 percent of the costs by the Federal Government, 20 percent co-pay by you, a \$100 deductible which is not much. You might go through that on your first doctor visit.

What we are saying is do the same thing with the prescription drug benefit. Add another part to Medicare, charge \$25 a month for a premium, have a \$100 deductible for the first \$100 drug expense you pay in the course of the year; and then after that, 80 percent of the cost of your prescription drugs are paid for by the Federal Government and 20 percent are paid for by you up to a certain level, 3, \$4,000 catastrophic when it is all paid for by the Federal Government.

But most important, what we put in the Democratic alternative which is what my colleague from Ohio mentioned, is we have mandated that the Secretary of Health and Human Services or the Medicare administrator has to negotiate lower prices because now that person has 40 million seniors that they can negotiate in bulk as the gentlewoman from Ohio (Ms. KAPTUR) said and try to get a lower price.

Now, if you do that, you save so much money that you can afford to essentially have a program that covers all seniors and gives them a guaranteed benefit and does not have any doughnut hole or time, if you will, when they are not covered. I used this chart during the Committee on Commerce of a dunking doughnut, and I said the GOP is dunking seniors because one out of every two seniors is in the hole. I guess it is a cute way to say that under the House Republican plan one out of two seniors is going to be in a situation where at some point they are going to have to pay 100 percent of their drug costs because the Republicans say that up to \$2,000 we will pay a certain percent, but after that we will not, and so for one out of two seniors they will be in a situation where they do not have any coverage during the course of the year.

Mr. BROWN of Ohio. That is exactly my argument. Under the Republican plan, you just simply do the math, and we know that seniors around the country will do the math. I hope they do the math before tomorrow when we vote on this bill because once they have, they will see they are not getting very much in this benefit. For a senior in the United States under the Republican plan who has \$5,000 in drug costs, the government will only pick up \$1,000. Four thousand of that will come from out-of-pocket costs. So \$5,000 drug costs, saving only 20 percent of that. The government will only pay 20 percent. The senior will pay \$4,000 out-of-pocket costs. What is so disingenuous about the Republican plan is that it is hard to figure out because they charge a premium. They say it might be \$35, but the only time it has ever been tried

it was \$85 a month. Then there is a \$250 deductible. Then they pay 20 percent of the first \$2,000, but after \$2,000 they pay zero percent. The government does of the next \$2,100. It is very complicated.

That is what you are talking about. The Democratic plan operates the same way traditional Medicare does. It is a simple \$35 premium, \$250 deductible, 20 percent co-pay, and then 100 percent coverage by the government of catastrophic coverage if you have huge drug bills.

It is very simple by the way the Democrats do it because it operates the same way that traditional Medicare does. Seniors know how Medicare operates. The Republican plan is so confusing, so Rube Goldberg-like, so complex, so difficult to understand, I challenge my Republican friends on the other side of the aisle to try to explain it. I do not think anybody can explain it very well. But they will have to explain it when seniors see, if this bill passes, seniors see how difficult it is to understand that.

The point the gentleman made too is that not only is the Democratic plan simple and the Republican plan a Rube Goldberg, complex, almost unfathomable kind of plan, but the Republican plan does nothing to keep prices down. And the Democratic plan gives the Secretary of Health and Human Services the right to negotiate and bring prices down the way the Canadians do and to reimport drugs, to bring drugs in from Canada if they are not cheap enough in the United States.

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And that simply makes all the difference in the world; that our plan is simple, and our plan will bring drug prices down, and our plan is a generous, adequate benefit for America's seniors.

Mr. PALLONE. And again, because the gentleman and I feel very strongly about the fact that we feel the Republicans are just catering to the insurance companies and to the prescription drug companies, the very reason why the Republican plan, in my opinion, is so complicated and ultimately, I think, breaks Medicare and destroys Medicare is because they are going out of their way to try to cater to these two special interests. Because to the extent that they feel the necessity of privatizing and having seniors eventually buy private health insurance, they are essentially breaking the system.

And in the same way because they refuse to have any kind of negotiated price and bring prices down, they are making the prescription drug program essentially not a generous plan because what they want to do essentially is have more seniors buy drugs at higher prices but not allow them to have a plan that is really something that is going to be meaningful for them and help them.

