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Senate

(Legislative day of Thursday, May 9, 2002)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the Honorable JOHN EDWARDS, a Senator from the State of North Carolina.

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious God, You have promised us that "In quietness and confidence shall be your strength." Isaiah 30:15. Thank You for prayer in which we can commune with You, renew our convictions, receive fresh courage, and reaffirm our commitment to serve You. Here we can escape the noise of demanding voices and pressured conversation. With You there are no speeches to give, positions to defend, party loyalties to push, or acceptance to earn. In Your presence we simply can be and know that we are loved. You love us in spite of our mistakes and give us new beginnings each day. Thank You that we can depend on Your guidance for all that is ahead of us. Suddenly we realize that in this quiet moment we have been refreshed. We are replenished with new hope.

Now we can return to our outer world of challenges and opportunities with greater determination to keep our priorities straight. We want to serve You by giving our very best to the leadership of our Nation to which You have called us. In the name of our Lord and Saviour. Amen.

PLEDGE OF ALLEGIANCE

The Honorable JOHN EDWARDS led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. BYRD).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, May 15, 2002.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JOHN EDWARDS, a Senator from the State of North Carolina, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. EDWARDS thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The acting majority leader is recognized.

SCHEDULE

Mr. REID. Mr. President, the Chair will announce we will be in a period of morning business for the next hour. I ask unanimous consent that Senator KENNEDY be the designee of the majority for that 30 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. REID. As soon as we complete the morning business, we will return to the trade bill. Senator WELLSTONE, under an order entered last night, will be recognized to offer his amendment regarding labor impact. We have a number of Senators who have indicated they want to be recognized shortly thereafter. Senator WELLSTONE's

amendment, I am told, will not take very long. So Senators who wish to offer amendments should be here this morning, and we will be happy to put them in the queue so this legislation can move as quickly as possible.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 10:30 a.m. with Senators permitted to speak up to 10 minutes each. Under the previous order, the time from 10 a.m. shall be under the control of the majority leader or his designee.

The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, as I understand the last request, we have half an hour under my control; is that correct?

The ACTING PRESIDENT pro tempore. The Senator controls the time until 10 a.m.

EDUCATION

Mr. KENNEDY. Mr. President, I appreciate the leadership giving me and others an opportunity to talk about an issue which is of central importance and consequence to families across this country. Families are thinking about education. Families are thinking about the coming days in May and early June when their children will be graduating. They are also thinking about the indebtedness they will face when their children graduate. Others are looking forward to the fall as their children are

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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accepted to schools and colleges across the country.

Families are very concerned about what is happening in the public schools across this Nation. Some 55 million of our children are going to public schools. As we know, over the period of the remaining part of this century, that population is virtually going to double. It will be virtually 98 million. It will be an enormous challenge to ensure we continue to lead the world as the premier economic and democratic power if we do not provide for the education of our young people. Education is a key component of democracy and is key to defending our vital interests.

I remind this Senate where we are in terms of education funding. Money is not the answer to everything, but it is a pretty clear indication of what our Nation's priorities are. Last year we worked out strong bipartisan legislation with the President of the United States, Republicans, my friend Senator GREGG, Congressman BOEHNER, Congressman GEORGE MILLER, and myself, the members of our Education Committee, Republicans and Democrats alike. I can see them all in my mind, their strong advocacy in terms of the children of this Nation. One of the great pleasures of serving in the Senate is working with our colleagues on education and investing in education as a priority for our country. But, today we are faced with an education budget proposed by the President that does not make the promise of the "No Child Left Behind Act" a reality.

We are talking about a budget of some \$2.3 trillion. In that budget, less than 2 cents out of every dollar is focused on education. Parents are surprised to hear that. Many Members believe we ought to reflect our priorities and their priorities in education by providing greater investment. It is appropriate I mention that because this last year we had a major restructuring, a reform. We put much greater requirements on our children, a greater expectation in terms of accountability. We are insisting that the parents be involved. We provide supplemental resources for children falling behind. We ensure any evaluation of children is based upon a good, well-thought-out curriculum and based upon State standards.

All of the recommendations that have been made over the period of recent years have demonstrated positive results. The real issue now is whether we are going to fund that program or whether we are going to claim that we did something for the American people not back it up.

I draw the attention of our colleagues to the statement of the President of the United States this last week in the Midwest where he was talking about the achievements of the No Child Left Behind. In his speech, on page 3, he said:

We have responsibilities throughout our society. We have responsibilities. The Federal Government has responsibilities. Gen-

erally, that responsibility is to write a healthy check. We did so in 2002 budget—\$22 billion for secondary and elementary schools, it's an increase of 25 percent. We have increased the money by 35 percent for teacher recruitment, teacher retention, teacher pay.

That was done with the strong urging and the insistence of the Democrats.

Now we have the administration on its own, and let us see what they are doing with education. Prior to last year, the Bush proposal for 2002 was an increase of 3.5 percent. What I have just referred to was the congressional "final" of fiscal year 2002 which was the 20-percent increase to which the President referred. After that marvelous admonition about all the things we are doing and the Federal responsibilities, we can ask ourselves, I wonder what they will do for the next fiscal year.

Right out here is your answer. It is a 2.8-percent increase. It is basically an abdication of responsibility to the children of this country.

Under the President's program, named "No Child Left Behind," we saw in 2002, 6.3 million children who were not covered by Title I and were not being helped. Children who are qualified for this program. They are not being helped. What happens under the President's own program? In 2003, the number of students not being served by Title I grows by 250,000. It is not going down. The number is going up the number of children who are not being served. That is in contrast to our commitment in that legislation that shows a decline in the total number of children who would not be served so that by FY 07 we will have cut that number in half—from 6.3 million children to 2.9 million. We should fully fund Title I so that no child is left behind. We have, in Congress, taken a step in that direction. But what does the President propose? A step in the opposite direction. More Title I children left behind.

What is the reason to say all these children are going to be left out or left behind? All you have to do is look at the President's budget for the out years and see it is effectively zero in each of those following years.

Let's take a few of the essential elements of the No Child Left Behind Act. Teacher training—is there a family in this country who does not understand that you have to have a well-qualified teacher in every classroom? That is one of the prime elements of this legislation. We increase the funding for recruitment, retention, and professional development. Those elements are included in that legislation in a variety of different ways, including mentoring—to have experienced teachers mentor younger teachers, with a variety of different outreaches to get the best of America to work in the classrooms. This is what was committed to last year.

Look at what is in the President's budget for fiscal year 2003—a zero increase in this fund to meet our responsibility for teachers.

What was a second important element? There are many, and I will just mention some. What is the second important element? The second important element is after-school learning opportunities. Why is that important? It is pretty obvious. Parents understand that after-school programs can provide a variety of services. Many now are providing the academic help for children, either tied into schools or tied into voluntary organizations, and many, as in my own city of Boston, are tied into universities to assist the children in those programs. That is to make sure the supplementary services that are included in this legislation are going to be available to these children, either in school or, if it is not possible there, to do it in the after-school programs. These after-school programs are enormously important.

I will not take the time today, but I will later on, to show, where children have had the opportunity for after-school programs, how that has enhanced their academic accomplishment.

What does the administration have? Basically no increase whatsoever—zero—for the after-school programs.

I will draw the attention of our colleagues to after-school programs in terms of demand. There are a great number of applications from local school districts across this country that would qualify if the resources were there for after-school programs, but remain unfunded. We are only able to fund a very small portion. Mr. President, 2,783 applicants applied for federal after-school funds, and only 308 could be funded.

There are enormous opportunities. If we are going to talk the talk, we ought to walk the walk, and walking the walk means investing in these children, investing in after-school programs and making sure they are going to have good teachers.

Let's look at what is happening to many of the children coming into our schools for whom English is a second language. The challenges for those children are extraordinary. But there are a number of very exciting efforts, programs that are enhancing both the English and the native language of these children. We can get into that, and will at another time, but let me just give a couple of statistics.

Today, as we are here, there are 180,000 children in Los Angeles County who do not have desks because there is not adequate funding. In Los Angeles County, they have cut back 17 days of school for many students because they do not have the resources. And we are cutting back in our participation, to reach out to these children who are qualified for help? Can somebody explain that? And they say it is a national priority? That just does not even pass the laugh test.

This chart: "Bush Budget Undermines School Safety." This is about safe and drug-free schools. Anyone who travels to any high school across this

country will find the parents and teachers, others, will talk about these matters I mentioned: A well-qualified teacher, after-school programs, books—they talk about their libraries. And they talk about the safe and drug-free schools. They talk about safety in the schools. They talk about substance abuse in the schools. They talk about trying to make sure that you are going to have a safe atmosphere, where children can learn, inside the schools.

That is a key element. And it is a key element of our legislation. But certainly not for this administration. This administration has cut back on any little marginal increase. Not only are we getting flat funding on a number of education priorities, we are actually seeing a decline in funding for safe and drug-free schools. That is after that program had been carefully worked out by two of our colleagues, Senator DEWINE and Senator DODD, who spent a great deal of time having special hearings on that program. This program was broadly endorsed across the country, and here we have the issue about having safe and drug-free schools as a key element to make sure our schools are going to measure up, and we have the administration effectively cutting funding for this program.

Mr. DURBIN. Will the Senator yield?

Mr. KENNEDY. I am glad to yield.

Mr. DURBIN. I thank the Senator.

When it comes to the issue of education, it is clear that this President has not done his homework.

Will the Senator from Massachusetts recount for this Senator, for the record, what happened in the debate and deliberation over No Child Left Behind? Is it not true that both parties came together in a bipartisan fashion, behind the President, to authorize and create the very programs the Senator is describing today? Is it not true that the Senator from Massachusetts, who has been on this Senate floor as a leader in education, worked hand in hand with the President to put in place this reform of public education across America with the promise it would be more than a press conference, that it would be a commitment to funding education to make certain these programs work? Is that not a fact?

Mr. KENNEDY. The Senator states the history entirely accurately. We were stalemated here on the floor of the Senate when we tried to visit the reauthorization of elementary and secondary education. President Bush made this an important item during the course of his campaign. All of us welcomed the opportunity to work with him.

I do not question his own personal commitment to education reform. But if we are going to really be serious about trying to make a difference, after we have the reform, we have to fund it.

The question of the Senator suggests a very important item with which we wrestled. If you have money without reform, you are not having an effective

use of your money. If you have reform without resources, you are not going to achieve any goal. That was basically the dilemma we were facing. We put the reform together. The question is now whether we are going to give the help to those children, to those teachers, to those parents.

Let me, since the Senator is on his feet, just mention one item in addition which is of enormous importance. I see my friend from Minnesota here as well. The Bush budget provides zero funding to support parental involvement. There is not a successful school district in this country that does not have the involvement of the parents, the representation of the parents—people who are involved whose interest is the interest of the child in the school. Not only that, the administration has failed to include parents in a meaningful way in the development of the rules and regulations for the No Child Left Behind Act. Of the 22 panelists presiding over the Title I rules, only 2 represented parents and the administration is now facing a law suit for leaving parents behind in this process.

Now the parents organizations are challenging the Department of Education to say: "Let us in the door." "We thought we were included." We see parents being closed out here with no involvement and effectively being denied inclusion in the development of the rules and regulations. I will come back to them in just a few moments. But this must be a matter of concern as well.

Mr. DURBIN. Will the Senator yield?

Mr. KENNEDY. Yes.

Mr. DURBIN. Isn't it also a fact, as we read the newspapers from across the United States, that State after State is facing a cutback in the resources that the States have available for education? In my home State of Illinois, they are currently in session in Springfield trying to figure out how they are going to deal with diminished resources. This morning's paper talks about the State of California losing 20 to 25 percent of its revenue in the coming year, forcing hard decisions in every area, including education.

So this refusal of the Bush administration to fund the very programs they were crowing about, announcing just a few months ago, is going to have a multiple impact on these States that are already facing tough times when it comes to their own budgets, as I see it.

Mr. KENNEDY. The Senator is absolutely correct. The estimates are anywhere from \$40 to \$50 billion of shortfalls in States in terms of deficits. And, of course, an important impact of that \$40 to \$50 billion shortfall will be in areas of education, both higher education and also State support to K-12 education.

We have, in this legislation, requirements that the States are not permitted to let the Federal money supplant the States' obligations.

And now, when we have the situation that the Senator has outlined, how are

we going to say to the States, no, you can't cut back—when we are already cutting back on them, when we are already undercutting what is happening in the States by denying the investment in these children in these areas which we have worked out in a bipartisan way, virtually unanimously, in both Houses, with the great support of parents, of educators, of school boards, superintendents? It was not completely unanimous, but about as close to it as you could have on a major kind of a policy issue. And I am just as troubled, as the Senator must be, that we are failing.

I am troubled, as well, with what we saw just this past week. I ask the Senator whether he would agree that we have to ask ourselves, is this administration really committed to quality education, when they were about to eliminate the possibility of students consolidating their loans at the current lower interest rates and save students and families hundreds of millions of dollars? And they beat a quick retreat on this.

But does it not suggest to the Senator that we are at least missing the note on investing in children and making good education more available and accessible?

Mr. DURBIN. The Senator from Massachusetts, I think, brings two points together. When you reduce the ability of students to go to college, you necessarily reduce the opportunities to create tomorrow's teachers. We need to hire 55,000 new teachers in my State of Illinois over the next 4 years. What the Bush administration proposed was to make it more expensive for students across America to go to college.

Students who are working hard and sacrificing would have paid more were it not for the efforts of the Senator from Massachusetts and many on this side of the aisle that forced the Bush administration, in the last few days, to back off that.

But let me ask the Senator, if I may, this one last question because my colleague from Minnesota would also like to participate in this. Is this not, in this budget this year from this Bush administration, the smallest proposed increase in K through 12 education since 1988?

Mr. KENNEDY. The Senator is correct, this is the smallest increase not only for K-12 education since 1988, but also the smallest proposed increase for education as a whole in seven years, as I am quickly reminded by my wonderful staffer Danica. As this chart says: "The Bush Administration: Smallest Increase for Education in 7 Years." This represents the increase in education. As you can see, The increase for 1997 was 16 percent, for 1998, 12 percent, for 1999, 12 percent, for 2000, 6 percent, for 2001, 19 percent, for 2002, 16 percent and then for next year Bush proposes only 3 percent. This is total education. Sometimes there is a flyspecking in terms of education. We have not gotten into, for example, the IDEA and the retreat the Republicans had in making

sure we are going to have the full funding for the IDEA, which the Senator fought for and is so important.

But let me just mention one final item—going back to the consolidation issue. Only 3 percent of the graduate degrees conferred in this country are in law and in medicine. If you remember the rationale of the administration, they said: we do not need to provide for consolidation at a fixed rate because these young people are all going to be lawyers and doctors, and they will be able to pay it off. They represent only 3 percent of the graduate degrees conferred.

The people I am concerned about are those childcare workers—who we are trying to help in terms of providing better quality childcare—who are trying to get their degrees and are going to have to borrow money. I am concerned about the nurses who are trying to get those advanced degrees so they can provide better care. And I am concerned about the teachers who are trying to get a better upgrading of their own kinds of skills who are going to have to go out and borrow. Those are the ones who would have been affected by denying these borrowers the lower interest rates. So that is why I am so glad the administration retreated on it.

I thank the Senator for bringing up these important points.

Mr. DAYTON. Will the Senator yield for another question?

Mr. KENNEDY. Yes.

Mr. DAYTON. I applaud the Senator from Massachusetts whose leadership and commitment to these children for decades have been resolute. When I came to the Senate a year ago, I thought what a phenomenal opportunity I would have to work with the Senator and others of our colleagues, given the resources we seemed to have available at that time. As I recall, we had trillions of dollars of surpluses. That was the context in which I recall the Leave No Child Behind partnership was forged.

I wonder how the Senator feels about having made that commitment, and seeing that promise made for funding for all these areas, and now seeing a budget that comes out like this. What happened to all that money we were going to spend on children?

Mr. KENNEDY. The Senator is quite correct. As a matter of fact, the \$1.3 billion the OMB had expected, if their proposal in terms of eliminating the consolidation of loans had taken place, would have effectively been used for the tax breaks. You would have had a transferring of resources from the sons and daughters of working families—and not just the sons and daughters because many now in these community colleges, I am sure in your State as well as mine, are mid-career people trying the upgrade their skills. So it is also mothers and fathers who are going for graduate degrees, as well as sons and daughters. But it effectively would have had those individuals paying more

interest on their student loans so that the top 1 or 2 percent of the income-tax payers would have been able to get their additional kinds of tax relief. I think those are absolutely the wrong priorities.

It seems to me we heard in the Senate not long ago that we can have it all, we can have the tax cut and the education and the defense—we can have it all. And there were many of us who did not believe you could have it all. There are still some trying to say you still can.

But the Senator's question points out how the education for working families—in the K through 12, and also in college—is going to be limited because of the administration policy.

Mr. DAYTON. The Senator's use of the word "priorities" is exactly the right choice. I recall this year we approved another \$43 billion in tax breaks for the largest corporations in this country. Combined with what was done last year, would the Senator agree that the priorities of this administration are just fundamentally at odds with the interests of children in America?

Mr. KENNEDY. It seems to me most Americans are agreeing, we have a new day in America as a result of the tragedies of September 11: enormous loss, incredible inspiration for the men in blue, who will be honored outside this Capitol today, and mindful of the 233 who were lost, and the incredible courage of those Americans. We have a new and different day. We have a different economy, different obligations in homeland security, in foreign policy. We have a responsibility here at home to meet the needs of our people.

Mr. President, I ask unanimous consent for 30 more seconds.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. KENNEDY. I think that is what is enormously important: Be strong at home. And there is no place we can be stronger at home than investing in the children of this country.

Mr. DAYTON. I thank the Senator, again, for his courageous leadership on this issue for so many years.

Mr. KENNEDY. I thank the Senator.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. CARPER). Under the previous order, the time until 10:30 a.m. shall be under the control of the Republican leader or his designee.

Mr. GREGG. Mr. President, I yield myself 10 minutes of that time. I understand the Senator from Ohio would like 15 minutes off that time.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized for 10 minutes.

THE PRESIDENT'S COMMITMENT TO EDUCATION

Mr. GREGG. Mr. President, I find the discussion of the Senators from Massachusetts and Illinois and Minnesota most interesting. It reminds me of that

old story of the attorney up in northern New Hampshire who received a report from one of the logging camps he represented. There were seven people in this camp, five men and two women. The report came in that 50 percent of the women were marrying 20 percent of the men.

The numbers which have been thrown out here are, to say the least, a bit disoriented, dysfunctional, and inaccurate. They certainly don't reflect this President's commitment to education. In fact, I don't think anybody can seriously question this President's commitment to education. He not only has made it a priority, he has essentially made it his No. 1 domestic priority after the issue of fighting terrorism, which of course is our Nation's No. 1 issue right now.

It was under his leadership that we passed a landmark piece of legislation in which obviously the Senator from Massachusetts played a large role, as did the Senator who is presiding at the present time. That legislation essentially reorganized the way we approach legislation at the Federal level as it affects elementary and secondary school education.

Basically, it took a large number of programs and merged them together and turned that money back to the States with more flexibility, the purpose of which was to give the States and the local communities specifically more dollars with fewer strings and, in exchange for giving them more dollars with fewer strings, expect more for those dollars and have standards which have to be met to show that that has occurred; in other words, specifically saying, we don't expect any children to be left behind.

The Federal role in elementary and secondary education is a fairly narrow role; 92 to 93 percent of the money comes from the local communities or the States; they have the priority role in education. The Federal role in education has picked two targeted areas on which to focus. No. 1 is low-income kids, making sure they are not left behind. No. 2 is special needs kids, special education kids. This ESEA bill which we passed, the No Child Left Behind bill, essentially said we will give the local communities more money with fewer strings, fewer categorical programs; but in exchange for that, we will expect that especially low-income kids have a better opportunity to learn and that they are not left behind; we will ask the States to set up standards which test that.

What did the President do? He didn't give them less money. He gave more money into this program. If you look at the chart the Senator from Massachusetts held up, you will see that the increases in the Federal commitment to education have been massive over the last 2 years: 19 percent over the base 2 years ago; 16 percent on top of the 19-percent base; and then 3 percent on top of that, with the practical effect being that the dollar increase has been

absolutely huge, as has the percentage increase for education.

In fact, what the President did was consolidate that money into basically a more focused stream so that it goes back to the States in a more effective way. I have charts to reflect this, but I am not sure they are here. Hopefully, they will be arriving soon.

In any event, if you look at what we did, what the President did, you see he put the money into title I. Yes, some of these other programs—they held up five or six different programs—have been zero-funded. They should have been, because they were a little bits of money tossed around for the purposes of some Member of this legislative body getting out a press release.

What the President said was: Let's not do that. Let's put this money into one focused stream and have those dollars flow directly back to the communities. The practical effect of that is that the title I dollars over the last 2 years, the President's increase in title I spending, the money going to low-income kids, has seen a \$2.5 billion increase. If you take all the money that went into title I, all the increases during the administration of President Clinton, which was 8 years, not 2 years, his increases only amounted to \$2 billion in that account.

So in 2 years the President has exceeded by 20 percent the amount of money that went in as increases over 8 years into the Clinton accounts. This concept that the President has not funded education is absolutely fallacious.

You could hold up another chart on this relative to special education which would show the exact same thing. In fact, it would show that President Bush has made a stronger commitment to special education than President Clinton ever did during his entire term in office. President Bush in the last 2 years, in both of those years, has increased special education by \$1 billion each year. President Clinton, of his entire 8 years, in only 1 year, the last year when he was basically forced into it, did he increase special education by \$1 billion. In every other year, for the 7 prior years, his increase in the special education amount was actually negligible.

As we know, special education has a huge impact on the local tax base. The failure of the Federal Government to pay its fair share of special education has been one of the real problems local communities have had.

