

HR 1093

Stop Price Gouging Act

Congress: 116 (2019–2021, Ended)

Chamber: House

Policy Area: Taxation

Introduced: Feb 7, 2019

Current Status: Referred to the Subcommittee on Health.

Latest Action: Referred to the Subcommittee on Health. (Feb 7, 2019)

Official Text: <https://www.congress.gov/bill/116th-congress/house-bill/1093>

Sponsor

Name: Rep. Pocan, Mark [D-WI-2]

Party: Democratic • State: WI • Chamber: House

Cosponsors (1 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Kaptur, Marcy [D-OH-9]	D · OH		Feb 7, 2019

Committee Activity

Committee	Chamber	Activity	Date
Energy and Commerce Committee	House	Referred To	Feb 7, 2019
Ways and Means Committee	House	Referred to	Feb 7, 2019

Subjects & Policy Tags

Policy Area:

Taxation

Related Bills

Bill	Relationship	Last Action
116 S 1801	Related bill	Jun 12, 2019: Read twice and referred to the Committee on Finance.
116 S 378	Identical bill	Feb 7, 2019: Read twice and referred to the Committee on Finance.

Stop Price Gouging Act

This bill imposes an excise tax on pharmaceutical companies that sell prescription drugs that are subject to price spikes that exceed the annual percentage increase in the Chained Consumer Price Index.

For each taxable prescription drug, the excise tax ranges from 50% to 100% of price spike revenue received by the company, depending on the size of the price spike and including an adjustment for revenue that is due solely to an increase in the cost of the inputs necessary to manufacture the drug.

Pharmaceutical companies must submit specified data regarding drug prices and revenue to the Inspector General (IG) of the Department of Health and Human Services (HHS), and the IG must submit an assessment of the data to the Internal Revenue Service.

HHS, upon the recommendation of the IG, may exempt certain drugs from the excise tax if (1) a for-cause price increase exemption should apply or; (2) the drug has an average manufacturer price of not greater than \$10 for a 30-day supply and is marketed by at least 3 other holders of applications approved under the Federal Food, Drug, and Cosmetic Act.

The Government Accountability Office must examine (1) how drug manufacturers and health plans establish initial launch prices for newly approved drugs, and (2) alternative methods that have been proposed for setting the price of new drugs.

Actions Timeline

- **Feb 7, 2019:** Introduced in House
- **Feb 7, 2019:** Referred to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.
- **Feb 7, 2019:** Referred to the Subcommittee on Health.