

Statement of

# The Honorable Patrick Leahy

United States Senator  
Vermont  
July 31, 2007

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Chairman, Senate Judiciary Committee  
Hearing on "Evaluating the Propriety and Adequacy of the  
OxyContin Criminal Settlement"  
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I scheduled today's hearing at the request of the distinguished Ranking Member. The Senior Senator from Pennsylvania has long expressed an interest in criminal liability for the introduction of dangerous or defective products into the marketplace. I agree with him that this is an important issue and one where further congressional action may be warranted.

This hearing will examine the recent plea agreement between the makers of OxyContin and the Federal government. Last month, this Committee held a hearing addressing the role of rogue online pharmacies in our Nation's growing prescription drug abuse problem. Among young people, prescription drugs have become the second most abused illegal drug, behind marijuana. In fact, if you exclude marijuana, more adults and teens report abusing prescription drugs than all other illicit drugs combined. I noted then that Purdue's admitted misrepresentations about the addictiveness and abuse-potential of their product was very troubling.

The criminal conduct involved in the marketing of OxyContin has been one of the most tragic examples in recent memory of a company favoring the bottom line over the health of our Nation's citizens. The tragic irony is that the dangerous product here purported to help people manage pain. And I know that for many it has been effective. But for many others, this drug, and its diversion due to widespread distribution, has caused terrible harm -- from addiction to death. Purdue made billions of dollars marketing OxyContin as a less-addictive alternative to other painkillers. Today, we will hear about what punishment the Justice Department found appropriate for this criminal conduct.

I look forward to discussing today with the witnesses how best to prevent this type of dangerous corporate decision-making from occurring again. Americans should not have their lives reduced to a mere factor in an actuarial table. While the makers of OxyContin have been prosecuted, have pleaded guilty, and are paying a multi-million dollar fine, no one from the company is going to jail. I believe it is fair to ask in light of Purdue's profits from OxyContin of approximately \$2.8 billion between 1995 and 2004, whether the \$680 million in penalties they received in this plea agreement will serve as a deterrent to similar future conduct or just another cost of doing business as usual.

We will hear testimony today about the way Purdue's conduct has affected the lives of those who have lost loved ones as a result of taking OxyContin. Many are asking why the three executives who pleaded guilty were not given jail time. Certainly nothing makes corporate executives think twice about malfeasance more than the prospect of the iron bars slamming shut. The Judge who presided over the plea agreement stated at the sentencing hearing: "I do not doubt that many of our fellow citizens . . . will deem it inappropriate that no jail time is imposed. It bothers me, too." The United States Attorney who prosecuted the case will testify today about why he did not insist that the responsible corporate officials pay a similar price as the individuals who sell OxyContin on the street. I look forward to hearing from the witnesses and thank them for joining us this afternoon.

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