President Bush has made, from the start, a major commitment to funding special education, increasing that funding by over \$2 billion, \$1 billion in each year of the last 2 years and, as a result, has lived up to a commitment he made during the campaign which was that he was going to move towards full funding of special education. This concept that the President is not funding education really doesn't hold water.

Then there was some discussion of postsecondary activity and this con-

solidation issue, this "bloody shirt" that the other side continues to draw across the floor. Let's talk about a little bit of history. This concept was reported as a concept, as a trial balloon in the New York Times. That is where the issue comes from.

Somebody in OMB, which is not the education policy arm of the administration, threw out the idea: We have to pay for the Pell grant shortfall which is \$1.3 billion. One way to do that would be to disallow consolidation of student loans. That is one of the many ways we could do it.

It was reported in the New York Times as a concept. It was a trial balloon. The education arm of the administration, which is the Education Department, immediately rejected it. The OMB was told to forget it. In fact, the OMB called around the Hill to the staff of the appropriate committees and members of the appropriate committees and said they would not pursue it. Yet for 3 weeks now we have heard it as if it were a policy. How outrageous. I refer to the approach the other side is taking as the thought police, where, if you have an idea, you just beat it into the ground, like those mullahs who run around with sticks and beat people if they have ideas. This idea doesn't even exist as a policy. Yet we continue to hear about it.

What does exist as a policy, however, is what this administration has done in the area of postsecondary education, which is huge in the way of funding. The largest increase in Pell grants in the history of this country has occurred under this administration. More students, 500,000 more students, will get Pell grants this year than got them in the last year of the Clinton administration. This administration has committed huge dollars into this program. The rate of interest which a student will pay on their student loans will drop to below 2 percent by the beginning of next year—below 2 percent—as a result of this administration supporting language which allowed those loans to be reorganized in a way that students could get a less than 2-percent rate of interest on their student loans—incredibly low-cost money to help kids go to school, huge benefits to students trying to go to graduate school. And equally important, the tax bill which passed this Congress and which a number of Members on the other side did vote for but nobody who just spoke voted for, the tax bill which passed this Congress gave a massive increase, something in the vicinity, I think, of \$30 billion of incentive money to help parents fund their children's education in the expansion of the Coverdell accounts, the expansion of the deductibility of interest for student loans, and a variety of other initiatives—teacher tax credits for people who stay to go on to teach, a supplemental payment there—all sorts of initiatives which dramatically increased the funding available to assist parents who are trying to put their children through school.

So to come to the floor of the Senate, as some of the Members have from the other side for literally 3 or 4 weeks now, to berate the administration for the consolidation proposal, which was never a proposal, which was simply a trial balloon, and to berate the administration for not funding education is, in my opinion, tilting at windmills by the other side and trying to set up straw men because the issues hold no water on the basis of fact.

Mr. President, I appreciate the courtesy of the Senator from Ohio letting me go forward, and I appreciate the courtesy of the Chair.

I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

TRADE PROMOTION AUTHORITY

Mr. DEWINE. Mr. President, over the last couple of weeks during the debate on this trade bill we have heard arguments for and against trade promotion authority, the Andean Trade Preference Act, and trade adjustment assistance. Many of the arguments have focused, and I think rightfully so, on the impact of those issues on American jobs and on the American economy. American workers and the American economy benefit from free and open trade. Granting the President trade promotion authority will greatly help to facilitate open trade. It will help our economy and it will help jobs.

Today, I would like to focus on another benefit of the passage of this legislation. I would like to talk about the benefit to our foreign policy, to our national security. A top priority in our foreign policy must be to promote freedom, peace, and stability in the world and particularly in this hemisphere, the Western Hemisphere.

Last year, a Dallas Morning News editorial put it very well. Here is what they said:

In the post September 11 world, free trade is not just good economic policy. It is also good foreign and security policy.

We, as a nation, stand to lose or gain depending on the economic health and security of our neighbors. A strong, a free, and prosperous Western Hemisphere means a strong, free, and prosperous United States. That prosperity depends in large part on free and fair trade. In 1987, President Ronald Reagan told Soviet Premier Gorbachev to tear down the Berlin Wall. It was a symbol of repression, keeping freedom and prosperity out of Eastern Europe. Today, we need to destroy another wall, a wall that prohibits the free and fair trade that Ronald Reagan envisioned for not just the people of Eastern Europe but for all of the world.

I am talking, of course, about the tariffs, quotas, the lack of trade agreements that are really bricks in the walls that surround all countries. We must work to eliminate those barriers while also negotiating free trade agreements so our Nation has reciprocal access to these foreign markets. Such efforts are key foreign policy steps that

can effectively counter poverty, disease, and tyranny.

From an economic point of view, business in the developing world struggles to survive for a multitude of reasons. During my 15 years in the House and Senate, I have traveled across many poverty-stricken and disease-ridden parts of the world. My wife Fran and I have seen the destitution, devastation, and desperation in which millions and millions of men, women, and children live. I believe we have both the ability and the obligation to help these suffering people.

In addition to foreign aid, to foreign assistance, increasing our trade relationship with these countries will help promote economic freedom and growth.

I cannot tell you how many foreign leaders I have met—I know my other colleagues have also met—who say do not be concerned about foreign assistance to us. What we really need is access to your markets. What we really need is the opportunity to sell the goods that we can produce to the American people. Tear down the artificial barriers. That is the best assistance that you can give us.

So in addition to helping us, it helps them and ultimately helps our vision of the world, which is a world filled with countries that are Democratic and that have developing middle classes.

Statistics show that when developing countries engage in international trade and investment, they develop and grow faster than closed economies. Trade agreements open up markets. It cuts poverty and advances the cause of economic and political liberty. The sad fact is the United States has underutilized trade to the detriment of our Nation and our trading partners, particularly in our own hemisphere. Right now, the United States is only party to 3 of the more than 130 bilateral and free trade agreements in this area—that is right, only 3. The European Union, on the other hand, has had free trade agreements with 27 nations. Mexico, our Nation's and my home State of Ohio's second leading trading partner, has secured 25 such agreements just since 1994.

Providing our President trade promotion authority is a chance for us to, once again, show our leadership in this area.

Many foreign leaders have expressed this frustration, that the agreements they sign with the United States, frankly, could get bogged down in Congress. So without trade promotion authority, it is difficult, if not impossible, for our President to conclude the agreements that we so desperately need. That is why this bill must pass and we must send it on to the President.

Few foreign leaders candidly will be inclined to invest their time or effort in working out agreements that may be radically altered by Congress. At best, the administration's ability to negotiate bilateral free trade accords

will be seriously hampered. We need to remember that trade promotion authority is not a new concept. Our Presidents were granted this authority almost continuously from 1974 to 1994 when the authority lapsed and was not renewed. We also should remember that under the provisions of TPA, the President is required to consult with congressional committees and to notify Congress at major stages during trade negotiations. And we also should remember that Congress retains the ultimate authority, of course, to approve or disapprove the final trade agreement.

By granting trade promotion authority, we are not abdicating control of our Nation's trade policy. On the contrary, we in Congress are helping our Congress to lead. Many of my colleagues have spoken very eloquently about why the President needs trade promotion authority. And they have provided statistics showing how increased trade will help open markets and provide job opportunities right here in the United States in every sector of our economy. They have argued further that the President needs TPA in order to strike the best deals for American workers, for families, for farmers, and for business men and women.

They have shown that trade promotion authority represents the vital partnership between Congress and the executive branch.

These are all important points, and they are all valid. They all illustrate how free and fair trade agreements, accomplished through the exercise of trade promotion authority, are important for the United States. They are correct. But as we have seen, free trade also benefits developing countries, and this is important to the United States.

For example, for most of the 20th century, Mexico had closed itself off from international trade and capital flows by setting up currency controls and trade barriers. Only with the Latin American debt crisis of the 1980s did Mexico slowly begin to open its economy to global trade and investment. Then with NAFTA the payoffs to Mexico's economy and workers were certainly very real.

Between 1993 and 1999, Mexico climbed from 26th place to 8th place among the world's largest exporters, and in recent years Mexico's exports fueled growth rates of 4 percent. Free trade also has enhanced Mexico's overall stability, and the involvement of U.S. businesses has positively influenced both labor conditions and environmental quality in Mexico. Due to increased competition, domestic firms in Mexico increasingly are forced to compete with foreign-owned businesses and joint ventures by offering better working conditions and higher pay. The situation in Mexico is not perfect and the results so far are uneven, but overall there has been improvement.

Meanwhile, U.S. production methods and technology are demonstrating to

Mexican business that it is possible to be both profitable and environmentally responsible. The Mexican Government has actually strengthened its environmental regulations and enforcement procedures since NAFTA has been in place, and this, of course, benefits the United States, particularly the area along our southern border.

Ultimately, the example of Mexico demonstrates that free trade is not only in Mexico's best interest, but it is also in our best interest as well.

If we in the United States care about the illegal drugs that are coming into our country across our southern border, if we care about immigration problems, if we care about other issues of political and economic stability, then we want our neighbors to be peaceful democratic nations. It is in our national interest.

It is in our national interest to see a Mexico, to see a Central America, to see the rest of this hemisphere be democratic, to see people have opportunities, to have a chance for the future. It is important for someone who has a family in Central America or Mexico to think they have the opportunity to feed that family and not have to make the very difficult, tough, and illegal decision to come to the United States and cross our border. It is in our interest for Mexico to develop, and one of the best ways is through fair trade.

What is true of Mexico is also true with the rest of the hemisphere. That is why it is important this legislation pass.

Some of the strongest evidence of the benefits of free trade is over the past couple of decades developing countries have been opening their markets voluntarily. Even some of the most traditionally closed economies are abandoning protectionism in favor of freer trade. The World Trade Organization's own history illustrates this trend.

Established in 1948, the General Agreement on Tariffs and Trade, the precursor to the WTO, had only 23 contracting parties, most of which were industrialized countries. Today more than three-quarters of the WTO's 144 members are developing nations. Of the 49 countries designated as least developed by the United Nations, 30 have become members of the WTO, 9 are eagerly awaiting coming in, and 2 are WTO observers.

The world of trade, economics, and international development is, of course, extremely complex, and it is hard to narrow things down to a direct cause-and-effect relationship, but, for most people, the benefits of free trade can be boiled down to one key point: Trade does spur economic growth and growth raises living standards.

There is an undeniable relationship between growth rates and economic freedom, including the freedom to conduct international transactions, and research supports this. One study found that developing countries with open economies grew by an average of 4.5 percent per year in the 1970s and 1980s,

while those with closed economies grew by only .7, less than 1 percent.

Other studies have concluded that nations with relatively open trade regimes grew roughly twice as fast as those with relatively closed regimes. According to a recent report of Africa, East Asia, South Asia, and Latin America, were each to increase their share of world exports by just 1 percent, the resulting gains in income would lift 128 million people out of poverty. The \$70 billion that Africa alone would generate is approximately five times the amount it gets through aid and debt relief. If developing countries as a whole increase their share of world exports by just 5 percent, this would generate \$350 billion, seven times as much as they receive in aid.

It is important that we now, more than ever, provide the President trade promotion authority.

I thank the Chair, and I yield the floor.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. DURBIN. Mr. President, I ask unanimous consent that I be allowed to speak in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRESCRIPTION DRUGS

Mr. DURBIN. Mr. President, one of the issues that continues to haunt Americans is the whole question of the cost of prescription drugs. I have been troubled, as I have traveled across my State of Illinois, at the number of people I have met who are facing serious hardship trying to pay for their drugs.

There was a hearing in the city of Chicago where a lady came forward to tell a sad story of how once she had received her prescription drugs from her doctor, she realized the cost of the drugs were so much that on her fixed income under Social Security she could not take it. This lady was facing a particular hardship because she had received an organ transplant. If she failed to take the antirejection drugs, she stood the chance of dying or having even a worse medical condition.

Mr. President, do you know how she answered that particular dilemma? She moved into the basement of her children's home. She is living in the basement of her children's home so she does not have to pay for rent or utilities so she can have enough money to pay for the drugs to keep that new organ in her body that keeps her alive.

That is a tale of desperation which unfortunately highlights the challenge facing Congress as we need to find a way to make prescription drugs not only accessible but affordable.

There are many projected ideas out there and some of them are valuable and worth pursuing and some of them are certainly not. We have to keep in mind it is not just accessibility to the drugs, but it is also the price of the drugs, to say to someone, you have a right to buy the drugs, and we will help

you up to a certain extent, may be of little or no value if the price of the drugs is so high the person cannot afford it. That, unfortunately, is a reality.

Last year the cost of prescription drugs across America went up 16 percent.

Mr. President, try to imagine a program or even something in your home budget that you could deal with honestly with an annual increase in cost of 16 percent. So what we have tried to do on the Democratic side, as we address prescription drugs, is to go to the heart of the issue, to talk about the affordability of drugs, and to make certain the way we pay for these drugs is not at the expense of the people across America who need a helping hand.

Senator DEBBIE STABENOW of Michigan has been a leader on this issue. She held a press conference I attended last week and talked about a prescription drug approach which needs to be thoroughly considered. Right now across America pharmaceutical companies are buying ads on television, in magazines, and in newspapers talking about the importance of research for new drugs. Believe me, there is not a person in the Senate who does not agree with that.

We also know that many of these pharmaceutical companies are spending extraordinary amounts of money, in excess of their research budgets, for advertising. We see it every time we turn on the television, every time we open a magazine or a newspaper—full-page ads for new drugs. They show people dancing through a field of wildflowers and not sneezing, saying: Go to the doctor and ask for Claritin, or Clarinex, or Clarinet, or whatever happens to be the latest from Schering-Plough. When it comes to drugs such as Vioxx from Merck and other drugs, constantly we are bombarded with this information.

What Senator STABENOW has found is that pharmaceutical companies across America are spending two to three times as much on advertising as they are on research to find new drugs. Why should they be given a tax deduction for promotion, marketing, and advertising in excess of what they are spending for research? I do not think they should.

Frankly, I think we ought to call their bluff. If they tell us they need money for research, then for goodness' sake, put in it research. Give us the new drugs. Make the profits by giving us these kinds of blockbuster revelations of new drugs that can change our lives. But do not focus the money on advertising, promotion, and marketing when, frankly, all it does is create false need and false demand.

So as we consider the prescription drug challenge that faces us, let's be honest about the program we put together, that it is accessible and affordable, and let us also be honest about the source of the money. On the House side of the Rotunda, the Republicans have proposed a prescription drug bill

which is paid for by taking money from hospitals under Medicare and doctors across America. That is not the appropriate way to deal with it. We have to deal with it in an honest fashion so that the people of America are not shortchanged in terms of their health care.

I yield the floor.

TRADE PROMOTION AUTHORITY

Mrs. FEINSTEIN. Mr. President, I rise today to express my thanks to Senator BAUCUS and Senator GRASSLEY for accepting the Kennedy-Feinstein-Feingold amendment to trade promotion authority. Our amendment instructs our trade negotiators to respect the Declaration on the TRIPS Agreement and Public Health adopted by the World Trade Organization at the Fourth Ministerial Conference at Doha, Qatar.

This amendment is essential for the developing countries of the world as they confront public health crisis, such as the HIV/AIDS pandemic.

The Doha declaration simply recognizes the right of these countries to use practices such as "compulsory licensing" to gain access to affordable pharmaceutical drugs. These practices are fully consistent with international law, specifically the TRIPS agreement which is the presumptive legal standard for intellectual property rights.

Without these practices, the vast majority of HIV/AIDS patients in the developing world would not be able to afford the more expensive drugs from American pharmaceutical companies and, as a result, they would suffer and die.

The statistics compel us to action. HIV/AIDS is now the leading cause of death in sub-Saharan Africa. Worldwide, it is the fourth biggest killer. At the end of 2001, an estimated 40 million people globally were living with HIV/AIDS; there were 5 million new infections and 3 million deaths as a result of the disease. In the last twenty years, we have come a long way, but we are still losing because people are still dying.

Sub-Saharan Africa houses about 10 percent of the world's population but more than 70 percent of the worldwide total of infected people, 95 percent of all HIV/AIDS cases are of those living in developing countries.

An estimated 25.3 million people are living with HIV/AIDS in sub-Saharan Africa and 19.3 million Africans have died of AIDS, including 2.3 million last year. This has meant an increase to a cumulative total of 12.1 million AIDS orphans, which is expected to increase to 42 million by the year 2010. An estimated 600,000 African infants become infected with HIV each year through mother-to-child transmission, either at birth or through breast-feeding.

These statistics are what they are in spite of the tools we have to ease the situation.

The Kennedy-Feinstein-Feingold amendment is by no means the perfect

solution and there is a great deal of work yet to be done. But it is an important step for the United States to maintain a leadership role in the global effort against HIV/AIDS.

We should not punish countries of the developing world for using different tools to provide affordable treatment for their citizens who are suffering. We should be a partner and a leader in this effort.

Again, I thank the managers of this bill for accepting the amendment and I look forward to working with them again on this important international health issue.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

ANDEAN TRADE PREFERENCE EXPANSION ACT

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of H.R. 3009, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 3009) to extend the Andean Trade Preference Act, to grant additional trade benefits under that Act, and for other purposes.

Pending:

Baucus/Grassley amendment No. 3401, in the nature of a substitute.

The PRESIDING OFFICER. Under the previous order, the Senator from Minnesota, Mr. WELLSTONE, is recognized to offer an amendment.

AMENDMENT NO. 3416 TO AMENDMENT NO. 3401

Mr. WELLSTONE. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Minnesota [Mr. WELLSTONE] proposes an amendment numbered 3416 to amendment No. 3401.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To include additional criteria for reviewing the impact of trade agreements on employment in the United States, and for other purposes)

Section 2102(c) is amended by striking paragraph (5) and inserting the following new paragraph:

“(5) review the impact of future trade agreements on United States employment, modeled after Executive Order 13141, taking into account the impact on job security, the level of compensation of new jobs and existing jobs, the displacement of employment, and the regional distribution of employment, utilizing experience from previous trade agreements and alternative models of employment analysis, report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance

of the Senate on such review, and make that report available to the public.”.

Mr. WELLSTONE. Mr. President, this amendment, which I offer to the fast-track portion of the substitute, will enable us to get a better and more accurate assessment of the true impact of trade agreements as they affect the job security of America's working families. In particular, what this amendment does is clarify the scope of the labor impact assessment called for in the underlying fast-track bill. What we say is that the full assessment should be an assessment on the impact of job security, the level of compensation of new jobs and existing jobs, the displacement of employees, and the regional distribution of employment.

Let me explain each of these one by one. First, the impact of the trade agreement. With this important impact statement being made available to Members of Congress, to the Finance Committee, to the Ways and Means Committee, and, more importantly, I would argue, to the public, it has an impact on job security. What we now know, on the basis of some very good work by economists, is that when one has a trade agreement and a company leaves, it is not only a question of whether or not there are now fewer jobs by definition in our own country; it is also a question of the overall impact trade deficits have on our economic performance in our country and what kinds of jobs are generated.

It is also true that when companies end up leaving and saying, listen, we are going to go to Juarez, or Taiwan, or wherever, because we can pay 50 cents an hour, or we can have children we can employ for 18 or 19 hours a day with pretty horrible child labor conditions, what also happens is that workers in our country are put in a really weak position vis-a-vis bargaining so that quite often they then settle for lower wages, less by way of health care coverage, and all the rest, because companies say, if they demand this, we are leaving.

What this amendment says is let us have really a good economic impact analysis and let us look also at the impact of these trade agreements on not only job security, which in and of itself is really important, but also the level of compensation, and then the whole question of displacement of employment and regional distribution. It could be and may be that Senators want to make an argument that over all these trade agreements benefit our economy in the aggregate and benefit our Nation as a whole.

I think that is always open for debate, and people of good faith can reach different conclusions about it, but what we also need to understand is what regions of the country are most devastated, what sectors of the economy are most devastated, and what happens to those industrial workers, be it textile workers in the South, be it steelworkers, be it taconite workers on the Iron Range of Minnesota.

What this amendment does is clarify. It also calls for an examination of previous trade agreements and says we ought to take into account a variety of different economic models: Let us look at NAFTA as it would affect future trade agreements, let us look at the different kinds of economic models we can employ to do the most rigorous assessment; and then, after we do these assessments, let us make sure this is made available to the public.

What we do not want is a whitewash analysis. What we do want is a real analysis so we can know what kind of impacts to expect from particular trade agreements.

I think it is actually an amendment that adds to the strength of the bill. My colleagues, Senator BAUCUS and Senator GRASSLEY, certainly have tried to move in this direction, and I appreciate their work. This builds on their work.

I would quote again the Swedish sociologist Gunnar Myrdal, who said ignorance is never random. My translation of that is: We do not know what we do not want to know.

All this amendment says is let us do a rigorous analysis of what the impact of these trade agreements is on the lives of many families we represent.

There can be no doubt about some of the adverse effects of so-called globalization and our trade relationships on jobs and job security in our country. In my home State of Minnesota, unfortunately, examples abound. The impact of the steel imports on the Range—other Senators from steel States, Democrats and Republicans, can present their own data—but as I look at the sort of import surge of semifinished slab steel and its impact on the taconite industry, all I have to do is look at 1,400 LTV workers now out of work.

In greater Minnesota, or in rural America, when someone has a job that pays \$50,000 to \$60,000 a year, with good health care benefits, it is not at all clear what happens to those families. Those jobs are hard to find. They are hard to find outside metro areas.

The most poignant thing of all is that not only have these workers lost their jobs but now, depending upon their seniority, after 6 months, a year, they are losing their health care benefits as well.

Tomorrow there will be an amendment offered by Senator ROCKEFELLER, Senator MIKULSKI, and myself, and what is especially poignant about this is that these retirees who have worked hard all their lives now find, as these companies declare bankruptcy, that these companies walk away from retiree health care benefits. They are terrified about what they will do now.

We are very hopeful we will get strong support on the Senate floor tomorrow for an amendment that at least will provide a 1-year bridge at minimal cost toward maintaining coverage for the retirees. Then, of course, we have to come to terms with what we

intend to do in the long run in the future for the retirees and for the steel industry. More about that amendment tomorrow.

