



January 16, 2023

Senate Human Services Committee
State Capitol
600 East Boulevard Avenue
Bismarck, ND 58505

Via Electronic Delivery

Re: ACU Opposes Drug Price Controls (SB 2031)

We at the American Conservative Union (ACU) call on you and your colleagues to reject big-government price control provisions included in SB 2031. If enacted, this bill could limit access to needed medicines and disincentivize the innovation of new medicines.

Of course, all policy makers want to ensure that critical pharmaceuticals are available and affordable to everyone, regardless of their socioeconomic class. While well intentioned, the “Canadian Reference Rate” drug pricing scheme as envisioned in SB 2031 will not accomplish that goal. Instead, it will replace market competition and base U.S. medicine prices on the policies of foreign governments that ration care in their own countries. This will ultimately lead to worse healthcare outcomes for all North Dakotans.

The current healthcare system in the United States is the envy of the world. People from across the globe travel to this nation in order to get the highest quality care because they understand, that in America, we have a thriving healthcare system built on the power of incentivizing innovation in new treatments, medicines, and approaches to better health.

Unfortunately, the Left has launched an all-out assault on our healthcare system, continually barraging the U.S. Congress and state legislatures with failed big-government proposals. SB 2031’s “Canadian Reference Rate” inserts the government between health care providers and patient decision making.

As we have seen for thousands of years, government attempts to “fix” the market through price controls always result in the same disastrous outcomes: reduced economic output and shortages. From Lenin, to Mao to Maduro, every effort to invoke price controls has resulted in starvation and death. Even in America, the famous Nixon-era price controls led

to economic catastrophe. There is simply no substitute for capitalism and the free-market.

Because socialized medicine has such significant consequences for all Americans, our sister organization, the ACU Foundation's Center for Legislative Accountability (CLA), has made it a priority to score such proposals. Through both its *Ratings of Congress* and *Ratings of the States*, the CLA has held lawmakers accountable by [scoring countless legislation containing price controls](#), and other measures which disrupt free-market forces within the healthcare industry.

ACU will continue to monitor policy proposals that make their way through the legislature. We appreciate your service in the legislature.

Sincerely,

Thomas R. Bradbury
Director of Advocacy

About the American Conservative Union

Founded in 1964, the American Conservative Union (ACU), host of the Conservative Political Action Conference (CPAC), is the nation's oldest conservative grassroots organization and seeks to preserve and protect the values of life, liberty, and property for every American. Learn more about the ACU and CPAC here: www.conservative.org