



**COUNCIL for
CITIZENS
AGAINST
GOVERNMENT
WASTE**

Thomas A. Schatz, *President*
1100 Connecticut Ave., N.W., Suite 650
Washington, D.C. 20036
ccagw.org

April 24, 2019

The Honorable Ron DeSantis
Governor
State of Florida
The Capitol
400 S. Monroe St.
Tallahassee, FL 32399-0001

Dear Governor DeSantis,

First, I want to congratulate you on your becoming the 46th Governor of Florida. We need more proponents of limited government and free markets overseeing the operation of U.S. states and territories. Indeed, it is gratifying to know that someone who has been a Taxpayer Superhero with a 100 percent rating from the Council for Citizens Against Government Waste (CCAGW) and a lifetime rating of 98 percent is chief executive of the nation's third-largest state. It is on that basis that I write to you on behalf of the more than 214,466 members and supporters in Florida and urge you to reject a state-level drug importation program.

HB 19 / SB 1528, sponsored by Rep. Tom Leek (R-25) and Sen. Aaron Bean (R-4), aim to lower prescription drug prices by creating a Canadian and an International Prescription Drug Importation program, allowing Floridians to buy drugs at a savings through the price controls on pharmaceuticals imposed by Canada and other countries.

Under the bill, Florida would establish programs to oversee Canadian and international drug importation for the state, provided it gets approval from the Food and Drug Administration (FDA). As counterfeit drugs are on the rise, it is extremely dangerous to have a state with a population of 21 million operating outside of the closed pharmaceutical distribution system overseen by the FDA. While the legislation requires the state to hire a vendor to contract with eligible importers, it will still be necessary for the state to assure that not only the vendor, but also the drug suppliers, are in full compliance with federal laws, including the complex track and trace system; Canadian laws; and laws within the jurisdiction in which they are operating. The rigorous and expensive oversight required would be monumental, and a single mistake could be deadly.

It is unlikely that Canada, with a population of 37 million, would allow large volumes of their price-controlled drugs to be sold to Florida or that pharmaceutical companies would sell more drugs to Canada than its population needed.

Furthermore, no secretary of Health and Human Services or commissioner of the FDA of either party has ever certified that importing pharmaceuticals would keep Americans safe from dangerous counterfeit drugs, including the opioids that have caused so much destruction across our country.

If the FDA should not approve the proposal, there could be a great deal of pressure for Florida to “go it alone,” but doing so would likely break numerous federal interstate commerce laws and embroil your state in costly litigation for the foreseeable future. A federal judge invalidated a similar law in Maine in 2015. In her [19-page decision](#), Judge Nancy Torresen of the U.S. District Court for the District of Maine decided that only the federal government and not a state has the discretion to import goods from foreign countries.

We understand your concern with high drug costs, but competition and innovation drive down costs, not price controls. The U.S. [leads the world](#) in pharmaceutical research and development precisely because it has not adopted a socialistic healthcare system that uses price controls to keep down costs. As a former member of Congress, you know the importance of keeping pressure on the FDA to implement many of the proposals in the 21st Century Cures Act that will help speed up approvals for innovative drugs and make sure the backlog of generic drug applications is reduced, both of which would help to drive down costs.

We would also urge you to encourage the Trump Administration and Congress to improve international trade agreements that would protect U.S. intellectual property, prevent compulsory licensing, and discourage other countries from free-riding on U.S. research.

Our nation is on the precipice of veering off into a single-payer healthcare system where price controls and rationing are used to keep down prices. If this proposal should become law, it would send the unfortunate message that a conservative governor approved a bill that adopted a socialist scheme in an attempt to drive down healthcare costs.

Again, I urge you to oppose HB 19 and SB 1528.

Sincerely,

The image shows a handwritten signature in black ink that reads "Thomas Schatz". The signature is written in a cursive, slightly slanted style.