Potlach shut down in Minnesota. Senator DAYTON and I met with the workers in the Brainerd area. It is never easy when grown men and women have tears in their eyes. These were good-paying jobs, hard-working people. I talked to the CEO of Potlach. He told me outright, Senator WELLSTONE, we can compete with any company in the United States of America but it is the trade policy that has simply done us in. We have no other choice. The results have been devastating for the workers.

I spoke yesterday to machinists and aerospace workers. They don't understand why so many jobs are farmed out. Northwest Airlines in our State is an example. The jobs are farmed out to repair shops in other developing countries that do not have to live up to the same standards as the repair shops in our country. We may want to have high standards for all the repair shops. I may have an amendment on this bill that speaks to the specific question of safety for airline passengers.

We have heard of the difficulties from workers all across our country: auto workers, textile workers, steelworkers. Looking at NAFTA, there is a direct link between the NAFTA trade agreement and trade adjustment assistance. I have three pages of companies and workers who have lost their jobs in the State of Minnesota. It is quite unbelievable. For the families, it is devastating. There have been all sorts of promises made about the great benefits that would flow from NAFTA and from granting permanent trade relations with China. They have not panned out. As I mentioned before, the studies on NAFTA have estimated we have lost about 766,000 actual and potential U.S. jobs between 1994 and 2000 because of the rapid growth in the trade deficit with Mexico and Canada.

Canada increased from \$17 billion to \$53 billion; our trade deficit with Mexico doubled from \$14.5 billion to \$30 billion. I congratulate my colleague from Minnesota for his amendment which said we are not going to give up our right to review trade remedy legislation which is so important to making sure that working families in our country are not put in an awful situation when other countries engage in illegal trade practices and we begin to lose our jobs. That amendment that Senator DAYTON and Senator CRAIG passed yesterday was an extremely important amendment.

Make no mistake, the job losses are real. These are workers who have actually been certified as eligible for trade adjustment assistance under NAFTA. That means there is an official finding regarding these workers in the State of Minnesota, these three pages of lists of workers. There was an official finding that they lost their jobs because of trade covered under the NAFTA agreement.

A few examples: Cummins, located in St. Peter, MN, which made power supplies, estimates the loss of jobs at 350 because of NAFTA imports. That is a lot of jobs for the town of St. Peter, MN.

Hampshire Designers, located in La Crescent and Winona, MN, knit sweaters. The estimated loss is 150 jobs because the plant moved to Mexico.

Hearth Technologies located in Savage, MN, produced prefabricated fireplaces. The estimated loss of jobs is 160 because the operation moved to Canada.

There is an excellent groundbreaking study by Dr. Kate Bronfenbrenner at Cornell University, prepared for the U.S. China Security Review Commission and the U.S. Trade Deficit Review Commission which took a detailed look at the impact of United States-China trade relations on workers, wages, and employment in the United States. That is what this amendment says. We want that analysis on these trade agreements, and we want it made public before a final agreement is signed.

This was a pilot media tracking study that Dr. Bronfenbrenner did at Cornell, an indepth analysis of production shifts out of the United States since the enactment of the permanent normal trade relations legislation.

Frankly, colleagues, it is a sad state of affairs and exemplifies the need for this amendment that this pilot study was even necessary. As the authors point out, there is no government data in this area. I want to make sure we have the data so we can be responsible policymakers. Indeed, the database developed in this pilot is the only national database on production shifts out of the United States.

Let me give colleagues a feel for some of the conclusions. In the few months, between October 1, 2000, after enactment of PNTR legislation, and April 20, 2001, more than 80 corporations between October and April announced their intentions to shift production to China. With the number of announced production shifts increasing each month, from 2 per month in October to November to 19 per month by April, the estimated number of jobs lost through these production shifts to China was as high as 34,500. Unfortunately, because this data is not regularly tracked, and hence the need for the amendment, we can only speculate the trend has worsened.

The study also showed that the production shifts out of the United States into China are highly concentrated in certain industries. Let me give some examples of the electronics and electrical equipment, chemicals and petroleum products, household goods—toys, textiles, plastics, sporting goods, wood, and paper products. The U.S. companies are shutting down and moving to China and other countries. These tend to be the large, profitable, well-established companies, primarily subsidiaries of publicly held U.S.-based multinationals: Mattel, International Paper, General Electric, Motorola, Rubber-

maid. These multinationals are not shifting production to China to serve a Chinese market. Their goal is to still serve the United States and a global market.

Perhaps even more important, of the jobs moving to China, increasingly, they are the jobs in high-paying industries, for example, producing goods such as bicycles, furniture, motors, compressors, fiber optics, injection molding, and computer components.

I hope all Senators read a front page story yesterday in the Washington Post about a 20-year-old woman in China who lived in the most rural part of China. She came to one of the industrial cities to work for one of the subsidiaries producing toys. She was working many days in a row, day after day after day, 18, 19 hours a day, well until 10, 11, 12 o'clock at night, from early in the morning. She felt ill and was not allowed a break. She became sick, threw up blood, and died. There are working conditions like this all over the world—deplorable child labor conditions, with violations of people's human rights, trade agreements with governments that systematically torture their citizens. And we don't consider any of this?

That is one of the reasons I am sorry to say these companies must leave the United States of America. They say to our wage earners: Listen, you who want to make a living wage and you want to have health care benefits and you want to be able to support your family, we don't need to pay attention to you any longer. We will go to China. We will go to other countries. We will go to countries where if people try to organize and bargain collectively and join a union, they will find themselves tortured or find themselves in prison. It happens all the time. Or we will go to countries where there are no labor standards and as a result, we lose these jobs. Our families are the ones who pay the price. Then, if other nations should say we want to have some child labor standards, these companies say: We will not go to your nation. We will go someplace where we don't have to deal with any of that.

Then, what makes me most angry is that working families, working people in the United States of America who dare to raise the question as to whether or not these trade agreements or this fast-track bill is exactly in their interest or their children's interests, are called protectionists.

Then the argument is made: You terrible labor unions. You don't care about the poor in these other nations. This helps them obtain employment.

I will tell you something. I have been to some of these trade conferences, and I have never seen any of the poor represented by these countries. I see their trade ministers. I never see the poor there.

What we have going on here is a race to the bottom. It is time we think about this new international economy and how we can make sure this new

international economy doesn't just work for multinationals but works for working people or works for the environment or works for human rights.

Let me conclude the study's conclusion.

The employment effects of these production shifts go well beyond the individual workers whose jobs were lost. Each time another company shuts down operations and moves work to China, Mexico, or any other country, it has a ripple effect on the wages of every other worker in that industry and that community, through lowering wage demands, restraining union organizing and bargaining power, reducing the tax base, and reducing or eliminating hundreds of jobs in the related contracting, transportation, wholesale trade, professional, and service-sector employment in companies and businesses.

Finally, the study notes that the employment effects of United States-China trade relations are not felt in the United States alone. Data points to massive shifts of employment around the world. As Dr. Bronfenbrenner's study notes:

Contrary to the promise of rising wages and living standards that free trade and global economic integration were supposed to provide, in many countries these global production shifts have led to decreases in employment, stagnating wages, and increasing income inequality.

These conclusions were also echoed in a report presented by the U.S. Business and Industry Council Education Fund, "Exporting Jobs: When Trade Agreements Are Really Investment Agreements."

What this study points to is to a trend of low-income countries such as Mexico and China becoming sources of high-tech products for the United States. Import levels increasingly have swamped exports which are increasingly concentrated in the high-value industries, with the result that we even lose more.

Here is the problem. It is not just that we are losing low-value products produced by low-wage workers, we are now losing the higher-value products produced by skilled labor that goes to other countries where these companies pay much less, do not have to abide by any standards dealing with labor, don't have to abide by any human rights standards, don't have to abide by any democracy standards, don't have to abide by any environmental standards.

What this says is let's take a close look. We need to understand exactly how this affects the people we represent.

A USBIC report, and numerous studies, including one published by the Federal Reserve Board of New York, made clear that most Chinese imports consist of imports that are turned into exports. Since 1997, our trade deficit with China has mushroomed from \$49.7 billion to \$83 billion. Contrary to the promise of how this was supposed to help so many working families in our country, this is great for the multinational companies involved, but it does not help most of our small businesses, and it doesn't help most of our workers.

Make no mistake, this amendment is not about being opposed to trade agreements. This is not about protectionism. I do not have the slightest interest in building walls at our borders or keeping out goods and services, nor do I fear fair competition from workers and companies operating in other countries. I am not afraid of our neighbors. I do not fear other countries, nor do I fear other peoples. I favor open trade, and I believe the President should negotiate trade agreements which lead generally to more open markets here and abroad.

I am aware of the benefits of trade for the economy of Minnesota and the economy of our country. In Minnesota, we have an extremely internationally minded community of corporations, small businesses, working people, and farmers. Open trade can contribute significantly to expansion of wealth and opportunity, and it can reward innovation and productivity. Negotiated properly, trade agreements can bring all these benefits to trading partners in a fair way.

The question is, How do American values around protecting labor rights, the environment, food safety, and consumer protections figure into our trade agreements? And what are the true costs of not respecting these values?

The Bush administration believes commercial property rights are primary in trade agreements but that labor and environmental and human rights are secondary. I think this is wrong. I think—and I think most Americans agree with me—that fundamental standard of living and quality of life issues are exactly what trade policy should be about.

Trade agreements that do not respect the universality of these issues or these values undermine human dignity around the world, and they hurt American workers in the process. If we fail to document the extent of the impact of American workers and American jobs, then we have done a real disservice to our own Nation.

So before we enter into additional trade agreements, we simply have to have better data and a more sophisticated analysis of the full employment impacts of these trade agreements: Loss of jobs but also wage levels, ability to organize, impact on regions in-country, impact on sectors of the economy. We need to know the impact of the agreement on job security, level of compensation of new and existing jobs, displacement of employment, and the regional distribution of employment. That is the purpose of this amendment.

It is a pretty simple amendment. Frankly, I would be surprised if my colleagues did not accept it, although I am pleased to debate it as well.

This is a labor impact amendment. I hope there will be strong support for it.

I also say to Senators while I am out on the floor—and I know there are other Senators who want to speak—that this is the first amendment I have which is to improve the labor assess-

ment impacts of trade agreements. Both my colleagues, Senator BAUCUS and Senator GRASSLEY, start down this direction. This is just a fuller analysis. We ought to know the impact on job security. We ought to know the impact on the level of compensation of jobs. We ought to know what the displacement effects of unemployment are. We ought to know what the regional distribution of employment will be. And we ought to look at prior trade agreements and come up with the best models of assessment. That is what I am saying. We need to be honest and rigorous in our analysis.

I also will have another amendment which will call upon us to assure the consideration of democracy and human rights in trade agreements. Believe me, I think it is vitally important that fast-track trade negotiating authority for any trade agreement must have a specific democracy and human rights clause.

Let me just mention one other amendment. The other amendment I will be introducing is an amendment regarding the contracting for Federal services overseas. What this amendment with Senator FEINGOLD says is that right now, State authorities—too many—use TANF to administer electronic benefits programs. Right now what they are doing is they are doing business with companies that contract this abroad.

It is kind of an irony. This is the welfare reform. Actually, some of these mothers could take these jobs. So it seems to me, the TANF money itself should not be used to support companies that are subcontracting with companies that then basically do all the electronic work, so if you are a welfare mother and you are calling and trying to find out where you are, where there is job training, basically you are talking to somebody in India. It strikes me that this is a bitter irony, especially when some of the jobs could actually be available for these mothers and other families.

So this amendment would prohibit the use of any part of a TANF grant to enter into a contract with an entity that employs workers located outside the United States to carry out the activities under the contract. I think that would be an interesting debate. I hope to have support for it.

I want to say, while my colleagues are out on the floor, the heart and soul amendment is the one—they are all important—that deals with the steelworkers and a small amount of money. I know we have a Joint Tax Committee estimate where we can help at least with a 1-year bridge for the retiree health care benefits. This will be with Senators ROCKEFELLER, MIKULSKI, and I know other Senators joining in as well.

I want to, before relinquishing my right to the floor, speak on the democracy and human rights amendment, which my guess is will be somewhat controversial. The reason for this is—

just look at this, just listen to this. This is from our own "State Department Country Reports on Human Rights for 2001."

For China:

Police and other elements of the security apparatus employ torture and degrading treatment in dealing with some detainees and prisoners.

This is the State Department report, not my report:

Senior officials acknowledge that torture and coerced confessions are chronic problems.

Former detainees and the press reported credibly that officials used electric shocks, prolonged periods of solitary confinement.

And the list goes on and on.

Russia—I know we are establishing better relations with Russia—but for Russia:

There are credible reports that some law enforcement officials used torture regularly to coerce confessions from suspects, and that the government does not hold most officials accountable.

Torture usually takes one of four forms: beatings with fists, batons, or other object; asphyxiation using gas masks or bags—sometimes filled with mace—electric shocks; or suspension of body parts.

Colombia: According to the "Amnesty International Annual Report for 2001":

More than 4,000 people were victims of political killings, over 300 "disappeared" and an estimated 300,000 people were internally displaced.

And also, again, there are too many connections between military and paramilitary, which I think will be part of the debate on Colombia.

Labor rights, and Mexico:

Independent trade unions faced difficulties in organizing during the year. . . . there are frequent abuses in the country's 4,000 or so maquiladoras. Since NAFTA came into force, some 3,000 assembly-for-export companies have set up business in Tijuana. According to a study by Infolatina, over 1.3 million workers are paid less than \$6 a day to work in often deplorable conditions. . . .

These are our own Government reports. This one was actually the "International Confederation of Trade Unions Annual Survey of Violations of Trade Union Rights for 2001."

The "2002 International Labor Organization (ILO) Global Report on Child Labor" has estimated that over 8 million children worldwide are trapped in the unconditional worst forms of child labor—which are internationally defined as slavery, trafficking, debt bondage, and other forms of forced labor.

And 180 million children aged 5 to 17—or 73 percent of all child laborers—are now believed to be engaged in the worst forms of child labor, comprising hazardous work and the unconditional worst forms of child labor.

From the April 2002 Human Rights Report titled, "Tainted Harvest: Child Labor and Obstacles to Organizing on Ecuador's Banana Plantations":

Child workers explained that they were exposed to toxic chemicals, handling insecticide-treated plastics, working under fungicide-spraying airplanes in the fields, and directly applying post-harvest pesticides in packing plants.

You name it. I could go on and on.

There was a Washington Post piece, which I mentioned earlier: "Worked Till they Drop: Few Protections for China's New Laborers."

Again, the young woman I talked about was 19:

Lying on her bed that night, staring at the bunk above her, the slight 19-year-old complained she felt worn out, her roommates recalled. Finally the lights went out. Her roommates had already fallen asleep when Li started coughing up blood. They found her in the bathroom a few hours later, curled up on the floor, moaning softly in the dark, bleeding from her nose and mouth. Someone called an ambulance, but she died before it arrived.

Colleagues, I just have to tell you, it is like we are being told that we should lead, but we should lead on the basis of our own values.

On the first amendment, we will see what my colleagues do. I want to have a rigorous analysis of what the impact of these trade agreements will be on our working families. I do not want anything whitewashed. I want to know what the effect will be in the south. I want to know what the effect will be for textile and steelworkers. And I want to know what the effect will be on not only jobs lost but wages and the right to organize—you name it. That is what this first amendment is about.

With the second amendment, I want to have a democracy, human rights clause. I think we should at least say the countries that we are signing these trade agreements with, will at least agree to make an effort. I have pretty reasonable language to deal with human rights. There are probably 70 governments in the world that systematically practice torture. Do we care? Can't we at least have some language that says countries have to show they are making an effort?

Why would we oppose that? Shouldn't we do something about these deplorable child labor conditions? Are we just going to put this unpleasant reality into parenthesis? I don't believe so.

I am the son of a Jewish immigrant who fled Russia, born in the Ukraine. I believe in human rights. I think my colleagues do. And the amendment I am going to bring to the floor later is very reasonable. It just says let's at least have a clause where there has to be some effort on the part of these countries to make a commitment to moving forward on this democracy and human rights agenda.

And then, I just have to say, the TANF amendment is a no-brainer. With all due respect, why should our Government money, why should our TANF money—States are hard pressed right now—why should we see that subcontracted out to companies that are actually doing the work in regard to welfare reform located in other nations—India or wherever. I am not picking on India. I am just saying, it is not appropriate to use TANF money to do that when we are supposed to try to enable welfare mothers to do some

work. And they could be doing the work. It does not make a bit of sense.

Finally, we will be out here tomorrow with this steel amendment, which is so important. It is the right thing to do. It has a reasonable cost. It will be a great statement for the Senate to make, Democrats and Republicans alike: a 1-year bridge on legacy costs. Retirees have worked hard all their lives. Companies now go bankrupt and walk away from retiree health care benefits.

This is about compassion. This is about basically our being willing to help. Boy, I will tell you what. For the Iron Range in Minnesota, nothing could be more important. It is like that is why you are here. It is why you are here because everybody has this experience. You know people are frightened, and you know people really don't know what they are going to do. They don't know what they are going to do, and they ask you to help. That is what this is about. And it certainly should be part of the trade adjustment assistance package. It is a good package.

I give my colleagues a lot of credit for working hard and coming up with a bipartisan package.

Mr. President, there are other Senators in the Chamber. I will stay here if there is debate on this amendment that basically calls for, really, as I say, a rigorous labor impact clause to this bill. But I will wait to hear from my colleagues. I am hoping there will be strong support because it just says let's know what we need to know. Let's make sure that information is public.

Mr. President, I wait to hear from my colleague from Iowa.

The PRESIDING OFFICER (Mr. MILLER). The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I am not going to debate the Senator from Minnesota, but I am going to raise some questions he may want to answer.

First of all, our bill, the bipartisan trade promotion bill that is before us, does provide for a study on the impact of trade on the economy and jobs and things of that nature. So, quite obviously, we are not opposed to studies that are within the bill.

The Senator from Minnesota wants to be a little more specific, give direction to the study. And I suppose those directions and those studies are something that I will want to have him answer some questions about what his intent is.

I also surmise that the Senator from Minnesota probably will not vote for trade promotion authority. That doesn't make his efforts to amend the bill illegitimate in any way, but there are a lot of amendments that could be adopted that probably will not get the support, in the final analysis, of the Senator from Minnesota.

One of the things we need to remember is that trade is all about jobs. For instance, the whole movement of the last seven decades started with the bad economic impact of protectionism all over the world. It started in the United

States with the Smoot-Hawley Act. I don't know that it was intended to be a bad piece of legislation. Probably the people who got it passed thought they were doing the right thing for the country. It bred protectionism all over the world.

Everybody knows what happened in the 1930s, the tremendous movement toward protectionism. World trade shut down and, consequently, the world economy shut down. The Great Depression was a worldwide depression. It wasn't long afterward, a new President came in, Franklin Delano Roosevelt, and a new Congress, and they had a rude awakening to the bad impact of protectionism.

We have heard Senators give the history, so I will not go into it. Starting in the mid-1930s, with the Trade Reciprocity Act that passed Congress and, under the President's authority, the ability to reduce tariffs when it was reciprocally done by other countries, it was a pattern from the mid-1930s until the present setup of the General Agreement on Tariffs and Trade that went into effect in 1947, followed by the World Trade Organization in 1994. But that whole regime that started in 1947 was building on what started in the mid-1930s with trade reciprocity to bring down tariff and nontariff trade barriers to enhance the world economy and to create jobs.

Trade is all about jobs. I keep referring to what President Clinton said about the expansion of jobs in his 8 years as President: 22 million jobs. He said one-third of them came because of foreign trade. The reason he could say that is he negotiated the final agreements on the North American Free Trade Agreement and on the Uruguay Round of GATT. So 22 million jobs, one-third, approximately 7 million jobs—7 million jobs—President Clinton said, were created as a result of trade.

I hope everybody understands that there are leaders in the Democratic Party and leaders in the Republican Party who think trade is good for America and it creates jobs. They are good-paying jobs that pay 15 percent above the national average; some people would say somewhere between 13 percent and 19 percent above the national average. We are not talking about flipping hamburgers at McDonald's; we are talking about good jobs.

You have to put this debate in the context of what the history of the world economy has been in the last 70 years and what has happened in the United States to create jobs as well. In my State of Iowa, at John Deere, one out of every five jobs on the assembly line is related to trade. At 3M Company, Knoxville, IA, 40 percent is related to trade. I could go on and on. It is probably more true in Minnesota than my State of Iowa, jobs related to trade.

The Senator's amendment doesn't undo anything we have in the bill. He asks for a study. There is nothing wrong with intellectually honest ap-

proaches to reviewing public policy. Senator BAUCUS and I believe that is important. We have a study in our bill.

With that background, I would like to raise some questions with the Senator that he might want to answer or might not want to answer. As I understand it, the amendment would replace language in our bill which requires the President to review the impact of future trade agreements on U.S. employment and report to the Ways and Means Committee and to the Senate Finance Committee on these reviews.

The amendment of the Senator from Minnesota expands upon this report, requiring the President to take into account the impact on job security, the level of compensation of new jobs and existing jobs, the displacement of employment, and the regional distribution of employment in conducting this review. The amendment requires the President to utilize experience from previous international trade agreements and to use, in the words of the amendment, "alternative models of employment analysis."

My question on that point would be: How is the President, in conducting the report, going to take into account the impact on job security? How is he going to take into account the level of compensation of new jobs and existing jobs?

Obviously, there is some data for that, as I indicated by the 15 percent figure I used that trade-related jobs pay above the national average. But does the Senator from Minnesota want to take more than those things into account that are already out there? Whatever the Senator from Minnesota wants the President to take into account, is that data available? What is the relevance of requiring the President to take into account the regional distribution of employment? Is providing jobs in one part of the country more important than jobs in another part of the country, if the overall economic wealth of our Nation is enhanced?

