

PRESCRIPTION DRUGS

Ms. STABENOW. Mr. President, I rise today to speak about an important part of the strategy to lower prescription drug prices for all of our citizens, particularly our seniors who are using about 18 different medications in a year. We have a strategy to focus on with the intent to do everything possible to update Medicare to cover prescription drugs with a comprehensive Medicare prescription drug benefit which is long overdue.

Medicare was set up in 1965. It covers the way health care was provided in 1965. It needs to be updated to cover the primary way we provide health care today, which is outpatient prescription drug coverage.

We also know there are a number of other actions we can take to lower prices for everyone. I had the opportunity yesterday with the Detroit Regional Chamber of Commerce to hear from a number of businesspeople, large and small, who are struggling with their health care insurance premiums, some choosing to no longer be able to provide health care, and others finding they are having to cut back, and hospitals and nursing homes and home health agencies, all affected by the explosion in prescription drug prices.

When we look at the rising cost of health care, the majority of it is the cost of prescription drugs. A number of us have looked at what it is we can do to bring more competition, to bring prices down, and to make it more fair for Americans.

Americans today are underwriting the cost of research. I am very proud that, through the National Institutes of Health, we are providing billions of dollars in basic research. We support companies then taking that research, and we allow them to write off their research costs as well as their advertising and other costs to be able to provide the necessary research and development for new prescription drugs. We give them a patent to protect their development so they can recover their cost. But at the end of that process, we find that Americans, even after we have heavily subsidized, supported, and helped pay for the research and development, are paying the highest prices in the world.

One of the reasons is that there was a law passed in the late 1980s that puts a fence around the border of the United States as it relates to prescription drugs. It says that we as Americans cannot go across the border to Canada to purchase American-made, FDA-approved and safe drugs that are sold to Canada, on average, at half the price. We can't go to any other country as well.

In fact, as was shown in the Wall Street Journal last Friday in a front page article, every time the European Union or Canada or some other country negotiates lower prices for their citizens, the drug companies make it up by raising American prices, even though we are the ones paying for the research that creates the new miracle drugs.

To demonstrate this and to promote legislation, S. 2244, which Senator DORGAN, Senator JEFFORDS, myself, and many others, have introduced—it is a bipartisan bill to bring down this barrier at the border so Americans can get the very best prescription drugs at the very best prices from Canada—a number of us have been helping to sponsor bus trips to Canada to make the point.

This is a picture of a number of us who were joining, from the House and Senate last week, a bus in front of the Capitol. This is a bus that the Alliance for Retired Americans has been sponsoring. In fact, we have over 14 different trips planned in the next several days into Canada. We kicked off one in Detroit yesterday where a group of citizens got on the bus to go 5 minutes across the Ambassador Bridge, in which they were able to lower their prices on average by half, just by going across the bridge.

This is not about putting seniors or families on buses to go across bridges to get lower prices. This is about dropping the barrier at the border. This is protectionist legislation that does not allow us to have business relationships across the border to bring back those American-made drugs at a reduced price.

We can trade with Canada on agricultural products, manufacturing products, all kinds of things. People go back and forth across the border and do business every day. But when it comes to prescription drugs, we have not been able to do that. That creates a situation where we don't see the kind of pressure on our companies to be competitive and fair to Americans.

We want to get people off the bus. We want those prescriptions coming back to the United States to our neighborhood pharmacy, so a senior can walk in and get the reduced price.

I will just share with you some of the price differences we have seen as we have taken the bus trips to Canada from Michigan. Zocor, for high cholesterol, if you need to purchase this in Michigan, the price will be somewhere in the range of \$109. If you drive that 5-minute bus trip across the border, you can get that same Zocor for \$46. If we look at Prilosec for heartburn and ulcer relief, \$115 in Michigan; \$55 across the border to Canada.

Probably one of the most disturbing ones for me is a breast cancer treatment drug. I have taken to Canada breast cancer patients, who are in desperate need of this lifesaving treatment and medication. Tamoxifen is a well-known breast cancer treatment, \$136.50 in Michigan; \$15.92 across the bridge.

There is something wrong with this picture. There is something wrong when Americans are supporting and funding the development and underwriting costs and subsidizing, through tax deductions and tax credits, the development of these lifesaving medications, and we are paying so much more for these lifesaving drugs. It makes no sense.