I feel strongly what is going to happen if this Republican plan were to ever become law, and hopefully it does

not, but probably what would happen is most seniors would not opt for it because they would find it is not worth having. And just to illustrate that, I think pretty dramatically, the Consumers Union put out a report on June 17, just a week ago, that was entitled "Skimpy Benefits and Unchecked Expenditures. Medicare prescription drug bills fail to offer adequate protections for seniors and peoples with disabilities." And in talking about how skimpy these benefits were and why most seniors probably would not opt for them, they gave some examples which I thought were pretty significant.

Specifically, we found, the report says, that the average Medicare beneficiary, without prescription drug coverage, spending \$2,318 in this year, 2003, would find that his or her out-of-pocket costs for prescription drugs, including premium deductible copayments and the donut, are higher in 2007 despite the new prescription drug benefit, and would total \$2,954 in real 2003 dollars.

So what they are saying is for the average Medicare beneficiary, who spends about \$2,300 a year in out-of-pocket costs, if they had to pay the premium and they were under the deductible and the copayments in the donut hole that the Republicans here in the House have proposed, they would actually end up spending more money out-of-pocket with the Republican plan than they are spending now. So why in the world would anybody buy it?

What is going to happen here is that the senior citizens are going to realize that this is not even worth having, and they are going to vote with their feet. They are not even going to take advantage of the plan because they are going to realize that it is worthless.

Here is another example. A Medicare beneficiary with the relatively low expenditures in 2003 of \$500, in other words these are the seniors that do not spend much for drugs, maybe a third of the senior population, would find his or her out-of-pocket payments for prescription drugs are \$790 in 2007. So, again, if they do not spend much money on prescription drugs, they would have absolutely no reason to opt for this Republican plan.

Then they go to a person in the top third of prescription drug spending with costs of \$3,000 in 2003 would find his or her out-of-pocket costs reaching \$4,000 in 2007.

I do not want to go on and on here with this, but the only point I want to make is that it is such a hoax. Because we can talk here all night about why they are privatizing and why that is bad or why they have the donut hole or why they are not doing anything about price, but the bottom line is nobody is even going to want this plan. Why in the world would they even buy it when it is going to cost them more if they have it, for most seniors, than if they do not?

That is what all the senior groups are pointing out. This is a huge hoax because most seniors will calculate and figure out it is not even worth having this plan. That, I think, is the worst aspect of all. Because there is all this hype, with the President getting on TV and saying we are going to do this plan and we are going to provide prescription drugs, and it is not anything anybody is even going to want because it is not worth having.

Mr. BROWN of Ohio. Mr. Speaker, if the gentleman will yield, the President has been bringing Members to the White House today and lobbying them, and I also know the President this week has raised a lot of drug company money and insurance company money. The President is using the power of the Presidency trying to get people to pass this. And from the reports coming out of the meetings from Members whom I have talked to, in both parties, the President is not talking about the details of the bill. He is just saying you have to do this for me. We need a prescription drug benefit. Seniors deserve it. But he is not doing the math for them.

If every Member of Congress tonight, tomorrow morning, before we vote on this tomorrow during the day would sit down and calculate, listen to the discussions like this and calculate individual numbers about what seniors are going to get, and then would look at what drug prices are, as the gentleman from Ohio (Ms. KAPTUR) pointed out, what drug prices are in Canada, France, and Germany, what they are in the United States, and how this bill does nothing about that, and then look at how this bill privatizes Medicare in 2010, I think Members, particularly if they began to listen to what people at home are saying, would have a very different take on this bill, no matter what the President said, no matter how many campaign contributors that Republican leadership and the President of the United States want to honor by passing this legislation.

Mr. PALLONE. Mr. Speaker, I yield to the gentleman from Ohio.

Ms. KAPTUR. Mr. Speaker, I would just like to thank my very able colleagues, the gentleman from New Jersey (Mr. PALLONE), who led this fight in the committee, and also the gentleman from Ohio (Mr. BROWN), who has helped turn this into a major national issue, finally, as it should be. The sad fact is that here in the House the bill that is going to be produced is, I suppose you could say is a mouse. It will not be a lion that roars for all Americans seniors.