When President Clinton said one-third of the jobs created in the 8 years of his Presidency were related to trade, he didn't say it benefited Massachusetts much more than California, or much more Minnesota than it did the southern part of the United States. We are a national economy.

I might also ask the Senator to explain, what are alternative models of employment analysis? In other words, how do his alternative models of employment analysis differ from what might be the present models of employment analysis or maybe what you might call other models that are in use, or maybe there is a standard model out there? And have these alternative models of employment analysis been used by other nations, or in any venue, for that matter, to evaluate trade agreements? I think it is important that we know how they have been used. The Senator would want answers to these questions to be part of the

RECORD in case his amendment is adopted so that we can have a basis for the direction of the study. But we cannot be opposed to intellectually honest approaches to getting information and analyzing the policies we make. But we want to make sure there is a basis for producing the information that the Senator from Minnesota wants.

I am going to stop there. I have raised some questions about it without taking a position for or against the amendment at this particular point.

Mr. WELLSTONE. Mr. President, I will respond to my good friend from Iowa in a couple different ways. First of all—and I think he came around to this—well, I don't know what his overall position is, but I think this amendment is not about an overall discussion about trade policy. As my colleague said, it is all about jobs. What this amendment says is, that is right; it is all about jobs. Let's have a thorough analysis. Let's have a thorough analysis of the impact of these trade agreements on jobs.

We can debate for a long time, I say to my colleague from Iowa, about trade policy. I am pleased to do so. I do not want to take a lot of time away from other Senators, and I want to answer the specific questions. I do want to say one thing, though. I do not want my good friend from Iowa to corner me as a sort of protectionist.

I do not view this debate as being between people who are for or against free trade or protection. I view this as a debate between people who are saying, look, we have this new international economy and let's go forward with it, and the market will take care of everything; there do not have to be any rules with it, versus those of us who say, yes, we have this international economy, we are all for trade, let's make sure we harness this in such a way that there are some rules ensuring these agreements work not just for the multinational corporations but for our workers and for the environment and human rights and independent producers.

That is all this debate is about. Frankly, if I were to look at this with a sense of history, I do not think this is a lot different than the beginning of the 1900s. What happened in the beginning of our Nation 100 years ago is that the economy went from more local and agrarian to national and industrial, and as these economic changes took place, some of these economic changes were wrenching changes. It gave rise to very interesting politics as to what happened during that period of time. This was the populist-progressive politics. This was Teddy Roosevelt's time. This was the Farmers Alliance. This was the labor unions building.

What happened? We had demands for an 8-hour day. We had antitrust action, the Clayton Act and the Sherman Act, women demanded the right to vote, and progressives said Senators should be directly elected, and so on and so forth. And you know what. Actually, as hard

as those struggles were, the media was opposed to all those groups and organizations and people who felt that, in a democracy, you demand what you have courage to demand. They did not have the support of the media. The Pinkertons murdered organizers, and money dominated politics probably more so even than it does now.

Believe it or not, but you know what. Those courageous citizens were successful. They changed our country for the better.

So it is, 100 years later, we now see some revolutionary changes in the economy. Now it is an international economy, and trade policy dramatically affects the quality or lack of quality of the lives of people we represent. What I insist on is that there be some rules that go with this new international economy. I don't trust these multinational corporations to look out for the best interests of family farmers or workers or ordinary citizens in my State of Minnesota or anywhere else.

I will tell you something. Over the next 10 years, I want to say today in this Chamber to the Senator from Iowa, this will become a burning issue—whether or not with this new international economy we just say the market handles everything or whether or not we say, isn't there some way that ordinary citizens fit into this somehow and there are some rules that go with this to make sure it works for people.

That is what people 100 years ago were saying: We want this new national commerce civilized. We want it to work for us ordinary people, too. That is basically my framework.

Now, first of all, the amendment is about jobs, not this overall political economy debate in particular and specifically I say a thorough analysis of the impact. Second of all, as to why we are talking about an impact, we have some specificity, I say to my colleague from Iowa. It is on the basis I said earlier during the debate. You want to look at job security. You want to look at also the level of compensation. You want to look at regional distribution. You want to look at where people are losing jobs. And you want to look at past trade agreements. Frankly, we ought to look at all of that.

There are some good economists and others who have argued that it isn't even just the case of loss of jobs. It is also a question of whether or not these trade agreements and companies that then leave parts of our country basically deny ordinary working people the leverage they need in their bargaining and their negotiations so they are put at a more severe disadvantage and have to settle for even lower wages or even worse health care benefits because of the threat of more companies leaving. Let's have analysis of that.

The next question from my colleague from Iowa was, how would this affect what a President does? Presumably, a President, whether that President is a Democrat or Republican, will look at

the impact it has on many working families throughout the country or in regions of the country and then decide it is good or decide maybe not—maybe now that I have all this data before me and all the specific information before me what I thought was a good agreement might not be good.

I think the President and the Members of the Congress as decisionmakers should have more information. That is all. Frankly, I think the general public should as well.

As to the whole question of why regional, I do not prejudice the final decision that any President or we would make, I say to my colleague from Iowa, about these agreements, but I do think we should know if it has a particularly harsh impact on textiles in the South. If it has a particularly harsh impact on auto workers, let's know. If it has a particularly harsh impact on steelworkers or taconite workers on the Iron Range, we want to know. All politics are local. Tip O'Neill said that. It is true. We all come to fight for people in our States, and we should have the information on how these agreements affect particular regions or States. Does it mean a President might not still think it is the right agreement? Does it mean that Senators agree or disagree?

Gunnar Myrdal was right, and I am not firing accusations at my colleagues. I just love the quote. Gunnar Myrdal, the Swedish socialist, once said, "Ignorance is never random. Sometimes we don't know what we don't want to know." I say we should know what we need to know. That is what this amendment says.

Finally, and this is my only hard-hitting point, my colleague from Iowa said it could be dropped from the conference—I think heard him say that—if we accept it. It could be. I tell you what my position is on this bill. If the Senator did not say that, better yet. I apologize.

My position on this bill is, we will see what it turns out to be in the Senate. I think there are some good amendments that have passed. We still have an amendment on supporting legacy costs for steelworkers. We have good trade adjustment assistance. I want to see ultimately where we come down. I reserve final judgment until I see what kind of bill we have. But if, in conference committee, this becomes some little strategy game and there are a few people in conference committee who say, "Well, now we are together here, we will just knock this amendment out and knock that amendment out; they passed it in the Senate, and they did it on voice vote and we can knock it out," there are a lot of us who are going to raise cane, and we probably won't win on the vote, but, ultimately, we all get held accountable. I think it will take some real explaining as to why anyone would not want to have an honest, rigorous assessment of how trade agreements affect the lives of people we represent, period.

I am pleased to have a recorded vote on this if we are going to start talking about knocking it out of conference committee. I have not decided; I guess I could ask for the yeas and nays. I do not know. I want to see what my colleagues are interested in.

Mr. BAUCUS. I commend the Senator from Minnesota for his amendment. I think it is a good amendment. It improves upon an already good piece of legislation. That is, the underlying legislation already has employment impact provisions.

The amendment offered by the Senator from Minnesota goes further, and I think that is good. The more people know about the ramifications of trade and the more different organizations investigate the ramifications of trade, the better we will be. I tend to subscribe to the John Locke "marketplace of ideas" philosophy and welcome a good, honest discussion of the issues. I believe that the more discussion we have, the more the sun shines, the more likely it is we will do what is right.

It is almost axiomatic. The more the Senator from Minnesota offers amendments such as these, the better off we are all going to be in the short term and the long run. We will know more about how trade does or does not affect job security, one of the provisions in his amendment. We will know more about how trade affects levels of compensation.

It has often been stated, frankly, that some of the jobs created as a result of trade pay more than nontrade jobs. It is equally clear that many jobs are displaced by this very rapid race to globalization that is occurring in the United States as well as other countries.

I also think that regional distribution of employment, another one of the Senator's goals, is a good one. Let's see if there is regional distribution as a consequence of trade. I say this in part because trade itself is not the most exciting topic in the world. It is sort of an opaque gauze that clouds Senators' minds when we talk about trade, except when we see the real life effects of trade. Real life effects can be positive and not so positive.

The Senator is trying to put a real life face on trade, to look at the actual effects or real people. I think this is a very good idea. I commend him and urge the Senate to accept this amendment.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I am going to go along with the amendment as well, but I want to make very clear that it seems to me it emphasizes the negative impact of trade, and we have 70 years that prove the positive impact of international trade. We also had President Clinton saying that out of 22 million jobs, a third of those, 7 million jobs, were a result of trade. So there are positive aspects of trade.

Somewhere along the line in conference this has to be rewritten so it is

balanced between what is negative with trade, which I have to admit there are always adjustments in the economy. With or without trade, there are adjustments in the economy. There are winners and losers. But there are positive benefits of trade and the positive benefits outweigh the negatives many times. We have to emphasize that.

Also, before we leave this issue, there is an emphasis between the approach of the Senator from Minnesota, to what he calls a new international economy, and my approach to the new international economy. He says this is not a debate between protectionism and free trade. He puts it in terms of those who think you ought to manage the new international economy or let the marketplace have free flow.

When the Senator from Minnesota uses the word "manage"—I do not know whether he used the word "manage"—we have to be able to manage the new international economy. There is a difference in approach. If we are going to have management, it is going to be the government doing the managing, as opposed to the free marketplace.

Is there an unfettered use of the free marketplace? Absolutely not. There have always been rules. What is basic to this debate, center to this debate, is whether the United States is going to be at the table for the rulemaking of the international economy, and the rulemaking meaning we are not going to have an unfettered free market, but we are going to have a predictable free market. There are going to be certain rules that all competitors will follow in the international community.

Trade promotion authority is whether or not the Congress of the United States, through our contract with the President to represent the people of the United States, will be at the negotiating table when the rules are made. That is why it is so darn important that this legislation pass because, as the Senator from Minnesota says, we need to give some direction. That has been the history of the General Agreement on Tariffs and Trade process since 1947. That has been the basis of the World Trade Organization process since 1994: to have the rule of law apply to international trade.

Should the 270 million people of the United States be at the table to help write those rules? For that to happen, this bill must pass for the President to have the authority and the credibility to help write those rules that the Senator from Minnesota believes are so necessary. That is not managing the world economy; that is giving predictability to the players in the world economy, and rules of the game that must be followed and for a dispute settlement process when somebody is an outlaw in the international economy.

I hope we make clear this legislation is very important to accomplish what the Senator from Minnesota wants to accomplish at least in the way of not having an unfettered free market, al-

though in his statements he tends more toward the government managing the world economy.

THE PRESIDING OFFICER. The Senator from Minnesota.

MR. WELLSTONE. Mr. President, we can finish. I do not know why the intensity goes up with my colleague from Iowa since I think we enjoy each other as friends. I have two quick points and will be done.

First, I have to say in a friendly way that I think the Senator from Iowa misreads this. I am not going to call for a recorded vote. We are trying to work together and the Senator supports this amendment. When my colleagues says this is too negative, I do not prejudice what these studies find. I am skeptical about it. I have laid out some figures of what I think is happening to trade, but to say you are going to do an assessment on job security, compensation of jobs, displacement of employment, and regional distribution, my colleague is actually making my case for me by thinking it is negative because he must think the study will show the consequences are negative. We do not need to change any language. Just do the assessment.

People in good faith can have different views. My colleagues might think such a study makes the case for these trade agreements. Maybe it will. I do not think so. Frankly, let's see what the assessment does. It is not negative or positive. I am just saying this is what we have to look at and then we will see what the results show.

I never used the word "manage." This is semantics. This administration thinks that commercial property rights are primary in trade agreements. I think labor, environment, human rights, and consumer protection are also primary. They are not secondary. That should be part of the new rules. That is the only difference we have.

By the way, what is interesting to me is that there can be a million editorials written in the most prestigious newspapers—actually most people in the country feel the same way. They feel like, let us not build walls. I am an internationalist, but please make sure our concerns and our families' concerns are somehow met.

What is going to be the impact on us? Are there going to be any fair labor standards? Are there going to be any human rights standards? Is there going to be anything about the environment? Why is it so weighted toward commercial property rights? What happened to our rights as workers? What happened to our rights as consumers? What happened to our rights as families who are worried about the jobs we lose? We could go on, but we will not.

I have one final thing to say. My colleague from Montana, when he was talking about the increase in jobs, or someone was—I remember this famous quote, and I think it was a good one, from one of the industrial workers who lost her job in a high-paying industry.

President Clinton—I will be bipartisan about this—was talking about all the jobs created, and she said: Yes, I know all of them now. I have three of them because I need three jobs to make the wages and support my family from what was my one job as an autoworker.

None of the Senators, Democrats or Republicans alike, would ever convince the industrial workers of this Nation that they have not gotten the short end of the stick as a result of some of these trade agreements. The autoworkers in Iowa will not be convinced of that. They never will, I do not think, as good a Senator as the Senator from Iowa is, and my colleague from Iowa is as good a Senator as one could find. I just think they do not see it that way. And I do not, either.

In any case, we will do the impact statement, with my colleagues' support, and I hope this is not gutted in conference committee. I think it would be a huge mistake. I think it would be as if to say we do not want to have a good study. Let us have the assessment and then we will know.

Do my colleagues want to move forward on the vote?

MR. GRASSLEY. I urge adoption of the amendment.

THE PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to amendment No. 3416.

The amendment (No. 3416) was agreed to.

MR. WELLSTONE. I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THE PRESIDING OFFICER. The Senator from Montana.

MR. BAUCUS. Mr. President, we have made progress on this bill. There are a couple of other Senators who are now in a position to offer amendments, which I think will be offered very shortly. I hope they offer them very shortly because that would mean more progress.

I suggest the absence of a quorum.

THE PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

MR. EDWARDS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

THE PRESIDING OFFICER (Mr. NELSON of Nebraska). Without objection, it is so ordered.

AMENDMENT NO. 3417 TO AMENDMENT NO. 3401

MR. EDWARDS. Mr. President, I have an amendment at the desk numbered 3417 and I call it up at this time.

THE PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from North Carolina [Mr. EDWARDS] proposes an amendment numbered 3417 to amendment No. 3401.

MR. EDWARDS. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

THE PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To authorize the Secretary of Labor to award grants to community colleges to establish job training programs for adversely affected workers)

Chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.), as amended by section 111, is amended by inserting after section 240 the following:

"SEC. 240A. JOB TRAINING PROGRAMS.

"(a) GRANT PROGRAM AUTHORIZED.—The Secretary is authorized to award grants to community colleges (as defined in section 202 of the Tech-Prep Education Act (20 U.S.C. 2371)) on a competitive basis to establish job training programs for adversely affected workers.

"(b) APPLICATION.—

"(1) SUBMISSION.—To receive a grant under this section, a community college shall submit an application to the Secretary at such time and in such manner as the Secretary shall require.

"(2) CONTENTS.—The application submitted under paragraph (1) shall provide a description of—

"(A) the population to be served with grant funds received under this section;

"(B) how grant funds received under this section will be expended; and

"(C) the job training programs that will be established with grant funds received under this section, including a description of how such programs relate to workforce needs in the area where the community college is located.

"(c) ELIGIBILITY.—To be eligible to receive a grant under this section, a community college shall be located in an eligible community (as defined in section 271).

"(d) DECISION ON APPLICATIONS.—Not later than 30 days after submission of an application under subsection (b), the Secretary shall approve or disapprove the application.

"(e) USE OF FUNDS.—A community college that receives a grant under this section shall use the grant funds to establish job training programs for adversely affected workers.

On page 55, insert between lines 2 and 3 the following:

"(D) ADDITIONAL WEEKS FOR REMEDIAL EDUCATION.—Notwithstanding any other provision of this section, in order to assist an adversely affected worker to complete training approved for the worker under section 240, if the program is a program of remedial education in accordance with regulations prescribed by the Secretary, payments may be made as trade adjustment allowances for up to 26 additional weeks in the 26-week period that follows the last week of entitlement to trade adjustment allowances otherwise payable under this chapter."

At the end of section 2102(b), insert the following:

(15) TEXTILE NEGOTIATIONS.—

(A) IN GENERAL.—The principal negotiating objectives of the United States with respect to trade in textiles and apparel articles is to obtain competitive opportunities for United States exports of textiles and apparel in foreign markets substantially equivalent to the competitive opportunities afforded foreign exports in United States markets and to achieve fairer and more open conditions of trade in textiles and apparel by—

(i) reducing to levels that are the same as, or lower than, those in the United States, or eliminating, by a date certain, tariffs or other charges that decrease market opportunities for United States exports of textiles and apparel;

(ii) eliminating by a date certain non-tariff barriers that decrease market opportunities for United States textile and apparel articles;

(iii) reducing or eliminating subsidies that decrease market opportunities for United

States exports or unfairly distort textile and apparel markets to the detriment of the United States;

(iv) developing, strengthening, and clarifying rules to eliminate practices that unfairly decrease United States market access opportunities or distort textile and apparel markets to the detriment of the United States;

(v) taking into account whether a party to the negotiations has failed to adhere to the provisions of already existing trade agreements with the United States or has circumvented obligations under those agreements;

(vi) taking into account whether a product is subject to market distortions by reason of a failure of a major producing country to adhere to the provisions of already existing trade agreements with the United States or by the circumvention by that country of its obligations under those agreements;

(vii) otherwise ensuring that countries that accede to the World Trade Organization have made meaningful market liberalization commitments in textiles and apparel; and

(viii) taking into account the impact that agreements covering textiles and apparel trade to which the United States is already a party are having on the United States textile and apparel industry.

(B) SCOPE OF OBJECTIVE.—The negotiating objectives set forth in subparagraph (A) apply with respect to trade in textile and apparel articles to be addressed in any trade agreement entered into under section 2103 (a) or (b), including any trade agreement entered under section 2103 (a) or (b) that provides for accession to a trade agreement to which the United States is already a party.

Mr. EDWARDS. Mr. President, I have an amendment which I will speak to that contains a number of proposals.

We all recognize that trade has done some very good things for many Americans. We know that. It is also important to recognize something else: Trade has hurt a lot of people; it has hurt them in ways that sometimes people in Washington are not willing to recognize. To people in Washington, DC, free trade is a good concept. To a lot of people in my State of North Carolina, and all over the South, and, in fact, for that matter, all across America, free trade is a lot more than an abstract concept that people in Washington talk about. For them, trade has had an enormous impact. In some ways, it has meant an end to a way of life that they have enjoyed for a long time, from generation to generation.

For those people who are hurting, we have an opportunity as part of this legislation to make life better. My view is we have not only an opportunity but a responsibility to make life better. Americans have always watched out for each other, and we need to do exactly the same thing when it comes to trade. We need to watch out and make sure we do not leave behind millions of our fellow citizens who have been hurt by trade and trade policy.

The people who are hurt are real people. They are mothers and fathers. They work hard. They work just as hard as anyone else in this country. They play by the same rules as everyone else. They do right by their family. They go to work every day and do their job. They work very hard to build a future for their family.

These people are being hurt, and many of them badly hurt, by trade.

I am speaking particularly about folks who are in the textile and furniture industries. There are a lot of those folks in my State of North Carolina. But there are also hundreds of thousands of those workers across the South—in fact, in places all over the country, such as upstate New York.

For most of the 20th century, manufacturing jobs were the basis of our economy in this country. People who worked in those jobs didn't get rich, but they were able to take care of their families, they were able to go to church, participate in and contribute to their communities, and oftentimes they were able to send their kids to college. The jobs never paid great, but they paid well enough—you know, \$10, \$12 an hour—for them to take care of their families.

The jobs did, however, come with health care benefits so they didn't have to worry about taking care of their family if someone got sick or their children got sick. They came with vacations so they got a chance to spend time with their family every year.

The textile mills and furniture factories have been the cornerstone of a way of life in the South, a very good way of life. That way of life is now being greatly affected and, in many cases, destroyed by trade.

Since the beginning of the year 2001, 179 textile plants have closed in this country. We have lost 91,000 textile jobs. That is just since the beginning of the year 2001.

If you go back to 1997, the numbers are even worse. This chart is a listing of the jobs, textile jobs that have been lost since 1997. My State of North Carolina has been hardest hit. We have lost 122,000 jobs since 1997. That is 122,000 families who, over the course of the last 5 years, have lost their jobs.

In Georgia, they have also been hit hard, losing 95,000 jobs during the same period of time. South Carolina lost 61,000 jobs; Alabama, 35,000 jobs lost; Virginia, 23,000 jobs lost.

In North Carolina, we have had 57 plants close since the year 2001. In the years between 1994 and 2000, we lost more than 100,000 jobs due to international trade.

There are towns in North Carolina where the mill employed literally a quarter of the people who lived in the town—one out of every four people. Now the mill is gone and hundreds of people are looking for work and the town is devastated.

In Washington, you often hear people say—and I have heard this in the debate on the floor of the Senate, and I have heard it all around Washington, DC, in discussions on the impact of trade—well, they lost those jobs, but they can get better jobs. That probably is true. It may well be true in the big picture. The problem is, in a Southern mill town it is a very different picture.

I grew up in Southern mill towns. My father worked in textile mills all of his

adult life—37 years, if I remember correctly. I know firsthand what impact closing of these mills has on the town. They are the heart and soul of the economy, and they are part of a way of life. The vast majority of these other, better jobs that you hear people talk about are not in that town. That is the problem. When the mill closes down, these jobs everyone is talking about, the better jobs that will ultimately be available because of free trade, they are not in that town. They are not anywhere near that town in a lot of cases.

It so happens that those jobs are also not the kind of jobs that a middle-aged ex-millworker is going to be able to get.

I often thought when I heard the discussions about, "There are other jobs," "We can do job retraining," all of that is important. I do believe, for the country as a whole, free trade has a lot of positive benefits. There is no question about that. But for those people who are affected directly, they are hit like a laser by these trade policies and this trade legislation. They are tremendously affected.