I urge my colleagues to support our effort, to come on as cosponsors and support the effort to open our borders and lower prices for prescription drugs. We have a bipartisan bill, S. 2244. The time is now. We want to get the seniors off the bus, get lower priced prescriptions into the local pharmacy or the hospital or into the clinics around the State of Michigan. It is time to do that. It is past time to lower the prices for people.

This isn't the same as buying a new pair of tennis shoes. It is not the same as buying a new car, although coming from Michigan, I want to see people buy a new car every year. But if they don't, it is not going to threaten their life. But if a breast cancer patient does not get her Tamoxifen, it does threaten her life. That is the difference.

This is medicine. It is not optional. It is time we understand that and get serious about lowering prices, about creating the competition that will allow us to lower prices.

I have never seen an issue that affects more the economy of this country. It affects every businessperson trying to provide health insurance for themselves and their employees. It affects our universities' health clinics. The president of Michigan State University came to me expressing great concern about his rising health care premiums and the requirement that he was going to have to lay off people because they couldn't keep paying these rising costs, most of it from prescription drugs, and maintain the same number of staff at the university. This is ridiculous.

Most importantly, this is ridiculous because of what it means to our families and our seniors. Yesterday on the bus were a couple who are paying \$1,300 a month for their prescriptions, people on a fixed income. They were getting on that bus yesterday to go to Windsor, Canada, out of desperation to lower their prices so they could live independently in their own home and not have to be hospitalized or go into a nursing home and receive the kind of medicine they need.

It is wrong that we are seeing this kind of disparity. I urge my colleagues, while we are working on the important issue of Medicare prescription drug coverage, that we do something today to lower prices. We can do something right now by just simply opening the border to Canada and making sure that our citizens get the prices shown by these yellow bars on this chart, instead of paying the high prices we see they are paying right now.

I thank you, Mr. President. I urge my colleagues to get engaged in one of the most important issues affecting seniors and our families today. It is time to bring the prices down.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

EDUCATION

Mr. KENNEDY. Mr. President, in the Washington Post today in the front

section on page A3, there is an article titled: "Report Urges Stricter Tests for Teachers, Expertise Is Stressed Over Theory."

This is an important report. It is one that underscores what a number of other reports have said, including those by the National Center on Education Information, which is a report that was out earlier this year, and the was a very solid report from 1996, which is most comprehensive on teacher quality, called "What Matters Most: Teaching for America's Future." The Administration's report is very important because it outlines the challenges we face.

I want to give an assurance to the American people that we do not need more legislation. We already have the legislation in place in the No Child Left Behind Act, and in the Higher Education Act of 1998, that, if fully implemented and funded, would address the real challenges we are facing in the States. We know that we need to hire over 2 million teachers over the next ten years, we need to improve teacher preparation, and we need to increase professional development. But we don't need new legislation. The No Child Left Behind Act requires 100-highly percent qualified teachers in our classrooms in four years. I believe that is the most important ingredient to have a well-qualified teacher in every classroom, increase professional development each year, and provide funding for mentoring.

The Higher Education Act, title II, provides funding for States and universities to improve the teacher preparation with high-quality strategies, including improving alternative routes to certification, and improving the quality of colleges of education.

Mr. President, what is left out of the report is the need for resources to help states meet these goals. We need resources to be able to achieve these goals for the children in this country. We need to do more than just count on alternative routes to certification. Alternative routes to certification could provide, at best, one-third of all of the teachers we need in our public school systems. For example, the Troops to Teachers only places about 700 teachers per year. We need to hire more than 200,000 teachers per year to address the shortages. Many of these new teachers need to have specialized training in special education, math and bilingual education. The alternative route programs can provide some assistance, but they are not the core of the solution. The solution lies in improving all of the teacher preparation and training programs and providing all teachers with the ongoing support they need once they are in the classroom.

Some traditional teacher preparation programs and alternative routes are successful. All the successful programs have the same characteristics. The recent report by the National Center on Educational Information said that a successful alternative route program is

specifically designed to recruit individuals with college degrees; that is, the emphasis is on content. Such a program has a rigorous screening process to attract high-quality candidates. The program is field based to give practical experience through internships. New teachers receive mentoring from trained teachers. Candidates must meet high standards upon completion.

The 1996 report had similar characteristics for a high-quality teacher preparation program at universities: organize teacher education around standards for students and teachers; develop and extend year-long programs with year-long internships; create and fund mentoring programs; and create high-quality sources of professional development for ongoing support.