If you earn \$8,000 a year on Social Security, the Republican plan will cause you to pay whatever is left over after \$2,000 of expenses up to the level of, I think it is over \$3,500. You are not covered. Where are you going to get that kind of money if you only earn \$8,000 a year on Social Security?

The amendment I am waiting here to offer, it is now 11 p.m. at night here in

Washington, would require the executive branch to negotiate price across the government for Medicare part D, in the same way as we negotiate for the Department of Veterans Affairs and the Department of Defense. They call it the FSS negotiated price. And I will just go through a couple of these drugs here, but the main point is that the Republican radical right bill forbids negotiated pricing in Medicare. It actually, in title VIII of the bill, forbids negotiated pricing, which we already do in the VA, in the Department of Veterans Affairs.

Let us go through a couple of the costs. If you look at a drug like K-Dur 20, which helps if you have low potassium levels, U.S. retail price for that is \$55.99, the Canadian price is \$29, and the price that is negotiated through the Department of Veterans Affairs is \$25.58. A negotiated price, because you have group buying, reduces the cost to all.

To send an individual senior out there in their own little canoe in a very big ocean, they have very little consumer power. Only with group buying, as we do through the Department of Veterans Affairs, do you really get the same kind of prices that the Canadians have. Group buying. Yet the Republican bill denies that negotiated price.

Another drug. If you look at Prozac, for depression, U.S. retail price over \$300. The VA negotiated price \$186.98. It is obvious. It is obvious, is it not, that a negotiated pricing is what should be embedded in the bill? But it is not in there. In fact, it is forbidden.

If we really want to understand why, and the gentleman from Ohio (Mr. BROWN) and the gentleman from New Jersey (Mr. PALLONE) have really become experts at identifying what is going on around this Capitol, we should take a look at the contributions of the major pharmaceutical companies. Take a look at a company like Bristol-Myers Squibb, who gave over a \$1.5 million in the year 2002 for lobbying Members of Congress. Eighty-three percent of those funds went to the Republican side of the aisle. Millions and millions of dollars from companies that make billions by overpricing the American consumer. It is very clear that they have at least six lobbyists here for every one of us.

So here we stand at a few minutes to midnight waiting for the Republicans to produce a bill. Nobody knows where they are. The doors are closed. Such an important bill that will serve our people, hopefully serve our people, for generations to come. We cannot even find the bill. What are they doing? Where are they?

I would say to the majority leader, the gentleman from Texas (Mr. DELAY), this is no way to run the country. You should have had this bill on the floor 2 weeks ago. We should have gone through every line so every Member here would understand what is in it. But rather than that, you are having your fund-raisers. And, in fact,

Pfizer Company just contributed \$200,000. That was the price of one of the big seats at the roundtable dinner President Bush just had, and they were able to contribute. You think there is no connection? We were not born yesterday, were we?

So we have a bill that forbids negotiated pricing, even though we know that is one of the few protections we can offer seniors. The Democratic bill provides a real defined benefit. Every senior qualifies. It has a \$25 premium per month. It does not force you to pay those high costs, over \$2,000. It has negotiated pricing. It is for everyone. And it lets you keep your doctor. It lets you have negotiated pricing, and it does not make you go into an HMO, a Medicare HMO, which have all failed in most places in the country. And that is what the Republican bill does, it tries to privatize that and put you out of the overall Medicare system.

So I just want to thank my colleagues for being here tonight and allowing me to share in this special order, and thank you both for your royal, royal fight to in order to get fair and affordable prescription drug coverage for all of our seniors.

Mr. BROWN of Ohio. If the gentleman will yield for just a moment, and I know the gentleman from Connecticut (Mr. LARSON) is here, but the gentlewoman from Ohio (Ms. KAPTUR) just talked about privatization, as we have. We know that ideologically, in addition to the drug company and the insurance industry contributions to the Republicans and how that seems to affect their thinking, we also know that some Republicans just do not like Medicare. There is a history of it.

Donald Rumsfeld, Gerald Ford, and Bob Dole voted against it when it was created 38 years ago. Newt Gingrich tried to cut it so he would have money for his tax cuts. Same old story. But the gentleman from California (Mr. THOMAS), who is the number one point man in this entire Congress to privatize Medicare, he said this morning, and the gentleman from California (Mr. THOMAS) is the Republican chairman of the Committee on Ways and Means, he said, "To those who say that the bill would end Medicare as we know it, our answer is, we certainly hope so. Old-fashioned Medicare isn't very good."