To say to men or women who have spent their entire lives taking care of their family, providing for their family, now at the age of 45, 50, 55, "We want you to change work; we want you to go to another kind of employment," this is not just about a job, although their job is very important to them. It is about their dignity, their self-respect. It is about their belief that that mother and father have always been able to take care of their family, and all of a sudden they are not able to do that anymore. They are being asked to train to do something entirely new when they have spent their entire life doing this particular job.

I was blessed to be the first person in my family to go to college. A lot of folks are like my parents. They are great people. They work very hard, but sometimes they have not in their life had the extraordinary opportunity that many of us had in terms of our education. Across this country, about 60 percent of people have some college education, which is good; we hope that continues to improve as we go forward. But in the areas we are talking about, where these mills are closing and where people have spent a lot of their lives working in those mills, the number is closer to 20 percent. It is more like one out of five people have some college education.

So when a furniture factory or cotton mill in North Carolina shuts down, oftentimes we have half the workers who do not even have a high school diploma or a GED. The workers in these mills also are not young. The average worker affected by a trade deal is more than 40 years old. They have usually two kids, sometimes more. There is a good chance many of them have never spent any time working outside that factory. That has been their entire life.

So when that factory closes and somebody in Washington, DC, says,

"Oh, you can get a job in one of these other dynamic sectors of the economy," it is a lot easier said than done. The people suffering from trade have tremendous trouble getting back what they are losing.

When you look at North Carolina workers over age 55 who lose their jobs due to trade, only half have found work within 2 years. So within 2 years, still almost half of those people are unemployed. These are folks who know how to work. They have worked all their lives. They are some of the hardest working people I have ever seen.

I still remember vividly going in the mill when I was young and seeing the men and women who worked in that mill with my dad, and then when I got a little older I worked there sometimes in summers or part-time. I have never seen anyone work harder. They were extraordinary. They did it to provide for their families—for their family's self-respect and dignity and for their own. They were proud of what they did, and they ought to have been proud of it.

The problem is, although they are looking for work, and they know how to work, they just cannot find work. If they do find work, sometimes it is not good work. Instead of making \$12 an hour, which they had been making in a mill, or \$15 an hour, they are looking instead at a minimum-wage job with no benefits and no health care. Those are the kind of problems with which these folks are confronted. It is real. It has an enormously devastating effect on their lives.

When a plant closes, it is not just the people who work there who are affected; the small businesses that used to sell groceries and clothes to the people who work in that mill suffer as well. The companies where the plant used to buy materials and equipment suffer. The city hospitals, the police force that depend on taxes from that plant and from the people who work in that plant suffer.

According to some projections, for every job the textile industry loses, we may lose two more jobs as well. So families are suffering because of trade, but not just families; communities are also suffering.

We need to do right by these folks, by the people who lose their jobs, and by the communities. We need to do right by doing two things. First, we need to make sure that our trade deals give the same considerations to textile workers they are giving to our farmers. That is totally consistent with the current TPA bill and totally consistent with fair trade.

By the way, I think it is a very good idea to have the language in the bill that provides protection and support for our farmers. That is also important in North Carolina. But we ought to treat these factory workers, these textile workers exactly the same way. It is right and it is fair.

Second, when trade does hurt factory workers in industries such as textiles,

we need to make sure those workers have every opportunity to get back on their feet. We all say that is our goal, but we need to make sure the law is as strong as our words.

So today, I have three proposals, all contained in one amendment now, for amending trade promotion authority and trade adjustment assistance. I expect as we go forward that I may have additional proposals and at least one, and perhaps more, additional amendments.

I have been working with my colleagues, the Senator from Iowa and the Senator from Montana, on not only this amendment and proposals contained in this amendment, but also additional amendments. I will continue to work with them. I appreciate very much their cooperation.

RECOVERY OF SENATOR HELMS

I take a moment to bring my colleagues up to date on how our friend and colleague, Senator JESSE HELMS, is doing. I spoke with his staff a few minutes ago. They are very pleased with his progress. He is doing well. They think he is making terrific progress. I know all Members have been thinking about him and have had Senator HELMS and his wife Dot and their entire family in our thoughts and prayers since this serious surgery. We will continue to do so. He is doing well.

His terrific staff, as usual, is carrying on their work with great diligence and skill, as I told Senator HELMS. He is doing very well. We are very encouraged.

Mr. MILLER. I thank my colleague from North Carolina.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. MILLER. I thank him for that eloquent presentation. He knows these people and he knows this problem so very well.

Mr. President, I rise also in support of this country's textile industry, an industry that is in crisis and an industry that needs our help very badly.

By the way, it was good to hear that report on Senator HELMS. I know, if he possibly could, he would be here speaking with that unique passion that he has on this subject.

This industry is suffering from the worst economic crisis since the Great Depression. I realize several factors have contributed to this crisis; most notably is the strong competition of the U.S. dollar against foreign currencies.

For example, there has been an average 40-percent decline in Asian currencies against the U.S. dollar over the past 4 years. Prices for Asian yarn and fabric have dropped by as much as 38 percent.

This has caused a flood of artificially low-priced textile and apparel products into our U.S. markets. At the same time, prices for U.S. textile products have plummeted since 1997 and profits have evaporated. And when prices fall, and profits disappear, plant owners have no choice but to lay off workers

and close down plants. And that is exactly what has happened in this country.

The Senator from North Carolina gave you some telling statistics. Since the beginning of 2001, 179 textile plants have closed in this country. We have lost 91,000 textile jobs.

Bringing it home to my State of Georgia, since 2000, 17 textile plants have closed. That has put more than 19,000 Georgians out of work—19,000 Georgians out of work.

This is not just some cold statistic that some member of my staff has researched and come up with. I know many of these workers. They are my friends. They are my neighbors. They have families to care for. They want to work. As the Senator from North Carolina emphasized, they want to work.

In my neighboring mountainous county of Fannin County, where the last plant closed in Georgia, we call them the salt of the Earth.

My colleague from North Carolina, Senator EDWARDS, has offered several amendments to provide some assistance to our ailing textile industry and to offer relief to hundreds of thousands of textile workers who have lost their jobs.

I am very grateful he has come forward with these amendments—and this amendment. This amendment would help level the playing field for the textile industry in trade negotiations. It spells out for the President the objectives he should seek in any trade agreement that involves the textile industry.

I want to be very clear—as the Senator from North Carolina was—we are not seeking special treatment for the textile industry. The objectives we want to include for textiles are no different than the objectives spelled out in trade promotion authority for other industries, such as agriculture.

The objectives are simple and broad. We ask that the President seek competitive opportunities for U.S. exports of textile products.

Also, we ask that the President reduce or eliminate tariffs or other charges that hurt market opportunities for U.S. textile exports.

Again, these are the very same objectives we have listed for other industries in the TPA bill.

The textile industry in the United States has a proud history, and it has served this country well. All we are asking for today is a level playing field. All we are asking for is a seat at the negotiating table for an industry that is so important to rural communities across the South and across the Nation.

Simply stated, it is a matter of fairness.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. EDWARDS. Mr. President, I thank my colleague from Georgia. He and I understand the people who work in textile mills in these small towns, as do a number of our other colleagues in

the Senate. It is wonderful to hear him describe, firsthand, what he and I have both seen all our lives among the people who live there. I appreciate his support of the amendment. And I appreciated his eloquence on this subject because he truly does understand the plight of these folks.

I want to talk about the three proposals contained in this amendment. The first proposal is very simple. Right now, the trade promotion authority bill is full of objectives for different purposes—electronic commerce, intellectual property, border taxes. Every one of those things has its own objectives. The bill has a whole section of objectives for agriculture, which is good. It is a good thing.

All told, there are more than a dozen kinds of objectives, with pages on each. I do not have any problem with any of that.

When Congress gives the President as much negotiating authority as TPA provides, the least we can do is make sure how the President should exercise that authority.

This is my concern. There is a glaring omission from those objectives. That omission is textiles and apparel. There is not a single objective for trade in textiles and apparel. Here is an American industry clearly being destroyed by trade, and there is not a word about it—not a word. That is wrong.

If we are going to give the President broad authority to enter more free trade agreements, we need to make sure the President's negotiators do not leave behind the people who work in these mills. These folks have already suffered enough from trade agreements. This amendment would set this problem straight, by including a set of objectives for textiles and apparel.

There is nothing radical about the objectives. In fact, the language closely parallels existing objectives for other areas, specifically agriculture.

Let me give you a few examples of how closely my amendment tracks the agriculture language already in the bill. For agriculture, the objective is: "to obtain competitive opportunities for United States exports of agricultural commodities in foreign markets substantially equivalent to the competitive opportunities afforded foreign exports in United States markets and to achieve fairer and more open conditions of trade" for various agricultural commodities.

That language makes sense.

This is what our amendment does: If you take out the words "agricultural commodities" and insert the words "textiles and apparel," you have the amendment. It does exactly the same thing with exactly the same language.

The agricultural objectives talk about "reducing or eliminating, by a date certain, tariffs or other charges that decrease market opportunities for United States exports." Again, the language makes sense. Our amendment has exactly the same language.

So my point is this: We are not asking for any special treatment for the textile industry. It just says that textile workers are just as good and just as important as others who make enormous contributions to our economy, such as farmers.

Let me also be clear, the amendment does not ask for special treatment for our textile industry compared to other countries. The amendment just says that our textile industry should be treated by other countries the same way their textile industries are treated in this country—with a level playing field. That is all we are asking.

Today, that field is not level. We have cut our tariffs. Between 1995 and 2000, our imports of textiles from other countries have nearly doubled. That is because we cut our tariffs.

In the same period, our trading partners maintained their barriers to our products. We played fair; they did not. As a result, our partners have gotten access to markets and shut down our mills. When we have tried to get into their markets, we have been met by trade barriers that make it impossible.

This amendment says, very simply, that when it comes to textiles, the President's negotiators should work for a level playing field—not special preferences, just equal treatment.

So, to sum up, there are two major points in this part of the amendment, this part of the proposal. First, textiles deserve to be treated as well as agriculture—not better, just the same. Second, as with agriculture, that does not mean special treatment for American textiles compared to other countries; it just means equal treatment compared to other countries. That is fair and just.

The second proposal contained in this amendment is aimed at making community college more accessible for people who have lost their jobs and are being hurt by trade. We all know how critical education is to economic opportunity. But for workers who lose their jobs, community college really is the key. It can make the difference between chronic unemployment or a good career in a new job.

Community colleges cost half as much as the average public university and 90 percent less than the average private college. And thanks to community colleges, 5 million workers earn degrees and certificates every year in professions ranging from information technology to health care to construction.

Let me give one example of how community colleges can transform lives. These are the words of a former textile worker who is now a student at Guilford Technical Community College in Jamestown, NC. He says:

The college gives you more than just the ability to train for a different job. It also gives you back some hope that has been stripped away when your skills and experience are no longer useful.

I talked about this earlier. This is not just about a new job and taking

care of your family. It is about self-respect and dignity. We ought to give people back the hope that unemployment has taken away.

The trouble now is that many community colleges can't keep pace with the demand, especially in communities where textile mills are closing. In fact, as mills close and workers need retraining more than ever, community colleges are seeing their budgets go down. So you have more demand for community college and fewer seats in the classroom. That is the opposite of what we want.

Let me give a couple of examples. In 2001, Mayland Community College in Spruce Pines, NC, saw enrollment go up by 40 percent after two textile plants in the area closed. Hundreds of additional workers had to be turned away from courses. The college didn't have the resources to serve them.

At Cleveland Community College in Shelby, NC, enrollment will grow by 15 percent next year at the same time that the college's budget is being cut by 10 percent. As a result, the school had to cancel training programs this summer that would have served over 400 workers, about 20 percent of the school's population.

These stories are typical. All across the country our community colleges are struggling. We, in Congress, have to step up and make sure community colleges fulfill the critical role they have always filled.

This amendment establishes a grant program to provide an emergency infusion of aid to community colleges in areas hard hit by foreign trade so that they can create or expand retraining programs. This program will compensate for cuts in State and local aid and make sure community colleges can meet the needs of workers in their area who have lost their jobs.

At the same time, this amendment also encourages community colleges to serve workers who have not yet lost their jobs but who are at a high risk of losing them. If you know you are going to lose your job and you want to go back to school for a new job, you are doing the right thing. We ought to help that and promote it. Much of the time we do exactly the opposite. Folks can't go back to school. At a result, they are left stuck where they are.

People who want to plan ahead ought to be able to do it. This amendment would give them a chance by supporting training not just for workers who have already lost their jobs and been displaced but also for workers who know the pink slip is coming and that they have to prepare for it.

The third proposal and the last proposal in the amendment meets a very specific need. When a worker loses his job at a mill, one of best things he can do is go back to school for more training. That is especially true for working people who do not have a GED or who are immigrants with very poor English. The best thing these workers can do is get a GED or take an English as a second language class, an ESL class.

Here is the problem. Today if you qualify for trade assistance, you get 2 years of help with your education, but only 18 months of help with your income. That is a huge problem for somebody who is trying to get a GED or take an ESL class. If they are getting help paying for school, they often run out of money because they have to provide for their family before they finish their education and their training.

As a result, they are forced to drop out of school. Instead of graduating and getting a job that may pay \$15, \$20 an hour, they have to stop, quit, and take a job that pays the minimum wage. This is wrong. We should not force people who lose their jobs because of foreign trade to choose between getting the education they want and need and being able to put food on the table.

This amendment solves that problem by allowing extensions for 6 months of the TAA income allowances for workers who have taken a GED or ESL class and are finishing up their training. Six more months of income support can mean a lifetime of higher wages and higher living conditions. It is the right thing to do.

In sum, the three proposals contained in this amendment are aimed at a very specific objective. They are aimed at helping people who have families, mothers, fathers, people who have worked hard all their lives to provide for their family, to contribute to their community, to contribute to their country, to get back on their feet and in another job, to get back to work, which they desperately want to do. They have spent their whole lives taking care of their families, doing right by their families and their communities and making an enormous contribution. They just want to do it again. We want to make sure they get a chance to do it again. That is what the amendment is about.

I urge all my colleagues to support it. I yield the floor.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, I compliment the Senator from North Carolina on his amendment. It is one that is particularly needed for his area of the country for several reasons. One is that under agreements that predate the Uruguay Round in 1992, the quota on textiles and apparel is gradually being phased out. That is going to put tremendous additional pressure on employees working in the Senator's area of the country, the South, which means we need to go the extra mile to help people who will be dislocated as a result of various and significant changes in the textile and apparel industry.

I compliment the Senator. He is standing up for his people and the State he represents, as is Senator MILLER. I am sure that others who represent textile and apparel workers have the same concerns. I compliment them as well.

The underlying bill, as the Senator said, does have certain negotiated ob-

jectives. The Senator adds an additional objective that would specifically address trade in textile and apparel products. I must say that although we have the most open market in the world, many of our competitors, unfortunately, are not nearly as open. As it happens in the textile and apparel sector, some of the most active exporters of these products happen to be countries that maintain the highest barriers to imports into their own country. For that reason, the amendment we are now discussing directs our negotiators to focus their efforts on achieving fairer and more open conditions of trade in textile articles, particularly with major textile and apparel export countries.

It also instructs them to take into account whether our negotiating partners have played by the rules under existing agreements. This, too, is very important.

For that reason, I urge the Senate to strongly endorse this amendment. I am sure my colleague from Iowa has the same point of view. When he finishes his statement, I will make a request as to when we vote on this amendment.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I support the three amendments offered by the Senator from North Carolina. He has been very accommodating in working with us to make sure these amendments could go very smoothly.

I believe it is appropriate to establish principal negotiating objectives for textiles and for apparel. Neither the House trade promotion authority bill nor the bipartisan trade promotion authority bill that Senator BAUCUS and I now have before the Senate—and was approved by an 18-to-3 vote in our committee—contain negotiating objectives for this sector of our economy, textiles and apparel.

The amendment of the Senator from North Carolina fills this gap by establishing principal negotiating objectives modeled after things I have supported for agriculture, such as we have agricultural negotiating objectives that emphasize the importance of reciprocal market opening commitments.

These new textile negotiating objectives also recognize that it is important to promote market access opportunities abroad and to do it for U.S. producers and to reduce and/or eliminate nontariff trade-distorting measures which limit access for U.S. producers in markets overseas.

Ultimately, the best way to help workers in the United States who are or may be displaced by trade is to create as many new market access opportunities overseas for U.S. producers as possible because the more trade and the more product we sell creates jobs in America, and we only have a trade bill before the Senate for one purpose: To help our economy. When we help our economy, we create jobs. This legislation does that, and the amendments by the Senator from North Carolina add to the objectives of this goal.

I also support enhancing educational opportunities for displaced workers. Enhancing workers' educational opportunities is a very positive step forward and represents a strong investment in each individual worker's future.

Finally, I support providing emergency assistance grant programs for community colleges that provide training programs for displaced workers. In fact, in my very State of Iowa, community colleges are right in the center of job opportunities, not just for displaced workers but even for the training of workers for specific jobs, of expanding businesses within our State or jobs that are moving into my State from another State.

This puts on the community colleges a burden for which they are prepared. This assistance to the community colleges is consistent with the administration's efforts to increase and improve the quality of 2-year-degree institutions. Workers or families and their communities will benefit from this type of assistance. It is consistent with the social contract between dislocated workers and our country that is at the heart of trade adjustment assistance.

Obviously, I urge all my colleagues on this side of the aisle to join me in supporting these amendments.

I yield the floor.

Ms. CANTWELL. Mr. President, I rise to speak on the amendment offered by my colleague from North Carolina. I have joined with the Senator to address the shortage of capacity in our community and technical colleges as they attempt to meet the increasing demand for job training during this period of high unemployment.

My State in recent months has consistently ranked among the three highest unemployment states in the nation. It seems almost every week across Washington, we have seen more layoffs, including a large number related to the aviation manufacturing industry.

Washington State has some of the most innovative programs in the country to provide displaced and incumbent workers with the training they need to find and keep good jobs.

Unfortunately, as unemployment has gone up, training programs have had to turn people away, since there's not enough financial assistance available.

In March, my office issued a report that documented this shortfall of capacity to deliver job training in our State. That report showed that while there were approximately 115,000 dislocated workers in Washington State in January, and an estimated 38,000 of those seeking job training services, our institutions would only be able to accommodate approximately 12,500 of those individuals.

All of these Washingtonians want new skills, and they should have the opportunity to achieve those goals through the hard work and determination required to complete additional job-training courses.

Those skilled workers are critical to the competitiveness of our State and

national economy, and the firms that hire them.

At this critical time for these workers and our economy, community colleges in my State are doing everything possible to serve as many applicants as possible with existing resources. In Snohomish County, over 700 workers are on a waiting list to get help with training costs; Everett Community College is approximately 70 percent over-enrolled; and Lower Columbia Community College and Clark Community College are each more than 250 percent over-enrolled.

It is clear that we need to significantly increase our Federal commitment to job training—both by continuing to expand funding for vouchers and Pell Grants, so that workers can pay for tuition, and by assisting our institutions that serve those students, so that they can offer an adequate number of courses for high-demand occupations.

My colleague's amendment—now incorporated in amendment No. 3417—would specifically address this capacity shortage in our community colleges. In areas of massive dislocation due to trade, such as Washington, the amendment would provide emergency assistance to community colleges that plan to create or expand worker training programs. The amendment would also encourage colleges seeking assistance to not only serve already dislocated workers, but also expand programs for incumbent workers at-risk of losing jobs for trade related reasons.

I strongly support this concept, and urge my colleagues to support its inclusion in the bill.

Assisting workers displaced by trade cannot simply be a single-minded approach. That's why we have worked so hard to ensure that TAA eligible workers have access to an expanded, comprehensive package of benefits that includes up to two full years of income and training assistance, a strong health care subsidy that will help workers maintain health coverage for their families, and job search assistance.

We have improved the TAA program a great deal in this bill, but training assistance will not go far if those workers do not have access to the job training programs that they desire because classes at the local community college are full, and because funds simply are not available in the state to hire new professors, offer more courses, and develop the systems to handle more students.

That is why this amendment is so important. I urge my colleagues to support this effort and to work with us in the future to ensure that a system exists to better support our job training infrastructure in the future.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, we are ready to vote on these amendments, but we cannot vote at this time.

I ask unanimous consent that once debate is concluded on the Edwards

amendment No. 3417, the amendment be set aside to recur at 1:45 p.m. today, and that at 1:45 p.m., there be 4 minutes remaining for debate with respect to the Edwards amendment, with the time equally divided and controlled in the usual form; that upon the use or yielding back of time, the Senate proceed to vote in relation to the amendment, with no second-degree amendment in order prior to the vote; that once the Edwards amendment is set aside, Senator LIEBERMAN be recognized to offer an amendment relating to enforceable commitments, without further intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Montana.

Mr. BAUCUS. Mr. President, I want to spend a little time today discussing the labor and environment provisions of the fast-track bill that is before us. I want to start with one simple truth: When it comes to labor and the environment, this is the most progressive trade bill that has ever received serious consideration in the Senate. The labor and environment provisions in this bill represent dramatic—and I mean dramatic—improvement over the bill this Senate considered just several years ago.

Some of my colleagues in both the House and the Senate have introduced other bills this year. Some of those bills ignore labor and the environment. Others require so much on these issues as to make the negotiating process unworkable.

Both types of bills, in my view, are equally antitrade. They either ignore the reality that labor and environment issues are now an entrenched part of the trade dialog, or they impose so many burdens and barriers on fast track that they render it useless.

Last year, Congress and the administration worked together to solve this problem. We unanimously passed in the Senate the Jordan free trade agreement negotiated by the Clinton administration, and President Bush signed it into law.

Using the Jordan agreement as a model, our colleagues in the House and Senate drafted a fast-track bill that fully reflects the provisions of the Jordan agreement.