So the Administration's report is useful and valuable today, but this is something we have understood now for a number of years. It really is nothing very new. The statistics may give us more recent information on particular States, but we know what needs to be done. We outlined in the No Child Left Behind legislation a series of programs to help and assist the States to address the teacher shortage, but the administration has requested zero increase in their proposed budget for improved teacher quality and reduced class size. There is an excellent study that says all these things need to be done—better training, recruitment, professional development and mentoring. We have to do them. But when it comes to the resources to be provided, we are just not getting it from the administration. That, I think, is a matter of enormous importance.

All of us want to address the kinds of needs that are outlined in this report. It is a good report. But in order to do that, it means funding the various programs that we have that are out there and in existence.

Mr. President, I want to mention several of the programs that the administration failed to fund this year that cut teacher quality programs by \$155 million this year. They include: The elimination of funding for preparing tomorrow's teachers to use technology is enormously important. You can get the new technology in the classroom, but unless the teacher understands how to use the technology and how to develop the curriculum to use the technology, you have missed the opportunity for success.

This program was oversubscribed, but it was eliminated by the Administration. Funding for the National Board for Professional Teaching Standards, which is enormously important, was eliminated. Certification by the National Board for Professional Teaching Standards, all across the country, is the key for increasing compensation, increasing professionalism, and increasing success. The National Board has been incredibly important and effective and yet the Bush Administration eliminates it.

The Bush budget eliminates programs to prepare teachers to teach

writing and civics, and provides a 50-percent cut in grants to help train teachers to teach American history.

So the point I am making, Mr. President, is that we can have these studies and they can point out what the problem is, but we know what the problem is, but we already know what the problem is. What it takes now is the increased investment in the No Child Left Behind Act and other programs that can really make a difference in terms of teacher quality.

We have to look at this in a comprehensive manner. We need to improve working conditions for teachers, including increasing pay, increasing the prestige of teaching, and improving schools so they are safe, modern places in which teachers can work and children can learn. Many schools have obsolete, crumbling, and inadequate facilities. All teachers and students deserve safe, modern facilities with up-to-date technology. Sending teachers and children to dilapidated and overcrowded classrooms sends an unacceptable message. It tells them they don't matter. No CEO would tolerate a leaky ceiling in the boardroom—and no teacher should have to tolerate it in the classroom.

This is all part of what we have to understand if we are going to expect that we are going to get quality teachers to teach in our schools.

Mr. President, this is just a final point I want to mention on the subject. Despite the goals we share in the recent report, I am concerned that the administration is not meeting the letter of the law in implementing the requirements of the No Child Left Behind Act to ensure a high-quality teacher in every classroom.

In the draft guidance of the new ESEA title II Teaching Quality Program, released on June 6, the Department proposes a large loophole for alternative routes to certification that I believe violates the law and could lower teacher quality.

The guidance says: "Any Teacher who has obtained full state certification, whether he or she has achieved certification through traditional or alternative routes, has a four-year college degree, and has demonstrated subject matter competence, is considered to be highly qualified under the law. Teachers who are participating in an alternative route program may be considered to meet certification requirements of the definition of a highly qualified teacher if participants in the program are permitted by the state to assume functions as regular classroom teachers and are making satisfactory progress towards full certification as prescribed by the state and the program."

This creates a double standard when it comes to teachers working through alternate routes compared to teachers working through the regular certification program—those working

through the regular certification program must be fully certified—no emergency, temporary provisional certification.

Alternate route teachers can be considered highly qualified while holding a provisional certification while they are working to obtain full certification. This is inconsistent with the definition in the ESEA which holds the same standards for all teachers.

I hope the draft guidance will be changed to ensure when we say all teachers will be highly qualified, we mean all teachers are highly qualified. We do not want to find on the one hand statements about the importance of these findings, and then on the other hand have the drafting of rules and regulations which are going to result in lower standards for the teachers in the classroom.

We welcome this report, but it comes back again to the issue of whether we are prepared to help the States, schools, parents, and children in this country by helping ensure there is a well-qualified teacher in every classroom. We have the legislation. We have followed these various recommendations, and all we need is the investment to make this happen. That is why we are going to continue to battle for the children of this country by insisting that we have an adequate budget invested in teacher quality.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CARPER). The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEATH TAX ELIMINATION ACT OF 2001

The PRESIDING OFFICER. Under the previous order, the clerk will report H.R. 8.