That is like Newt Gingrich saying Medicare would wither on the vine and Bob Dole, just a few years ago, before he ran for President, saying I fought the fight to try to stop Medicare from being created. These guys do not like Medicare.

Mr. PALLONE. I just want to say, they operate on the premise, and they keep saying it over and over again, I have heard it on the other side in the well, on the Republican side, that Medicare is broke, Medicare needs to be fixed, and Medicare does not work. It is not true. They say those things in order to set up Medicare to be changed significantly.

The bottom line is my seniors tell me Medicare works. Medicare is good.

That is what the gentleman from California (Mr. THOMAS) is essentially saying, keep this line up that Medicare is bad and broken, then you can make all these changes because you say you are going to improve. But it is not being improved. It is actually being destroyed by what they are trying to do.

Mr. Speaker, I now yield to the gentleman from Connecticut (Mr. LARSON).

Mr. LARSON of Connecticut. I thank the gentleman from New Jersey, Mr. Speaker, and I am proud to join my colleagues from Ohio, the gentlewoman and the gentleman from the Buckeye State, as we talk this evening. And as my colleagues have eloquently expressed, I want to associate myself with their remarks.

I think Roosevelt said it best of our colleagues on the other side of the aisle: The Republicans seem frozen, frozen in the ice of their own indifference. Their indifference to what this proposal will mean to the elderly. The hypocrisy of having this much-needed benefit not take effect until 2006 shows the indifference of Members having to return to their districts and go to senior centers and telling them that the much-awaited benefit that they so desperately need will not be there for another 3 years. We can afford trillions in tax cuts, but we cannot afford to put into effect a program that will benefit them.

□ 2300

Mr. Speaker, as the gentleman has pointed out this evening, the most galling thing for seniors and for Members of Congress, several on the other side of the aisle who have recognized the importance of using the full faith and credit of the United States Government to leverage the cost of prescription drugs, at the end of the day, this is a cost issue. When we think about it, what we have done is asked our senior citizens to subsidize not only all the private plans in the United States of America and all the programs that are available to Federal employees, but basically all the programs available around the globe because pharmaceutical companies have stated that while those prices can be fixed, the only prices in the industrialized world that are not are those that are imposed on the backs of those who can least afford them, the seniors of the United States.

All this lip service to the Greatest Generation ever is dashed when we talk about the hypocrisy of making a program available 3 years from now. For someone in my district who has to make the choice between the food they put on their table, heating and cooling their homes, and the prescription drugs that they need to take, we have turned them into refugees from their own health care system. They have to board buses and go to Canada in order to get the drugs at a price that they can afford. We are a better Nation than that. The indifference of the other party to the needs of these elderly, the indifference in their proposal.

I come from the insurance capital of the world. The HMOs are not going to cover a program that is actuarially infeasible to make a profit on. To have a program that is full of the so-called doughnut where we know that the elderly will fall into this hole, and the programs could be pulled at any moment with no specific guarantee, none of the entitlements that are under the Medicare system. And the further indifference, to try to delude the elderly into thinking their plan comes under Medicare by creating a new subsection which basically defers responsibility to the future and to companies that are unwilling to write the prescription drug benefits.

I applaud the gentleman for being down here night after night. When I go to my district, my constituents ask why are the Democrats not saying anything? And as the gentlewoman from Ohio said, it is because all of the deliberations are taking place behind closed doors, and what can and cannot be said will be determined after midnight upstairs on the third floor with no member of the press present, with no C-SPAN cameras covering what goes on in the Committee on Rules, and that will ultimately determine the fate of seniors and whether or not Democrats will be able to put their proposals side by side and have them voted up or down.

I thank the gentleman for waging this fight. I fear we will have to take this fight to the streets in order to get our point across.

Mr. PALLONE. Mr. Speaker, I yield to the gentlewoman from Ohio (Ms. KAPTUR).

Ms. KAPTUR. Mr. Speaker, I associate myself with the remarks of the gentleman from Connecticut (Mr. LARSON) and to say it is important to remind ourselves why Medicare was first set up. The gentleman talked about actuarial soundness.