As the committee report states, the negotiating objectives on labor and environment are "based upon the trade and labor and trade and environment provisions found in articles 5 and 6 of the United States-Jordan free trade agreement. Those provisions (including their coverage by the Agreement's general dispute settlement procedures) have come to be known as the Jordan "standard."

The Jordan agreement breaks new ground on labor and environmental issues in two ways. First, both countries agree to work toward better labor and environmental standards. That is an agreement by both the United States and Jordan, written into the agreement.

In the area of labor, we agreed to promote respect for worker rights and the rights of children—this is very important—consistent with the core labor standards of the International Labor Organization, the ILO.

We also agreed to protect and preserve the environment and to pursue trade and environmental policies that are mutually supportive.

Second, both countries agreed we would not lower labor or environmental standards in an effort to improve our positions on trade. That provision of the agreement has equal weight with all other provisions of the agreement—it is just as important, and it is just as enforceable.

I want to be clear on this point. By necessity, the language in the fast-track bill is not and cannot be identical to the Jordan agreement because the Jordan agreement is limited to two countries. The fast-track bill sets the agenda for future trade agreements.

That said, the fast-track language incorporates all of the elements of the Jordan agreement—every single one—and those who criticize the fast-track bill before us as not meeting the Jordan standard are simply inaccurate; they are not stating the case. They exaggerate the provisions of the Jordan agreement or they mischaracterize the bill.

Let me address several of the critics' assertions.

First, opponents criticize this bill as failing to require that countries implement core internationally recognized labor standards. That is true, the bill does not make that requirement. But the Jordan agreement does not make that requirement either. The Jordan agreement simply reaffirms obligations of each country that already exist by virtue of ILO membership, and it establishes the countries' agreement to "strive to ensure" that ILO standards are recognized and protected by domestic law. If a country strives but fails to actually ensure that ILO standards are reflected in domestic law, it has not violated its obligation.

Second, opponents criticize the bill as not including the Jordan standard on enforcement. That is simply not true. The Jordan labor and environmental provision that is susceptible to dispute settlement—that is, the requirement that a country not fail to effectively enforce its labor and environmental laws in a manner affecting trade as incorporated as a priority negotiating objective in the bill.

Also, negotiators are directed to treat all principal negotiating objectives equally with respect to access to dispute settlement, as well as with respect to procedures and remedies in dispute settlement.

Third, opponents criticize this bill because of the late addition of the so-called Gramm language. That is the Senator from Texas. They suggest this language allows countries to lower labor and environmental standards with impunity.

While I am not a fan of the Gramm language, critics grossly exaggerate the effects of this language. The language states that "no retaliation may be authorized based on the exercise of these rights"—that is, regarding countries' discretion to take certain actions—"or the right to establish domestic labor standards and levels of environmental protection."

As explained in the committee report accompanying the bill, this language is simply meant to—that is the Gramm language—is meant to "clarify the language that precedes it in subparagraph (B).

That is, in negotiating provisions on trade and labor and trade and environment, the United States should make clear that a country is effectively enforcing its laws if a course of action or inaction is the result of a reasonable exercise of discretion or a bona fide decision regarding the allocation of resources and, as such, the country cannot be subject to retaliation on the basis of that course of action or inaction alone.

In short, the language at issue does not allow countries to lower labor and environmental standards with impunity. It does not add to or subtract from the other provisions on labor and environment in the bill. It merely clarifies that administering authorities are to be accorded some leeway, as they are in the United States-Jordan agreement. Same, no difference.

Finally, opponents criticize the fact that promotion of respect for worker rights is included in this bill as and "overall trade negotiating objective" rather than a "principal trade negotiating objective."

As explained in the Finance Committee report, all of the subsections in section 2 of the bill carry equal importance in defining the trade negotiated positions of the United States.

The report further states:

It is the expectation of the committee that in affirming that a trade agreement makes progress toward achieving the applicable purposes, policies, priorities, and objectives of this bill, the President will address the purposes, policies, priorities, and objectives in each of the subsections of Section 2.

Moreover, by criticizing the placement of promotion of respect for worker rights under the heading of "overall trade negotiating objectives," the assertion implies that placement of the objective under the heading of "principal trade negotiating objectives" would somehow make it more enforceable. That is not true.

The fact is, the ability to use dispute settlement to enforce an obligation to promote or to strive to ensure is extremely limited, regardless of the section in which it is listed. How would someone determine whether a country is promoting core labor standards or striving to ensure that those standards are reflected in domestic law?

Clearly, this legislation would direct the administration to negotiate Jordan-like provisions as it completes negotiations with Chile and Singapore. And as it moves forward on the free trade area of the Americas, it makes

Jordan the model for new negotiations with Central America, with Australia and others.

There are also key provisions on labor and the environment added to the Senate bill that were not in the House bill. First, in addition to an environmental report, which would be codified into law, the legislation requires a new report on trading partners' labor practices. These reports should clearly identify the problems to be addressed in negotiations.

Second, the Senate bill contains important language to ensure that new investor-State provisions, such as NAFTA chapter 11, are transparent and accessible to the public. The bill also addresses concerns that investor-State provisions may give foreign interests more rights than U.S. investors; that is, we made sure that provision is addressed in the solution in the bill, and, particularly with the adoption of the recent Kerry amendment, strikes a balance between legitimate concerns of environmental citizen groups and legitimate concerns of American investors overseas.

Foreign investors and domestic investors are treated the same way, and also municipalities are treated the same way with respect to domestic investors or foreign investors that may be challenging a certain environmental or municipality law under article V of the Constitution, the takings provision of the U.S. Constitution.

Some critics have said this legislation does not go far enough on labor and the environment. Many critics, I believe, will never be satisfied. They just cannot be satisfied. They simply oppose trade. That is fine. Some will be for trade; some will be against trade. I respect that. But as we move forward on these issues, we have to be realistic. It is simply unreasonable to suggest that we can take our labor and environmental laws, that is the United States, impose them on developing countries, and slap sanctions on them if their laws do not live up to our standards in a few years. That is simply unrealistic. We simply would not be able to negotiate agreements if that were the position the United States took and those were the provisions that we had written into the underlying fast-track bill.

We have to move forward very aggressively, and the provisions in this bill do make that aggressive step forward. We have to keep in mind that many of these countries are at a level of development that the United States was at 100 years ago. At that time, the U.S. labor and environmental laws looked much different than they do today. That is not to say we must wait a century for progress. Clearly, we should not wait a century.

Every trade agreement must recognize that labor and environmental standards are now on the agenda. I might say that is one of the reasons that the Ministers in Seattle collapsed because the world recognized that

labor and environmental provisions should now be on the trade agenda. They should not be separate from trade. Our Ministers worldwide were unable to adapt quickly enough to come up with a solution dealing with labor and environmental issues. The fact is, they are here. The question is, What is the most appropriate way to incorporate labor and environmental standards?

We have worked very hard with those most interested in this issue to write provisions in the Jordan agreement. That is a major step forward, and we are making those Jordan standards the core basis by which we proceed today.

We can lock in important advances that have already been achieved. That is what we are doing with the underlying bill. We can create positive incentives for countries to raise their standards. We are doing that, too. For example, we see phase-in benefits more quickly for countries that make progress on labor and environmental issues. We can provide technical assistance to help those countries improve their practices. Importantly, we can trade more with them.

Progress on labor and environmental standards often follows economic growth. That is certainly true of the United States. Our own country is the best example of that. Isolating developing countries will not help the United States, either. There will always be those that the fast-track bill does not do enough for, does not go far enough in protecting labor and environmental standards worldwide.

To them, I say this bill is an enormous step forward. By definition, it is a fitting—and I say by definition because the prior bills were zero. This has a very significant provision so this is a great step forward. It is far stronger on these issues than any previous grant of fast track. It is far stronger than the fast-track bills considered by the House and Senate only a few short years ago.

So can we not do more on these issues? Absolutely. And I will continue mightily to work to make improvements. That is a process that is likely to continue for decades to come. We will continue to work and make progress with each passing couple of years on labor and environmental provisions.

At the end of the day, I believe there is something in this bill that is very solid with respect to labor and the environment. It is a wonderful first step forward, and I believe those who are truly for trade worked hard to pass this comprehensive trade bill because, if they vote against this bill, then we are back to where we were before, that is, no meaningful labor and environmental standards as we have worked for in fast track.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Mr. President, as we are getting set under the unanimous consent agreement before the Senate to take up a Lieberman amendment, I will speak about what we have in the bill on workers' rights and how we deal therewith.

The Trade Promotion Authority Act is a bipartisan bill that Senator BAUCUS and I have brought to the floor which contains the most comprehensive set of objectives on workers' rights and core International Labor Organization labor standards that have ever been included in any U.S. trade law dealing with international trade negotiations.

Respect for workers' rights consistent with core International Labor Organization standards is a clearly stated U.S. trade objective.

The President, in his contract with Congress, does our negotiating for us, since we cannot have 535 Members negotiating with 142 other countries. We have this contract with the President to do it. We direct the President through this contract, which is this bill we are considering, to seek greater cooperation between the International Labor Organization and the World Trade Organization.

Furthermore, the President is directed to strengthen the capacity of foreign governments to achieve core labor standards. The Department of Labor will offer technical assistance to these foreign governments. The President will seek a commitment by other governments to effectively enforce labor laws. The labor provisions will encourage countries to improve their labor laws without infringing on their sovereignty.

The labor negotiating objectives capture the key trade and labor provisions we have had before this Senate previously in the U.S.-Jordan Free Trade Agreement passed last summer.

Our contract with the President to negotiate for us contains the strongest labor positions our Government has ever taken regarding bargaining in the history of World Trade Organization negotiations over the last 25 years.

For the first time, U.S. trade law will include environment as a U.S. trade negotiating objective. The environmental provisions will encourage countries to improve their labor laws without infringing upon their sovereignty. Our President, through these directions, is to promote multilateral environmental agreements and consult with parties regarding consistency of such agreements with World Trade Organization rules. This addresses the widespread concern legitimately expressed that trade rules should not interfere with U.S. environmental treaties. This bill includes a requirement to conduct environmental reviews of future trade and investment agreements.

This is where we are. The bill before the Senate provides this contract for the President to negotiate with these other countries for us. And by the way, it is something we must pass by majority vote once it is done or it never becomes law. In this contract we have the strongest labor and environmental provisions ever.

The Senator from Connecticut will come to the floor and these will be under attack. He will try to amend these very strong provisions we have in this legislation because somehow the strongest provisions ever on labor and on environment, on trade legislation, are not good enough.

These are very much a very delicate compromise—issues that have been worked out between Republicans and Democrats, not just in this body but also in the other body. As you can tell, that was a very tenuous sort of agreement that you don't want to mess with so much because it only passed by a 1-vote margin, 215 to 214.

So when we have this sort of bipartisan approach on these very critical but sensitive issues such as labor and environment, we want to make sure we do not upset that. It is my view, as you will hear later on in debate when we get to the specifics of the amendment of the Senator from Connecticut, Mr. LIEBERMAN, that his amendments will upset this very carefully crafted bipartisan agreement.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. GREGG. Mr. President, what is the present regular order?

The PRESIDING OFFICER. The Senator is under a unanimous consent agreement under which the next amendment to be considered will be the Lieberman amendment, followed by a vote on the Edwards amendment at 1:45.

Mr. GREGG. Mr. President, I rise to speak about a section of the trade adjustment language in this bill. I congratulate the managers for the hard work they put into bringing this bill forward. Trade adjustment is part of the three basic bills. There are four bills altogether, but I now address the three bills—the Andean trade bill, trade promotion authority, and trade adjustment.

The trade adjustment language in this bill has some huge problems and sets off on a new policy course in a number of areas which I believe are extremely problematic and inappropriate. One of the issues it raises is that of how you deal with people who do not have health insurance. I do not want to speak specifically to that, but I want to allude to that. In this bill there is a brand new major entitlement which will say if you are put out of work, allegedly because of a trade event, you will have the right to get health insurance and have that health insurance paid for by the taxpayers, or 70 percent of it.

That will create the anomalous situation, the really terrible situation that people who are working for a living, working hard, working 40, 50, 60 hours a week, and who do not have health insurance, will end up paying an increased tax burden to pay to subsidize the health insurance of somebody who does not have a job, is not working, and who is already getting significant unemployment benefits, training benefits, education benefits, and now will be getting very significant new health insurance benefits.

The practical implications are significant, obviously. You are going to create two classes of citizenry in this country, one of which is the working American who does not have health insurance and the other is the non-working American who does have health insurance. The person who is working is going to be scratching his head and saying: What am I doing? Why am I toiling all these hours to pay for something I cannot afford for myself for somebody who doesn't have a job and who may not get a job because they are getting such good benefits that getting a job they may lose those benefits? So it creates some serious problems.

Basically, it is opening the door to a massive expansion of an entitlement program in the area of health care. That worries me a lot. If we are going down that road, we should do it in the context of comprehensive health care reform. We should look at all the people who do not have health insurance in this country, not just a slice of people, and make sure all those folks get a fair shot at health insurance, not just a small slice.

But the more problematic, from the standpoint of policy, is this new concept called wage insurance, which is in the trade adjustment bill. Basically, we are going to pay people to work less productively is what this amounts to. This is sort of a French system of economics. We are going to say to someone: If you are out of a job because of a trade adjustment situation and you take another job where you earn less, the Federal Government will now come in and pay you the difference between what you made in the old job and what you make in the new job, up to \$5,000. That creates a huge incentive for people to take a job where they are less productive, to take a job that they might enjoy more, which they might like more but which doesn't pay as much because everybody else in the country is going to pay them something to take that job.

It is a management of the marketplace which undermines all the concepts we have in our country today of having money flow and having people work in their most efficient way in order to create the most productivity, in order to create the strongest economy.

One of the geniuses of our economy is that we are resilient and flexible. If you look at what has happened to

Japan over the last 10 years, they have been in recession. Look at what has happened to France over the last 20 years and their productivity has essentially been flat. So their standard of living has not grown the way our standard of living has grown.

Look at the country of Italy where if you get a job you get it for life. Again, you have low productivity growth and you have essentially a flat economy in the context of our economy.

All these countries are functioning in a manner entirely different than ours because they basically create an economy where productivity is not rewarded, where efficiency is not rewarded, where having capital flow to its most efficient place is not rewarded—it is actually penalized—whereas in America, our genius as an economy has always been that we are a mobile, flexible economy where the money and the productivity and people's jobs flow to the place where they are going to receive their highest economic reward. We create incentives for people to go to work where they are going to get their highest economic reward. As a result, we rebound from economic slowdowns quickly and we have an incredible rate of productivity in this country—we have for the last few years—and we have economic growth.

What this proposal does, essentially, is reverse course. It goes back. It takes the socialistic concept that the Government should pay you for not working, or at least for not working efficiently, and puts it in place. It is an idea that has been tried, of course. It is being tried. It is being used in many of our sister countries—France and Italy being the two best examples. But it is a system which has totally failed. It is a 1950s idea of economics which essentially said that the state can better manage the economy of a country than the marketplace. In its extreme, it essentially has productive citizens paying to have people who are doing less productive jobs stay in those jobs.

The idea that when somebody loses his job where he is earning a good salary—let's say in a steel mill because that seems to be the industry most affected—and then that person looks around and says, I didn't like working in the steel mill, I am going to go out to the golf course where I can be a starter and get my free round of golf every day because that's what I would really like to do, that person, as a result of taking that job which he enjoys more but which pays significantly less, is going to be paid by all the other people in America who are working hard every day, maybe doing jobs they do not find that exciting but at least jobs at which they are being extremely productive.

That person who goes to the golf course is going to be paid up to \$5,000 for taking this job which pays less than what he was receiving as a steelworker.

It is outrageous. It is incredible. It is a rejection of everything we conceive as marketplace economics as a coun-

try. And it opens the door to proposals and concepts which will significantly undermine our productivity as a society, which will lock in place job activity which is not producing but which is draining from the economic growth and will inevitably undermine our vitality and will end up costing us jobs.

If a person is thrown out of a steel job and takes a job in some other position that pays less because that is the job they want or that is the job they can get, there are alternatives which we put in place to try to help that person improve their position. Under the trade adjustment assistance language that person gets more training, more education, more educational opportunities.

Under trade adjustment assistance, that person gets longer unemployment benefits so they can look harder for the job they want. But that person—for taking a job where their income is less and probably, therefore, they are being less productive in a society that ties productivity to income to a large degree—surely should not get a stipend to take a job which pays less.

It inverts the whole system of how we reward people in our society. We are rewarding someone for taking a job that pays less and saying: Here is \$5,000 on top of whatever you are being paid. I can see a lot of small businesses, medium-sized businesses in this country that are marginal today where their employees could say, because they might be a small business where all the employees are participants, we are going to have to go out of business. Let's make sure we go out of business for a trade reason. Let's figure out some way to do that because we can move on and do something else and get \$5,000 of assistance on top of whatever job we take.

The unintended consequences, the perverse incentives are truly—well, they can't be anticipated, but we know they are going to be significant.

This is one of the worst ideas I have seen come forward in this Congress, the idea that we are going to basically pay people to take lesser paying jobs. It is almost, on its face, a reason to reject this bill. When you couple it with some of the other problems with this bill, it becomes a heavy burden for those of us who support free trade to support a bill with this type of language.

So I do intend, at some point, as we go forward, to offer a motion to strike this alleged wage insurance program. I hope Members will join me in rejecting this concept which can best be described as French economics.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Ms. STABENOW). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LIEBERMAN. Madam President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3419 TO AMENDMENT NO. 3401

Mr. LIEBERMAN. Madam President, I have an amendment at the desk which I call up for immediate consideration.

The PRESIDING OFFICER. Under the previous order, the pending amendment is set aside and the clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Connecticut [Mr. LIEBERMAN], for himself, Mr. DODD, Ms. MIKULSKI, and Mr. KENNEDY, proposes an amendment numbered 3419.

Mr. LIEBERMAN. Madam President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To clarify the principal negotiating objectives with respect to labor)

On page 245, line 14, beginning with "and", strike all through "protection" on line 18.

Mr. LIEBERMAN. Madam President, this amendment that I offer strikes 27 words in the bill. These words are not many in number, as legislating goes, but they embrace, in their exclusion, a very important series of principles that are at stake. So let me read the words to you that would be struck. And I quote:

No retaliation may be authorized based on the exercise of these rights or the right to establish domestic labor standards and levels of environmental protection.

I say, respectfully, to those who put these words in the bill, and reported it out of the Finance Committee, that these words are a mistake because they essentially cancel out this provision, this section in which they appear, which is one of the 13 principal trade negotiating objectives in this bill before us, and the only one dealing with labor and environmental protections. In effect, because of this language that this amendment would strike, this becomes the only objective in the bill that the bill itself says, in effect, "we, the United States, will never enforce these portions of an agreement." And that is the section relating to domestic labor standards and levels of environmental protection.

I do not understand why we would place such a self-defeating provision in legislation, to create a standard and then to frustrate any potential for realizing and implementing it.

If this bill stated that we would not enforce an agreement we reach on trade and services, for instance—which happens to be the second principal trade negotiating objective in the bill—I am sure we would hear an outcry. And I would be part of that outcry.

If we said in advance we would never seek to enforce an agreement that we might reach on intellectual property protections or anti-corruption obligations or electronic commerce or agriculture, there would naturally be an outcry.

So there is no reason why we would want to enter into agreements on any

of these subjects while telling our trading partners in advance that we are not concerned about whether they are actually going to honor the commitments they make to us—in this case regarding labor and environmental protections. But that is precisely what we do in this part of this proposal that I would strike with this amendment.

We say, in the pending bill, that we will never seek to enforce these labor and environmental standards, the agreements made by the parties to agreements. I find this not only illogical but inappropriate and wrong.

Let me be clear, I am not here to propose that we only seek to enforce labor and environmental protections and not seek to enforce any other protections. This amendment proposes that we should have the power to enforce all of the provisions of these trade agreements that would come before Congress under the legislation before us, to enforce them equally, including labor and environmental protections. They should not be placed in a second class of objectives as stated in the bill.

The pending bill already includes a clear statement in support of the equal enforcement principle I am advocating. That is the 12th principal negotiating objective. It states that we should "seek provisions that treat United States principal negotiating objectives equally with respect to—the ability to resort to dispute settlement under the applicable agreement, the availability of equivalent dispute settlement procedures, and the availability of equivalent remedies."

Then let me read it again. The words I am striking with this amendment hope to say "no retaliation" may be authorized based on the exercise of these rights; that is, "the right to establish domestic labor standards and levels of environmental protection."

My amendment simply conforms the rest of the bill to the objective stated in the 12th principal negotiating objective; that is, the availability of equivalent remedies: equal enforcement, equal standing, and no discrimination against the labor and environmental provisions of an agreement.

I have an additional reason to strike the statement in the bill that "no retaliation" may be authorized based on "the right to establish domestic labor standards and levels of environmental protection." This enforcement exemption goes even further than the exemption I have just described.

I read the language as exempting any labor and environmental standard a country chooses to set from any potential retaliation under this bill. That includes labor and environmental commitments of the country we might be negotiating with and that that country has specifically agreed to include in a trade agreement. It says, I fear, that any standard is fine with us, even if it conflicts with a standard that has specifically been set, negotiated, agreed to in the trade agreement that would be the subject of consideration by the

Senate under the rules established by this TPA proposal.

If countries can establish any domestic standards they wish to and no retaliation can be used regardless of what they do, they will be able to use that language to violate any commitment they have made or be able to bend and break every international standard without fear of consequences.

For example, they will have an excuse to lower domestic standards to enhance their trade competitiveness, something nearly every trade agreement bars. This exemption makes a mockery of labor and environmental protections in trade agreements. It is an invitation to abuse, to sham agreements, and to evasion. That is why I move to strike it.

The labor and environmental protections at issue are very mainstream. They express broadly held American values and broadly accepted American policies.