The senior assistant bill clerk read as follows:

A bill (H.R. 8) to amend the Internal Revenue Code of 1986 to phase out the estate and gift taxes over a 10-year period, and for other purposes.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I ask unanimous consent Senators GRAMM and KYL be recognized for 5 minutes each; however they want to divide up the 10 minutes to speak on the general subject of the estate tax, and Senator CONRAD be recognized for up to 10 minutes.

Following that, we would be, I believe, in a position to lay down the first-degree amendment at that time pursuant to the order and the 2-hour time will start running at that time.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Texas.

Mr. GRAMM. Mr. President, let me take a couple of minutes to tell people where we are. We worked out an agreement several weeks ago to debate the permanent repeal of the death tax. I thank the majority leader for agreeing to allow this to happen. We now have a unanimous consent agreement that dictates how the debate will occur. I will go over it so everyone will know exactly what we are doing.

Under the unanimous consent agreement, a majority member, a Democrat, will be recognized to offer a first-degree amendment related to the death tax. That amendment, by a majority member, will be subject to two second-degree amendments also offered by majority members. Those two second-degree amendments will be disposed of—either with a point of order, a motion to table, or a vote—and will be accepted or rejected. Then there will be one amendment standing, whether it is amended or not, and it will be voted on. Then I will be recognized to offer a first-degree amendment. It will not be subject to an amendment. I will offer an amendment identical to the permanent repeal of the death tax adopted by the House of Representatives. So if my amendment is adopted, the bill would again pass the House and the President could sign it into law.

If any other amendments should be adopted, we have to have a debate as to whether we would name conferees and we would potentially have to go to conference with the House.

That is basically where we are. We are now awaiting the offering of a first-degree amendment. Then that will be subject to two second-degree amendments, offered by the majority. We will vote on each one of them, in order, and then we will vote on the underlying amendment. I assume we would probably get through one vote this afternoon and then we would have three votes tomorrow and we would finish up tomorrow sometime in the mid-early afternoon if all the time is used.

I remind my colleagues there are 2 hours on the first second-degree amendment, 2 hours on the second second-degree amendment, 2 hours on the underlying first degree, and then there would be 2 hours on my amendment which would repeal the death tax, in exactly the same form the House has passed, and then there would be a vote on it and we would be finished.

That is where we are in terms of the structure of the debate. I wanted everyone to understand exactly where we are. I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, this afternoon we begin a very important

debate on the question of the estate tax. My friends on the other side characterize it as a death tax. It is really not. There is no such thing as a death tax in America. Nobody pays taxes at death. There is an estate tax. For estates over a certain amount, they contribute to the revenue of the Federal Government by paying an estate tax.

The problem with the current estate tax is that it cuts in at too low a level. Currently, estates begin to be taxed at about \$1 million. The fact is, only about 2 percent of all estates pay any tax, even under that circumstance. But with what has happened in the national economy, many of us believe we do need to reform the estate tax—not eliminate it but reform it.

Why? First of all, because it is not fair to have the estate tax cut in at that level, given the increase in assets that has occurred in the country in the last decade. At the same time, it does not make much sense to us to eliminate the estate tax completely because of the cost. What our friends on the other side of the aisle are proposing is a \$100 billion cost in this decade and a \$740 billion cost in the next decade, right at the time the baby boom generation retires—all of this in the context of budget deficits as far as we can see.

I believe we ought to reform the estate tax. I believe we ought to increase the level at which it cuts in on individuals and their families. But to eliminate the estate tax and dig the deficit hole deeper, put us deeper into debt and take it all out of Social Security, I do not think is defensible.

Last year, the President said this about paying down the debt:

My budget pays down a record amount of national debt. We will pay off \$2 trillion of debt over the next decade. That will be the largest debt reduction of any country, ever. Future generations should not be forced to pay back money that we have borrowed. We owe this kind of responsibility to our children and grandchildren.

What a difference a year makes, because just a few hours ago we responded to the President's request for the biggest increase in the debt—the second biggest increase in the debt in our Nation's history. That is what we did just hours ago. Has this Chamber already forgotten? Have we already forgotten that we just responded to the President, who said he was going to pay down the biggest amount of debt in our Nation's history, in fact he said the biggest amount of any country ever? And now, just 2 hours ago, 3 hours ago, we responded to his request for not debt paydown but the biggest expansion of the debt—the second biggest expansion in our Nation's history?

Here is the comparison. The only time we had a bigger increase in the debt than what the President is seeking was when his father was President. When his father was President, we had to increase the debt by \$915 billion, in November of 1990. Now this President comes and asks for a \$750 billion increase in the debt. That is after telling