

JUNE 22, 2004

SCHAKOWSKY SAYS QUESTIONABLE ETHICS AT NIH MUST END

WASHINGTON, D.C. - U.S. Representative Jan Schakowsky (D-IL) today said that most Americans would find it against the law for National Institutes of Health personnel to receive cash and stock options from some of the very prescription drug and medical device companies whose science NIH is supposed to objectively evaluate.

During a hearing of the Energy and Commerce Subcommittee on Oversight and Investigations, Schakowsky added that major steps must be taken to remove even the appearance of questionable ethics at the NIH personnel. Below is the written text of Schakowsky's opening statement:

**Statement of the Honorable Jan Schakowsky
Energy and Commerce Subcommittee on Oversight and Investigations
Hearing on NIH Ethics Concerns
June 22, 2004**

Thank you Chairman Greenwood for convening today's hearing, the third in a series of oversight opportunities to review concerns about ethics at the National Institutes of Health and the consulting arrangements and outside awards of NIH personnel.

This issue is so critical because it goes to the integrity of science and the safety and efficacy of medical technology upon which the American public and the medical community rely. Consumers, and their caretakers in the medical field, rely on sound science for guidance on the most appropriate types of care. Consumers need to know that the science upon which their doctors rely is based on legitimate evaluations and not tainted by side deals. I think most American consumers would assume that cash, stock, stock options and other types of pay for outside consulting arrangements that NIH personnel have with drug companies and others in industry, would be against the rules. I know I was surprised to hear that some senior officials at NIH received cash gifts as part of the awards given to them by some of the same companies that receive funding from NIH.

In some cases it appears that these deals could amount to more than the regular salaries

of some NIH personnel. It is hard for me to accept any argument that NIH's medical scientists or senior personnel need to enter into such agreements.

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These agreements are not just a question of a little moonlighting-they are day-lighting too, with the very prescription drug and medical device companies whose science NIH is supposed to objectively evaluate.

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Why can't NIH commit to finding scientists who will do their jobs for the salary they agree to receive without doing lucrative side deals outside of the office?

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Even the appearance of such behavior is damaging and NIH and other agencies must take action to ensure the proper safeguards are in place to prevent such activities. So, today, I am looking forward to hearing the response to concerns raised by this Subcommittee. I hope the response will include immediate and concrete steps to remove even the appearance of questionable ethics at NIH. Anything short will be unacceptable. Thank you.