Let me read to you some of the core labor standards set by the International Labor Organization. One is the freedom of association and the effective recognition of the right to collective bargaining. Another is the elimination of all forms of forced or compulsory labor. These aren't extreme requirements, these are basic humanitarian requirements, in some sense even beyond the normal conflict of labor/management or often the conflict of labor/management negotiations. Third is the effective abolition of child labor.

Does anyone wish to stand in this body, or anywhere else in America, and say we should not make clear that the powers of retaliation that are available for all the other principal trade objectives stated in the bill should not be available against a country that is guilty of child labor abuses?

Finally, the elimination of discrimination in respect of employment and occupation. Again, this is the fourth of the core labor standards set by the International Labor Organization, obviously accepted—enshrined, in fact—in amendments to our Constitution. It was certainly enacted explicitly in our time in a specific series of laws that have made real the promise of equal opportunity and nondiscrimination in employment which we would naturally not want to stand idly by and see violated in countries with which we were negotiating agreements.

Is there any reason we would not want to enforce those values in a trade agreement? Is there something protectionist about those values? Is there some reason we would want to invite countries to violate those standards with impunity and provide no enforcement mechanism or remedy should they do so?

I would ask the same about the environmental protections here. Is there some reason we would not want to support clean air and clean water in countries with which we are negotiating, some reason we would want to tolerate

exposing workers, for instance, to destructive, dangerous toxic chemicals when that country in an agreement has made commitments not to tolerate these low environmental standards?

In its current form, this provision I wish to strike with my amendment cancels out the very provisions on labor and environmental protections it seeks to legislate as one of the 13 principal trade negotiating objectives. It does so uniquely, putting this non-retaliation language only in this particular section dealing with labor and environment and not in any of the other 13 principal trade negotiating objectives.

The issue I wish to raise with my amendment is simple. The question is, will we seek, whether we want to preserve within our Government the power to stand by our word and compel countries that are trade negotiating partners with us to stand by their word, to keep their promises when it comes to labor and environmental commitments, promises that they will have negotiated and made in the agreements we would sign and bring before the Congress for ratification? Or are we going to allow these agreements to be rendered meaningless and unenforceable, even before we enter into them?

The amendment I propose this afternoon says we will hold our trading partners to the commitments they make in trade agreements. We are not legislating to reach out and tell them exactly what to do within their countries. We are saying, if they make an agreement with us regarding environmental protection or labor standards, they have to keep that promise. We will expect them to do no less.

This is a critical part of the proposal before us, making trade agreements that are not only in the interest of commerce and economic growth but that are consistent with some of our most fundamental values and certainly consistent with a wide range of our laws adopted at the Federal, State, and local levels.

I urge my colleagues to support the amendment. I thank the Chair and yield the floor.

THE PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Madam President, I rise in opposition to the Lieberman motion to strike. I welcome the opportunity to debate it because this motion goes right to the heart of the constitutional system that we cherish in America, and from which we benefit every single day.

Let me explain this amendment and what it would do, where it came from, and why it is relevant. For the first time under fast-track authority, we in this bill will be bringing labor and environmental issues into the trade negotiation process. In 2000, the Clinton Administration negotiated a free trade agreement with Jordan that for the first time brought both labor and the environment fully into the process. Now, based on the Jordan Agreement,

the bill before the Senate would direct our negotiators in all future trade agreements to establish international dispute resolution tribunals to proctor and enforce trade agreements in which labor and environmental issues are involved. And this will probably become the standard for our trade agreements with the rest of the world.

The bill approved by the House of Representatives and then the Senate Finance Committee sets out our negotiating objectives of the United States with respect to labor and the environment. These objectives are pretty clear, and I want to take the time to read them because I want to be absolutely sure everybody understands this issue.

Section 2102(b)(11) says that the principal trade negotiating objectives of the United States with respect to labor and the environment are:

To ensure that a party to a trade agreement with the United States does not fail to effectively enforce its environmental or labor laws through a sustained or recurring course of action or inaction, in a manner affecting trade between the United States and that party after entry into force of a trade agreement between those countries.

This objective is what we would be trying to achieve, and it would be binding on both the United States and on the trading partner with whom we are negotiating.

I want to remind my colleagues that the first sentence of the Constitution of the United States—article I, section 1—sets forth the legislative power, and sets it squarely in the Congress:

All legislative Powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives.

It is the first sentence of our Constitution, so we are not fooling around here. In other words, there is no question under the American constitutional system that Congress has the power to make the law.

But now we are entering into trade agreements that for the first time will involve passing judgment on our labor and environmental laws and standards. In light of the constitutional guarantees of article I, section 1, the House and Senate authors of the trade promotion authority bill before us decided to set out what our rights are as Americans with regard to our labor and environmental standards. It therefore goes on to say that our objectives also are:

(B) to recognize that parties to the trade agreement retain the right to exercise discretion with respect to investigatory, prosecutorial, regulatory, and compliance matters and to make decisions regarding the allocation of resources to enforcement with respect to other labor or environmental matters determined to have higher priorities, and to recognize that a country is effectively enforcing its laws if a course of action or inaction reflects a reasonable exercise of such discretion, or results from a bona fide decision regarding the allocation of resources.

It then goes on to say, and this is the sentence that Senator LIEBERMAN would strike:

And no retaliation may be authorized based on the exercise of these rights or the right to establish domestic labor standards and levels of environmental protection.

What does this mean? It means that we are going to enter into trade agreements, and that in those trade agreements we are going to try to promote labor and environmental protection, but that we will maintain our sovereignty with regard to writing our own labor and environmental laws, and to exercising Executive Branch power to enforce the law through the promulgation and enforcement of regulations. It means that in exercising our rights under the Constitution of the United States, we could not be subject to retaliation by our trading partners.

Let me point out to my colleagues that the concern about retaliation is not an idle concern. It is the kind of problem that we increasingly will run into as we move further into a world where trade crosses borders and where international agreements increasingly bind the United States. The question as we move into this world comes down to this: What rights will we preserve as a sovereign country?

If we struck the protective language approved by the House and by Senate Finance, we would be passing the decisionmaking authority on domestic labor and environmental issues from the Congress and the President to international tribunals. Those tribunals—not Congress and the President—would be the ones to pass judgment as to whether changes in U.S. labor and environmental laws represented a failure to effectively enforce our laws. The tribunals, on which Americans are a minority, would be the ones making those decisions. And if they found that U.S. actions were wanting, they could authorize retaliation against American exporters—all on the basis of the exercise of our legitimate constitutional rights.

Let me give you some real examples that exemplify this concern. In the North American Free Trade Agreement, we did not include Jordan-like labor and environmental provisions, but we did have side agreements on labor and environment. Those side agreements, which were negotiated after President Clinton came into office, include an enforcement mechanism that allows parties to file claims alleging failure by a NAFTA country to effectively enforce its labor and environmental laws.

The NAFTA experience provides several examples that go to the very heart of this sovereignty issue. For example, a complaint was filed alleging that the United States was not effectively enforcing the Endangered Species Act—namely, in protecting the spotted owl—and therefore was benefitting the United States in trade.

If the protective clause of the pending bill were stricken by the Lieberman motion, and the bill became law, who would make the determination as to whether we are protecting

the spotted owl if a similar complaint were filed under that new law? These decisions would be made not by the American Congress, not by the American President, not by the American courts, but by an international dispute resolution tribunal, the majority of whose members would not be American. That tribunal would decide whether or not we are protecting the spotted owl and, therefore, whether or not we are enforcing the Endangered Species Act. And if they concluded that we were not, they would have the power to order retaliation against American manufactured products and American agricultural products.

Let me give another example. Some years ago we passed a rider to an appropriations bill that eliminated private remedies for salvage timber sales. Following the constitutional process, that rider was approved by the Senate, approved by the House, and signed into law by the President. Subsequently, a complaint against the United States was filed under NAFTA that alleged that by passing that rider, we had failed to effectively enforce our environmental laws.

If this bill were approved without the protective clause, due to the Lieberman motion to strike, then an international tribunal—only one of whom would be an American—would make a determination as to whether or not, in exercising our right to enact laws regarding federal timber policy, we should be subject to retaliation against our manufactured products, our agricultural products, or our services, or anything else we sell on the world market.

Let me give one more example. I could cite examples that involve apple growers, and egg workers, but let me talk about one that involves Connecticut. A complaint was filed under NAFTA against the United States by the Yale Law School Worker's Rights Project alleging failure to effectively enforce U.S. minimum wage and overtime protections.

If this bill were approved as modified by the Lieberman amendment, we would face a situation where the decision as to whether or not the United States was enforcing fair labor standards would have been determined not by a Federal court sitting in Connecticut but by an international tribunal. In the case of NAFTA, that tribunal would include only one American among the three judges. In the case of a trade agreement with Europe, that tribunal making a determination about whether or not we are enforcing our laws would include mostly Europeans. I submit that we do not want to put ourselves in that position.

The issue here is pure and simple: it is sovereignty. If we strike this protective provision, we will be putting ourselves in a position where we can change our laws but we will be subject to a judgment by non-Americans that in making that change we gained an unfair trade advantage and can be pe-

nalized for it. Determinations about whether or not we are enforcing labor and environmental laws would be transferred from Congress and the President to international tribunals.

I believe it is critical that we preserve American sovereignty. I cannot believe that the American people, if they were alerted to this issue, would support putting decisions on labor and environmental issues in the hands of international tribunals rather than in the hands of American courts, the Congress, and the President.

Let me give a final example. I know many people in the Senate did not vote to open ANWR, but had Congress made a decision to open ANWR based on national security concerns, under the provisions of this bill as proposed to be amended by Senator LIEBERMAN, we could see retaliation imposed on cotton growers, computer manufacturers, or any other exporter in the United States. Based on a complaint filed before an international tribunal, the majority of whose members are not Americans, we could see a decision that we benefited in trade by opening ANWR, and therefore, that we could be subject to sanction. A tribunal could not overturn our action in making the law, but it could authorize retaliation in the form of punitive tariffs against American manufacturers, agricultural producers, and service providers. That is something I do not believe we want to do.

I want submit for the RECORD a letter from the American Farm Bureau Federation that is dated today:

The American Farm Bureau Federation urges your opposition to the Lieberman motion to strike language in the Trade Promotion Authority bill that would safeguard U.S. sovereignty and protect U.S. agricultural producers from retaliatory tariffs.

I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN FARM BUREAU FEDERATION,
Washington, DC, May 15, 2002.

Hon. PHIL GRAMM,
U.S. Senate, Russell Senate Office Building,
Washington, DC.

DEAR SENATOR GRAMM: The American Farm Bureau Federation urges your opposition to the Lieberman motion to strike language in the Trade Promotion Authority bill that would safeguard U.S. sovereignty and protect U.S. agricultural producers from retaliatory tariffs.

As approved by the House and reported by the Senate Finance Committee, the TPA bill contains a protective clause that will ensure that Congress and the President may make and enforce U.S. labor and environment laws and can protect U.S. farmers and ranchers from the threat of retaliation. Without this critical protection, U.S. agriculture could be targeted by our trading partners solely on the basis of the normal exercise of Congressional lawmaking.

As you know, U.S. farmers and ranchers worked hard to ensure that exports markets around the world would be open to our products. If successful, the Lieberman motion to strike would effectively allow international panels to authorize retaliation against the

United States for exercising its sovereign discretion on U.S. labor and environmental laws.

For these reasons, we urge your opposition to the Lieberman amendment to the Trade Promotion Authority bill.

Sincerely,

RICHARD W. NEWPHER,
Executive Director.

AMENDMENT NO. 3417 TO AMENDMENT NO. 3401

The PRESIDING OFFICER. Under the previous order, the hour has come for 4 minutes to be evenly divided on the Edwards amendment.

Mr. GRAMM. Parliamentary inquiry. The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Is the Edwards amendment subject to a point of order under the Budget Act?

The PRESIDING OFFICER. At this time, the Chair does not have information as to the specifics of that order.

Mr. GRAMM. I raise a point of order that the amendment violates section 311(a)(2)(B) of the Congressional Budget Act.

The PRESIDING OFFICER. The point of order is not in order while time remains for debate on the amendment.

Mr. GRAMM. I will reserve until the appropriate time.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. LIEBERMAN. I ask unanimous consent for no more than 3 minutes to respond to my colleague, the Senator from Texas.

The PRESIDING OFFICER. Is there objection?

Mr. BAUCUS. Madam President, I understand the order was given to go to the Edwards amendment at 1:45 p.m. I ask that the Senator from Connecticut withhold his comments at this point.

Mr. LIEBERMAN. I ask my friend from Montana if he would be certain that I have an opportunity, before the vote, to respond to the Senator from Texas.

Mr. BAUCUS. Absolutely.

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to 4 minutes of debate evenly divided on the Edwards amendment.

Who yields time?

The Senator from Montana.

Mr. BAUCUS. Madam President, I urge my colleagues to support the Edwards amendment and, frankly, I urge my good friend from Texas to also support it and refrain from raising a point of order or otherwise opposing the Edwards amendments. They are very good amendments. They help this bill. I am quite surprised, frankly, that the Senator from Texas was having objections to them. I am not going to use all the remaining couple minutes we have. I will let my friend and colleague from North Carolina make those statements, but I strongly urge us to work this out so we can get these Edwards amendments passed.

I yield the remaining time to the Senator from North Carolina.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. EDWARDS. Madam President, I point out for my colleagues that both the ranking Republican Member and the chairman of the committee support these amendments.

I ask unanimous consent that the following Senators be added as cosponsors: Senators HOLLINGS, MILLER, CLELAND, LINCOLN, and ALLEN.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EDWARDS. Madam President, this amendment does two things. First, it says our trade negotiators have to stop entering into trade agreements that hurt North Carolina textile workers and that are unfair to North Carolina textile workers. North Carolina's textile workers are entitled to a level playing field, and that is what this amendment is designed to give them—no better, no worse than anybody else, just a level playing field.

Second, it makes sure that workers who have lost their jobs because of trade have an opportunity to get the education and the training they need to get another job at as good or better wages.

At its base, that is what this amendment is about. The amendment serves those two purposes. It is a critical amendment for the textile workers in my State of North Carolina where, over the course of the last 5 years, over 100,000 workers have lost their jobs. These people have been hurt by trade. We need to give them an opportunity to get their lives back in shape. That is what this amendment is about: No. 1, making sure any trade agreement that is negotiated is fair and fair to North Carolina textile workers; No. 2, for those people who have lost their jobs, families who have lost their jobs, making sure they have an opportunity to get back on their feet and do what they have always done—work and help to support their family and give their kids a chance for a better life.

I urge my colleagues to support this amendment, as the chairman of the committee and the ranking Republican Member do.

I yield the floor.

Mr. BAUCUS. I reserve the remainder of my time.

Mr. GRAMM. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Two minutes remain in opposition to the Edwards amendment.

The Senator from Texas.

Mr. GRAMM. I will not speak at length on the Edwards amendment, but I would like my colleagues to note that under this amendment, we once again would be expanding trade adjustment assistance benefits. The Congressional Budget Office, for some inexplicable

reason, is saying that the Baucus-Grassley amendment—already itself subject to a point of order—has some savings in the outyears, even though those savings are grossly smaller than the new expenditures. Therefore, they are saying that because the program put in place by this amendment would take 18 to 24 months, it would not be subject to a point of order.

It sounds to me as if people are decided on this amendment. But under this amendment we once again would be adding additional benefits for up to 26 weeks for people who are not now receiving trade adjustment assistance. It seems to me at the very moment we are spending Social Security trust funds, we should care about preserving funds. But nobody seems to care. Yet if we were debating giving someone a new tax cut, there would be a great hue and cry that we were taking money away from the Social Security trust fund. Yet here, when we would be adding more benefits and creating more programs, nobody seems to care.

I am opposed to this amendment. I hope some will join me in voting against it. I don't know how we are ever going to pay for all these new spending programs at the very moment when we are running a deficit and spending Social Security surplus. Everyone seems joyful to create a new program to benefit someone. But at some point, we have to draw the line.

I yield the floor.

Mr. BAUCUS. How much time do I have remaining?

The PRESIDING OFFICER. No time remains.

Mr. EDWARDS. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to amendment No. 3417.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from North Carolina (Mr. HELMS) is necessarily absent.

I further announce that if present and voting the Senator from North Carolina (Mr. HELMS) would vote "yea."

The result was announced—yeas 66, nays 33, as follows:

[Rollcall Vote No. 111 Leg.]

YEAS—66

Akaka	Corzine	Kerry
Allen	Daschle	Kohl
Baucus	Dayton	Landrieu
Bayh	Dodd	Leahy
Biden	Dorgan	Levin
Bingaman	Durbin	Lieberman
Boxer	Edwards	Lincoln
Breaux	Feingold	Mikulski
Byrd	Feinstein	Miller
Campbell	Graham	Murray
Cantwell	Grassley	Nelson (FL)
Carnahan	Harkin	Nelson (NE)
Carper	Hollings	Reed
Chafee	Hutchinson	Reid
Cleland	Hutchison	Rockefeller
Clinton	Inouye	Sarbanes
Cochran	Jeffords	Schumer
Collins	Johnson	Sessions
Conrad	Kennedy	Shelby

Smith (OR)
Snowe
Stabenow

Stevens
Thurmond
Torricelli

Warner
Wellstone
Wyden

NAYS—33

Allard
Bennett
Bond
Brownback
Bunning
Burns
Craig
Crapo
DeWine
Domenici
Ensign

Enzi
Fitzgerald
Frist
Gramm
Gregg
Hagel
Hatch
Inhofe
Kyl
Lott
Lugar

McCain
McConnell
Murkowski
Nickles
Roberts
Santorum
Smith (NH)
Specter
Thomas
Thompson
Voinovich

NOT VOTING—1

Helms

The amendment (No. 3417) was agreed to.

The PRESIDING OFFICER (Mrs. CARNAHAN). The majority leader is recognized.

Mr. DASCHLE. Madam President, we are making better progress this afternoon. I really appreciate the two managers and the work they are doing to move it along. I hope we can line up a series of amendments, hopefully with time agreements. I know there is an interest on the part of both sides to accommodate as many amendments as possible. The best way to do that is with time agreements. I encourage all Senators to agree to a time limit on their amendments so that we can move through additional amendments.

There have been questions about the schedule. To accommodate an event I know a number of our Republican colleagues want to attend tonight, we will not be in late tonight, but I do hope, for those who could offer their amendments and have some debate on the amendments without having a vote, we might do that in the interest of moving the legislation forward. We should not just look at tonight as a lost opportunity. To the extent Senators can come to the floor and offer amendments, we can certainly stack some of those votes tomorrow morning.

It is also our expectation that we will not be in session during the gold medal ceremony tomorrow afternoon. That will last about an hour from 2 to 3. We need to make the most of the time that is available to us tonight and tomorrow, both before and after the ceremony.

Senators should know that we will be in session on Friday and we can expect votes Friday morning. We will try to move this legislation along and accommodate as many Senators who have amendments as possible, but they need to help us by agreeing to time limits.

I know there has been some concern for the May 16 deadline. That is tomorrow. The Andean Trade Preference Act expires tomorrow. We do know that the administration has the authority to move that date, should they choose to do so. I hope they will consider doing that given the fact that tomorrow is May 16. We will move this expeditiously. We will do all we can to get this job done. Nobody wants to pass ATPA more than I do. I do think it is important for the administration and for all of us to work together to ensure

that we leave no question about our determination to complete our work on ATPA and ensure there is continuity when it comes to the application of the trade legislation and our determination to ensure that that continuity is created in law.

Mr. MCCAIN. Will the majority leader yield?

Mr. DASCHLE. I am happy to yield to the Senator from Arizona.

Mr. MCCAIN. I believe the majority leader is correct as to the May 16 date, that the administration does have the ability to change that day, because it was set, as far as an agreement, with the chairman of the Ways and Means Committee in the other body. The fact remains, there is great uncertainty in these countries. They don't know how the Congress of the United States works. They don't know that May 16 isn't a drop dead date. It does not remove the compelling aspect of us reauthorizing ATPA as quickly as possible.

I hope the majority leader will consider, if there are further problems—and I hope not—that we would split that bill out and pass it, which would be overwhelming, 98 or 99 votes. The President of Peru has been up here. There is enormous uncertainty in already unstable economic situations in those countries. I still don't think it is right for us to unnecessarily tie ATPA to the other legislation. I appreciate the majority leader's appreciation for that as well. I thank the majority leader.

Mr. DASCHLE. Madam President, I will just say that the Senator from Arizona is absolutely right. If all else fails, we have no other choice but to split it off. We would do so if we were not able to make progress, which is why I started out as I did urging Senators to come to the floor. I know Senator LIEBERMAN and others are prepared to offer amendments this afternoon. Senator BAUCUS and Senator GRASSLEY have accelerated the consideration of these amendments. As always, Senator REID has been on the floor to help serve as a motivator in getting the job done.

Mr. REID. Will the leader yield?

Mr. DASCHLE. I am happy to yield.

Mr. REID. I would note, while the leader has been engaged in other business during this last vote, I have checked with the two managers. It is my understanding within the next few minutes, next 15 minutes or so, there will be a motion to table Senator LIEBERMAN's amendment. He knows that. Following that, we are in the process of working out an agreement with the Senator from New Hampshire who will offer an amendment. The Senator from Illinois will offer an amendment—maybe in inverse order. They have both agreed to time limits. We should have that done by the time the next vote occurs.

Mr. DASCHLE. I yield the floor.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. I would like to echo the colloquy between the Senator from

Arizona and the majority leader. It is true that the Secretary, pursuant to the discretion he is given under the law, did extend the period with respect to the Andean tariffs to May 15. It is also true that he has the authority to extend it even longer. It is also true that the last time this issue arose, some in the administration suggested to Chairman THOMAS in the House that this would only be extended once. We are very close to passing the trade package in the Senate, getting to conference very quickly. I urge the administration to extend the period for a little bit longer.