We have Medicare because the private market will not serve this segment of American society. That is why Lyndon Johnson worked so hard after 50 years of Democratic effort to enact Medicare in this Congress. To say to seniors you can go out in a private HMO Medicare, we will call it Medicare but it is really not Medicare because it is not guaranteed, all of the HMOs dealing with Medicare in my region have collapsed.

They are not going to be there. It is just like physicians trying to take assignment. How many physicians do not take assignment even today? Do we think that without Medicare we are going to be able to serve this population? We have to have the strength of group buying and of the Medicare program nationally for this drug benefit or, indeed, for all seniors across this country to be helped.

I want to thank these fine Members of Congress, but Americans first, who are here tonight, to be voices for those who expect us to do the job for 40 million people who cannot be in this

Chamber tonight; and I am proud to be here a few minutes before midnight with the gentleman from New Jersey (Mr. PALLONE), the gentleman from Connecticut (Mr. LARSON), and the gentleman from Ohio (Mr. BROWN), who understand the Johnson-Roosevelt legacy and refused to cower before this radical right wing which has taken control of this Chamber.

Mr. PALLONE. Mr. Speaker, I want to say I think all of us feel very strongly that we want to look at this practically. We are not ideologically driven. We are not driven by campaign contributions. We just feel it is time to add a prescription drug benefit to Medicare; and we feel strongly that Medicare works, it is a good program. It is not something that needs to be scrapped because the seniors are not telling us they do not like Medicare.

The simple thing the Democrats say is we need a prescription drug benefit. It is time for that. Let us simply add it to the existing Medicare program. Let us set it up like we do with part B and have a low premium and a low deductible and 80 percent of the cost paid for by the Federal Government. And as the gentlewoman from Ohio (Ms. KAPTUR) said, we have to have negotiated prices because otherwise the cost of the program is going to become so prohibitive the Federal Government would not be able to pay for it eventually.

Ms. KAPTUR. It will just become an entitlement program for all of these pharmaceutical companies to load up and raid the pockets of seniors across this country, bankrupt them, really.

Mr. PALLONE. Exactly. We are going to have the debate tomorrow, I hope. I just do not understand why something which is so simple is not understood by our Republican colleagues, and I come to the conclusion that they are in the pocket of the special interests, whether it is the insurance companies or the pharmaceutical companies. Otherwise it does not make sense.

Mr. BROWN of Ohio. Mr. Speaker, I would add it is pretty clear there are two things going on. One is the huge contributions from drug and insurance interests and connections between that and the Republican plan, essentially since it is pretty clear those interest groups wrote the plan.

Second, they just do not like Medicare. There is clear evidence of a 38-year history of that. But the proof is in the pudding. One, it is what the legislation looks like. The second way the proof is in the pudding is that this debate is held in the middle of the night. The Committee on Rules will meet later this evening. It is already 5 after 11 in Washington. The Committee on Rules will meet behind closed doors with no C-SPAN and no reporters basically there to make these decisions.

And while the Senate is debating their plan, which is moving toward some bipartisanship, for several days, we will have a debate tomorrow of only a few hours. That will be the end of it. The Republicans do not want the public to learn about this. That is why it

is so important that our colleagues speak out and make sure that people understand the difference between the simple Democratic plan that adequately covers seniors and ratchets down the price of prescription drugs, and the Republican confusing plan which gives very little benefit, is written by the drug companies, pushes seniors out of traditional Medicare into private plans, and does nothing about getting prices down.

Mr. PALLONE. Mr. Speaker, in closing, I thank the Members, and we will go onward to the Committee on Rules. Let us hope that they actually meet sometime before midnight. We will certainly carry this forward tomorrow because we are not going to stop until we have the opportunity to have a really good Medicare prescription drug plan.

