

Statement of Representative Henry A. Waxman
October 11, 2000

Mr. Speaker, I rise to express my opposition to the rule on the Agriculture appropriations bill. This rule does not allow language to close the loopholes in the drug reimportation provisions reported by the conference. I ask my colleagues to defeat the previous question on this rule so that we will have an opportunity to amend the drug provisions.

The legislation we are considering today only pays lip service to a very real problem facing millions of Americans across this country -- the high costs of prescription drugs.

The legislation before us today is a sham. Instead of actually solving the problem, it gives America's seniors a placebo and hopes that they won't notice until after the elections.

The reimportation provision is riddled with loopholes. One loophole allows drug manufacturers and their intermediaries to price discriminate against U.S. pharmacies and importers. Under the bill, it would be legal for drug companies to require their foreign distributors to charge U.S. importers more than foreign purchasers.

A second loophole allows drug makers to block importation by denying U.S. importers the access to FDA-approved labels.

I have two packages of pills here. One is from the U.S. and one is from Canada. They are the same drug -- an ulcer medication made by Merck and called Prilosec in the U.S. Prilosec was the #1 selling drug in the United States in 1999.

The U.S. version costs much more than the Canadian version. The whole purpose of the bill is to allow the import of the cheaper Canadian version.

But under this bill, the Canadian version of Prilosec can't come in. You see, the label is different. The drug is called Losec in Canada and the label has an entire section of information written in French. So the label isn't FDA-approved.

There's nothing that the U.S. importer can do to fix this. The importer will be barred from using the correct label by U.S. copyright and trademark law.

This isn't an isolated case. My staff has analyzed Canadian labels and found that virtually none of the Canadian labels would meet FDA labeling requirements. I ask unanimous consent that this staff report be printed in the record.

Our seniors deserve better than this. They deserve better than false promises of cheap drugs. They deserve more than false hopes that they will be able to buy the drugs they need.