□ 2310

MEDICARE MODERNIZATION

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

Mr. LARSON of Connecticut. Mr. Speaker, again I would like to commend the gentleman from New Jersey, the gentlewoman from Ohio and the gentleman from Ohio for their remarks. I plan to attend the Rules Committee meeting, whenever it is called to order, to put forward an amendment, an amendment that I believe is much needed. As I said earlier this evening, I believe ultimately, Mr. Speaker, that this comes down to cost. For us to have the elderly of this country unfairly bear the cost not only of private sector plans, Federal Government plans in this country but around the globe is just flat out unfair. There is no reason why we cannot do for Medicare what the VA does for its veterans. There is no reason why we cannot have formularies, why we cannot have pricing. Those who would argue that this would amount to price fixing have to come to grips with reality, that the price is fixed. In this case it is a price that is fixed on the backs of senior citizens across our country, senior citizens who, as I said earlier, feel as though they are refugees from their own health care plan, who board buses to go to Canada to get prices that they are denied here in their own country. Every western democracy, every industrialized nation in the world has seen fit to leverage the full faith and credit of their governments on behalf of their seniors except the United States of America. The preeminent military, social, culture and economic leader in the world cannot find it within itself to provide senior citizens in this country with a benefit they richly deserve and need.

My proposal is a very simple one. It takes into account what the VA is capable to do for veterans. It takes into account what the private sector offers,

what our own Federal employees are able to receive, what you would be able to get as a prescription price if you traveled to Canada, and says, take HHS, take the Department of Defense and the VA and impacted Federal agencies and have them collectively come up with a price that ultimately takes into consideration the need for research and development but also the need to come up with a fair and equitable price for the elderly. No matter what plan ultimately is conceived, if at the center of that plan we do not address the issue of cost, then we have gained nothing. And to have a plan and to be able to go back to your district and say that we propose a plan that does not take effect until 2006 when in the presidential campaign both candidates and every Member of this body, I daresay, campaigned on the fact that they were going to provide seniors with the prescription drug relief that they needed, to renege on that promise is a travesty. To be frozen in indifference, indifference to the need and wants of our senior citizens, is a sham. We have to speak out about that. Ronald Reagan said that facts are a stubborn thing and the fact of the matter is that seniors all across this Nation pay a disproportionate amount of their moneys to get prescription drugs.

My father, God rest his soul, used to say to my mother, Jesus, Mary and Joseph, Pauline, who won the war? The very nations that we defeated in the Second World War provide prescription drug relief for their citizens and yet we, the greatest country on the face of the earth, cannot find the money. Oh, we have plenty of money to give to the wealthiest 1 percent of this country by way of a tax cut, but we cannot find the wherewithal to come up with a prescription drug program for the greatest generation in America.

RECESS

Mr. BROWN of Ohio. Mr. Speaker, I move the House adjourn until tomorrow at 10 a.m.

Mr. PALLONE. I second the motion, Mr. Speaker.

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess subject to the call of the Chair.

PARLIAMENTARY INQUIRY

Mr. BROWN of Ohio. Mr. Speaker, parliamentary inquiry. Does a motion to adjourn not take precedence over any other motion?

The SPEAKER pro tempore. The chair did not recognize the gentleman for that purpose. There is therefore no question now pending before the Chair at this time, and the Chair may declare a recess.

Ms. KAPTUR. Mr. Speaker, parliamentary inquiry.

The SPEAKER pro tempore. For what purpose does the gentlewoman from Ohio rise?

Ms. KAPTUR. I would like to make an inquiry of the Chair as to why the

gentleman from Ohio's parliamentary request to adjourn the House was not received by the Chair.

The SPEAKER pro tempore. When there is no question pending, the Chair has the authority to declare the House in recess. As such, pursuant to clause 12(a) of rule I, the chair declares a recess subject to the Call of the Chair.

Accordingly (at 11 o'clock and 15 minutes p.m.), the House stood in recess subject to the call of the Chair.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

2839. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report involving U.S. exports to Vietnam, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Financial Services.

2840. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed Manufacturing License Agreement with South Korea [Transmittal No. DDTC 034-03], pursuant to 22 U.S.C. 2776(c) and 22 U.S.C. 2776(d); to the Committee on International Relations.

2841. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed Manufacturing License Agreement with Canada [Transmittal No. DDTC 012-03], pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

2842. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold under a contract to South Korea (Transmittal No. DDTC 043-03), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

2843. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold under a contract to Japan (Transmittal No. DDTC 035-03), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

2844. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold under a contract to Japan (Transmittal No. DDTC 036-03), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

2845. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold under a contract to Japan (Transmittal No. DDTC 037-03), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

2846. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold under a contract to Israel (Transmittal No. DDTC 038-03), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

2847. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold under a contract to Belgium, Canada, Denmark, France, Germany,