Having said that, it is important to remind all Senators that the underlying bill is drafted to make benefits retroactive to December 4, 2001. So even if the period the administration has suggested expires and we would move past that period, nevertheless all collected tariffs would be returned retroactive to December 4, 2001. It is our hope to get this passed very quickly.

I say all that so it is clear that we have pressure but all is not lost if we don't move to get it all passed within the next days or the next few weeks. We are working together to solve the problem which has been mentioned.

AMENDMENT NO. 3419

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. LIEBERMAN. Madam President, I believe my friend from Texas would like to enter a letter into the RECORD. I yield to him.

Mr. GRAMM. Madam President, I thank our dear colleague from Connecticut.

I would like to enter a letter, and at that point I would like a minute toward the end to sort of sum up. I have a letter here from the three principal Democrat cosponsors of the trade promotion authority bill in the House, CAL DOOLEY, BILL JEFFERSON, and JOHN TANNER. This letter is important because it discusses the very provision of the bill related to no retaliation based on sovereign rights, an issue which is being discussed here with an effort to strike this language. Since they discuss it directly, I would like to commend it to my colleagues.

I ask unanimous consent to print the letter in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CONGRESS OF THE UNITED STATES,

Washington, DC, December 10, 2001.

Senator MAX BAUCUS,
Chairman, Senate Finance Committee, Dirksen
Senate Office Building, Washington, DC.

DEAR SENATOR BAUCUS: We were happy to hear that you and Senator Grassley reached an agreement regarding trade promotion authority legislation. We have spoken many times on this issue. As you know, many of your TPA concepts are reflected in the House-passed legislation.

We are particularly proud of the progress this legislation makes on labor and environmental issues. The legislation passed by the House incorporates fully the enforceable standard on labor and the environment in

the Jordan Free Trade Agreement, and includes objectives that will allow negotiators to seek and obtain all of the commitments in the Jordan FTA. Moreover, by including the enforceable Jordan standards and provisions promoting increased standards on worker, child labor, and environmental protections, the legislation reflects the principle that countries should improve—not roll back standards for labor and environment.

Last week, you had inquired about the principal negotiating objective on labor and the environment, in particular, section 2(b)(11)(B). Subparagraph (B) provides that one of the principal negotiating objectives will be: to recognize that parties to a trade agreement retain the right to exercise discretion with respect to investigatory, prosecutorial, regulatory, and compliance matters and to make decisions regarding the allocation of resources to enforcement with respect to other labor or environmental matters determined to have higher priorities, and to recognize that a country is effectively enforcing its trade laws if a course of actions or inaction reflects a reasonable exercise of such discretion, or results from a bona fide decision regarding the allocation of resources and no retaliation may be authorized based on the exercise of these rights or the right to establish domestic labor standards and levels of protection.

You had asked about the meaning of the last phrase, which was added to section 2(b)(11)(B) as a part of the rule providing for consideration of H.R. 3005: "and no retaliation may be authorized based on the exercise of these rights or the right to establish domestic labor standards and levels of protection." This phrase, which is limited to subparagraph (B), clarifies what was already the case in the TPA legislation that was reported out of the Ways & Means Committee, and reflects the standard set forth in the Jordan FTA. That is, countries have the right to exercise discretion needed to enforce regulations regarding to health, worker safety and the environment without fear of retaliation for a reasonable exercise of that discretion.

We hope this is helpful to you. We look forward to working with you to pass this legislation.

Sincerely,

CAL DOOLEY,
BILL JEFFERSON,
JOHN TANNER.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. LIEBERMAN. I thank the Chair.

I want to come back to respond to some of the things my friend and colleague from Texas said in opposition to my amendment.

I do want to state for the record what I hope is clear, which is that I support the underlying bill. I support the trade promotion authority, so-called fast track. I believe one of the great lessons we learned in the 1990s, under President Clinton, was that trade is a pillar of economic growth in our country.

We only have so many people in our country. There is only so big a market. We have to open up markets around the world to create more jobs at home. We have to find other places around the world to sell our products.

We have obligations, and that generally creates not only economic growth, more jobs, more wealth but improves our country generally. So I support the underlying bill.

This amendment I have offered deletes words in the pending bill which I

believe are very unfair and discriminate against the provisions of the bill that call for some concern and consideration of labor standards and environmental objectives in the agreements.

The statement of my friend from Texas in opposition to my amendment fascinated me, surprised me, and I say with all respect, I do not believe it is real. I do not believe his concerns are justified by the terms of the legislation or what would be normal trade practice. Let me speak to this.

The amendment strikes language that is unique to one of the 13 principal trade objectives in the bill that deals with labor standards and environmental protection. The language is unique and says:

No retaliation may be authorized based on the exercise of rights of discretion that are uniquely given with regard to labor and environmental standards and the right to establish domestic labor standards and levels of environmental protection."

In essence, we are saying to those with whom we enter into a trade agreement that in regard to commitments they make that affect labor standards or environmental protection in their country, we will not have the capacity to enforce those promises they have made. That was the concern I had about the pending bill that motivated my amendment.

The Senator from Texas has a very different response. He is worried that foreign nations may retaliate against us for our failure to keep our promises regarding labor standards and environmental protection. That thought never struck me. I must admit, it never struck me because our standards are higher, generally speaking, than most of the nations with which we negotiate, so I could not conceive they would want to retaliate against us.

Also, remember the obligations that are imposed on a party to a trade agreement are set in that agreement. They are agreed to by the parties. We would not be held to fulfill any commitments regarding labor and the environment that we and they did not make in the agreement. The same is true of our foreign negotiating partners and of us.

I want to respond to, I guess, what we used to call in law school, since my friend from Texas mentioned my law school, a "slippery slope" argument. If the United States commits to enforce the Endangered Species Act or a labor standard is applied to a particular law school that happens to be in New Haven, which I went to, the United States would be bound by those commitments. Those would be pledges we would have made.

If the United States agrees to enforce every labor and environmental statute we have on our books and makes that agreement in a trade agreement—I cannot imagine we would make such an agreement, but if we did—we would be bound by that commitment.

The rights we give to others must be found in the agreement we ratify. No

foreign country will have free-range opportunity to challenge any action or inaction we take with regard to labor or environmental protections.

For instance, the trade negotiation objective for foreign investment—I use this as an example; it is one of the other 13 principal trade negotiation objectives in the bill—calls for negotiation of agreements that reduce or eliminate exceptions to the principle of national treatment, freeing the transfer of funds relating to investments, et cetera.

If we reach an agreement where we and our trading partners commit to "reduce or eliminate exceptions to the principle of national treatment" that is in the bill, that is the commitment that each party has the right to seek to enforce. That is in the agreement.

Countries, again, have no free-wheeling right to challenge any U.S. action or inaction concerning foreign investments; certainly no right to rewrite our laws. We can only be held to what we have promised to do in the agreement, just as the foreign country can only be held to that.

Foreign countries' rights are set and limited by the terms of the agreement we negotiate. Our own standards, again, with regard to labor and environmental protection, are almost always higher than the foreign nations with which we are negotiating. The agreements focus on trying to slightly raise the standards of less developed countries. That is what we are all about and about which some have been concerned.

Second, this trade objective focused on labor and environment is unique in another regard in this bill. My amendment takes out the part that prohibits retaliation for any reason. It does not eliminate any of the rest of section (B) of this part—I believe it is trade negotiating objective No. 11.

What does the rest of it do? It does something unique in this bill. The 11th principal negotiating objective is already qualified in ways not applicable to any other trade negotiating objectives. That makes it even more important that we retain the power to enforce these commitments, which my amendment would do with regard to trade in services—these are other negotiating objectives—intellectual property, agriculture, and other subjects. Compliance of the parties is strictly enforced. No excuses are permitted; no discretion is granted. If there is a violation, the parties are held strictly liable.

With regard to labor and environmental commitments, the pending bill already states that noncompliance can be tolerated under certain circumstances. Parties are granted the right to "exercise discretion with respect to investigatory, prosecutorial, regulatory, and compliance matters," and they are granted the right to "make decisions regarding the allocation of resources to enforcement with respect to other labor and environ-

mental matters determined to have higher priorities."

This discretion and these decisions must be reasonable and bona fide according to the bill. It explicitly states that we "recognize that a country is effectively enforcing its laws if a course of action or inaction reflects a reasonable exercise of such discretion, or results from a bona fide decision regarding the allocation of resources."

We do not see language about discretion or allocation of resources applied to any other section in the bill—not to the services section, not to the intellectual property section, not to the agricultural section, not to any other section.

Madam President, I am, in fact, troubled by the inclusion of this language regarding such discretion as it applies to labor and environmental protections. I worry that it is a bit open-ended, perhaps ambiguous. But despite those misgivings, the language does come verbatim from the United States-Jordan trade agreement. We granted that discretion in that agreement. Therefore, that is why the language has been picked up in the bill and I do not move to strike it. The language to prohibit any retaliatory action does not come from the Jordan Agreement. It is something new and it says essentially that we are not going to hold the other party to its promises and, in that sense, viewing this from the perspective of the Senator from Texas, they cannot hold us to our promises.

That is not the kind of country we are. That is not the kind of Congress I believe we are.

Why include in this bill a negotiating objective that contains its own negation? Why include fine print that essentially says we do not mean what we have said, and we do not care to hold the foreign country into which we have entered a trade agreement to what they have said?

The issue is simple: Do the commitments made in these trade agreements regarding labor and environment—our commitments and their commitments—mean something?

I am pleased again to say that the U.S. is much more likely to have higher standards and be committed to honoring those commitments. So I strongly urge my colleagues to support this amendment, which I think improves the bill and still leaves a lot of discretion in the enforcement of these labor and environmental sections of this pending legislation.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. First, I express appreciation to the Senator from New Hampshire for allowing us to go forward with the unanimous consent agreement.

I ask unanimous consent that following disposition of the Lieberman amendment No. 3419, Senator DURBIN be recognized to offer his amendment regarding TPA; that there be 90 minutes for debate in relation the amendment, equally divided in the usual

form, prior to a vote in relation to the amendment, with no second-degree amendments in order prior to the vote.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Madam President, I have the highest regard for the Senator from Connecticut and his adherence to provisions to protect the environment. I do not know who has worked as hard as he or as effective as he in working to support measures to help not only the Nation's but the world's environment. However, I strongly oppose his amendment and I will say why.

First, the provisions in the underlying bill are a dramatic improvement to protect the American environment overseas as compared with current law, any other fast-track bill. It is a major step forward. For example, it incorporates the basic provisions of the Jordan agreement, provides no derogation, that is, neither country will derogate, will reduce, the environmental protection that has an effect on trade. That is a major step forward.

I cannot overemphasize how important it is to have those Jordan standards in the underlying trade agreement, that is, the fast-track agreement. It is incredible. I am, frankly, surprised to be saying at this point that those provisions are already in the bill because it was such a hard battle to get them.

In addition, this is the first time that the environment has been made a principal negotiating objective. It is the first time the environment was given priority to other matters. It is the first time the multilateral environmental agreements are recognized, the so-called MEAs, that is, to protect the ozone, for example. That is a big first step. It is also the first time efforts have been made to improve the ability of other countries to enforce their environmental laws. So it is important not to just talk about this subject in the abstract but to compare it with what is in the underlying bill. The underlying bill goes a tremendous way to improving the environment.

This reminds me of the metaphysical question: How many angels are there on the head of a pin? That debate has gone on for years. We do not know how many angels there are on the head of a pin. It is a metaphysical question as to the meaning of life and its existence. It is also unknowable.

To be honest, that is what this amendment is, and I will explain what I mean. I take a slightly different tack than my good friend from Texas. I think the amendment does nothing, either way, with respect to protecting the environment. It is, frankly, poorly drafted. It is ambiguous. It is hard to say what is meant by it. So I say if we already have strong provisions to protect the environment, why add something that takes or does not take away a provision which is ambiguous and re-

dundant, an argument made either way?

However, the main point is, this fast-track bill is the result of very intensely negotiated positions and it is in the balance. If this amendment passes, I fear for the life of this bill in the Senate. This is a killer amendment, as strange as that may sound.

I said earlier, this is basically a metaphysical question: How many angels are on the head of a pin? Why would that be a killer amendment? I grant that is another metaphysical question. That is another very strange situation we find ourselves in, but I must say that it does. This is an amendment which, if it passes—first, it has no practical effect, has no substantive effect, but it has, unfortunately, a strong sort of political effect within this body.

I support the protection of the Senator from Connecticut of the environment, but this is one amendment which, frankly, does not further protect the environment and, if passed, is going to weaken this bill.

In a moment I am going to move to table, but I am first going to recognize my friend from Texas.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Madam President, I will be very quick. The Senator from Connecticut asks us: What is wrong in being held to our promises? What is wrong in fulfilling our commitments? There is nothing wrong with it. But the real question is who should make the judgment as to whether we have fulfilled our commitments and holding to our promises. Should those judgments be made by the Congress, the President, and our Federal courts, or should it be made by international tribunals?

If we could divide the question so that we could impose these judgments on our trading partners, and in the process deny their sovereignty, I think that might find some favor around her. But the problem is that the objectives in this bill apply to us as well. Therefore, this is not an environmental question. It is not a labor question. It is a sovereignty question.

I yield the floor.

Mr. BAUCUS. Madam President, I move to table the Lieberman amendment, and I ask for the yeas and the nays.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be a sufficient second.

The question is on agreeing to the motion. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from North Carolina (Mr. HELMS) and the Senator from Virginia (Mr. WARNER) are necessarily absent.

I further announce that if present and voting the Senator from North Carolina (Mr. HELMS) would vote "yea."

The PRESIDING OFFICER (Mr. JOHNSON). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 54, nays 44, as follows:

[Rollcall Vote No. 112 Leg.]

YEAS—54

Allard	Enzi	McConnell
Allen	Fitzgerald	Miller
Baucus	Frist	Murkowski
Bennett	Graham	Nelson (NE)
Bond	Gramm	Nickles
Breaux	Grassley	Roberts
Brownback	Gregg	Santorum
Bunning	Hagel	Sessions
Burns	Hatch	Shelby
Campbell	Hutchinson	Smith (NH)
Chafee	Hutchison	Smith (OR)
Cochran	Inhofe	Snowe
Collins	Inouye	Specter
Craig	Kyl	Stevens
Crapo	Lincoln	Thomas
DeWine	Lott	Thompson
Domenici	Lugar	Thurmond
Ensign	McCaIn	Voinovich

NAYS—44

Akaka	Dodd	Levin
Bayh	Dorgan	Lieberman
Biden	Durbin	Mikulski
Bingaman	Edwards	Murray
Boxer	Feingold	Nelson (FL)
Byrd	Feinstein	Reed
Cantwell	Harkin	Reid
Carnahan	Hollings	Rockefeller
Carper	Jeffords	Sarbanes
Cleland	Johnson	Schumer
Clinton	Kennedy	Stabenow
Conrad	Kerry	Torricelli
Corzine	Kohl	Wellstone
Daschle	Landrieu	Wyden
Dayton	Leahy	

NOT VOTING—2

Helms Warner

The motion was agreed to.

Mr. REID. I move to reconsider the vote.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Parliamentary inquiry: Has the motion to reconsider been made?

The PRESIDING OFFICER. The Senator from Nevada has just moved to reconsider.

Mr. BAUCUS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. REID. Mr. President, it is my understanding on the Edwards amendment there was no motion to reconsider and motion to lay on the table in that regard.

The PRESIDING OFFICER. The Senator is correct.

Mr. REID. Mr. President, I move to reconsider the vote on the Edwards amendment, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the Senator from Illinois, Mr. DURBIN, is recognized to offer his amendment.

Mr. REID. If the Senator will withhold, I say to the chairman and the ranking member, Senator GREGG has agreed to offer his amendment upon the completion of the vote on the Durbin amendment. He would lay down that amendment tonight. There would be debate as long as anyone wanted to speak tonight. And in the morning there would be an hour and a half prior to a vote on that amendment.

We will have something written up so that the minority can review it so that we can see if there are any problems with it. That is what we are trying to do. There would be a vote tomorrow morning around 11:30, something like that.

Mr. GREGG. Mr. President, I say to the Senator, if that is a unanimous consent request, I don't think we need to have anything written up—with no second degrees.

Mr. REID. Yes.

Mr. DURBIN. Mr. President, is there a unanimous consent request before the Senate?

Mr. REID. If the Senator will withhold, I ask that the unanimous consent agreement then be effectuated with the Senator's addition that there would be no second-degree amendments in order.

Mr. DURBIN. Would the Senator restate the unanimous consent request?

Mr. REID. Mr. President, I ask unanimous consent that, upon disposition of the Durbin amendment, Senator GREGG be recognized to offer an amendment which will strike the wage insurance portion of the underlying substitute amendment; that the amendment be debated tonight; on tomorrow, when the Senate resumes consideration of the bill at 10 a.m., there be 90 minutes remaining for debate in relation to the Gregg amendment, with the time on Thursday equally divided and controlled in the usual form, with no second-degree amendment in order, nor to any language which may be stricken.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Illinois.

AMENDMENT NO. 3422 TO AMENDMENT NO. 3401

(Purpose: To provide alternative fast-track trade negotiating authority to the President, and for other purposes)

Mr. DURBIN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The senior assistant bill clerk read as follows:

The Senator from Illinois [Mr. DURBIN], for himself, Mr. DORGAN, and Mr. WELLSTONE, proposes an amendment numbered 3422 to amendment No. 3401.

Mr. DURBIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Text of Amendments.")

Mr. DURBIN. Mr. President, it is my understanding we have an hour and a half to debate the amendment equally divided.

The PRESIDING OFFICER. The Senator is correct.

Mr. DURBIN. I would like to, during this opening period of time, try to lay out for my colleagues in the Senate the reason why I am offering this amendment.

Let me, first, give accolades to the Senators from Montana and Iowa, Mr. BAUCUS and Mr. GRASSLEY, for their

hard work on this underlying legislation. This is not an easy issue. It is an issue that is extremely complicated. It is one I know they have devoted their efforts to in a very good-faith way for a long period of time.

I disagree with one of the fundamental principles of their bill, and that is why I am offering the amendment. I hope during the course of this debate to engage my colleagues in a discussion about their vision of trade and the difference between the Baucus-Grassley bill and the Durbin amendment.

There are some Senators who will come to the floor to discuss the trade issue but have never voted for a trade agreement in their entire congressional careers. That is their right. They are representing people in States and parts of the country that obviously concur with that point of view. But that is not my position.

In my time that I have served in the House and Senate, I have voted for trade agreements—some of the most important, some of the biggest. I believe they have been in the best interest of the United States, though, clearly, they have brought both gain and pain to parts of the American economy.

I have voted for NAFTA. As a Democrat in the House of Representatives voting for NAFTA, I heard a lot about that vote. I think it was the right vote. I think history will prove it. But I do not dispute for a moment that the agreement with Canada and Mexico has caused pain within our economy. Yet I think it reflects the end of the 20th century and the beginning of the 21st century where, more and more, countries are engaged in trade in an effort to not only share their comparative advantage in making a product but also to share certain values.

When we look at the course of history, we in the United States believe that if you can combine democracy with an open market economy, you can strive for a winning combination.

Expanding trade goes hand in glove with disseminating and distributing the values of America. That is why I have supported many of these trade agreements. Yet I have had difficulty with the concept before us today.

This was once known as fast track. Now it is known as trade promotion authority. In my time on Capitol Hill, I have learned this: When you have to change the name of a program consistently, it is because the program is not very popular. If there is a program that is popular, such as Pell grants for college students, nobody has suggested changing the name. But in this case, fast-track authority was such a pejorative term that now in Congress its proponents have been banned from using it. Instead, they are supposed to talk about trade promotion authority. That tells me that the underlying concept is fraught with controversy. It should be.

At issue in this debate—I will go to the specifics in a moment—is a most

fundamental question for the Senate to consider. What is at issue is the power of the Senate and Congress under the Constitution and the protection of the rights and future of American businesses and labor. What we are being asked to do with this bill is to extend to a President, not just this President but future Presidents, a very significant authority. It is not only the authority to negotiate broad-ranging trade agreements. It is the authority to bring back those agreements, propose significant changes to U.S. law, and require Congress to approve those changes on an up-or-down vote.

This bill, the trade promotion authority, is going to tie the hands of Congress when it comes to considering trade agreements in the future with consequences that I believe could be substantial and even historic.

This bill represents the most significant giveaway of congressional authority to the President in modern memory. Presidents throughout history have resisted congressional intrusion in their realm of government, in areas as fundamental as the declaration of war, treaty agreements with foreign nations, and the power to advise and consent. The tension between the executive branch, the President, and the legislative branch, Congress, has historically resulted in a confrontation at these desks.

I am in the process of slowly reading an amazing book called "The Master of the Senate" by Robert Caro. It is his third volume in the biography of Lyndon Johnson, former President, Vice President, majority leader of the Senate, and Member of the House. I am reading it slowly because I appreciate it so much.

In the first 100 pages, Robert Caro, with painstaking precision, goes through the history of this body. He starts by referring to a moment when he sat in one of our galleries and looked down at the semicircles of desks and reflected on what was going on in this Chamber, not just on that day but in the history of the United States, since we have been in the new Chamber of the Senate.

The thing he noted was the role of the Senate, the preeminent role of the Senate in decisionmaking in America. If you take a look at our Constitution closely, Presidents come and go. The House of Representatives changes every 2 years. But in the Senate only a third of the membership stands for reelection every 2 years. The Senate is a continuing body under the Constitution with rules that are not abandoned, ratified again, but rules that continue time and time again.

Because of the continuous nature of the Senate and its role in Congress, it has played a most important role in terms of power in the United States. The Senate more than any other institution is a check on the power of the President. The Senate is where the President's power may stop, when a decision is made by a majority here that he has gone too far.

Presidents don't like that. There isn't a President who has ever served who wanted to go hat in hand to the Senate. In the same book, Caro talks about Teddy Roosevelt who, when he was elected President—first appointed, then elected President—came to a position where he was pushing through patronage positions without clearing it with the Senate. They came down on him like a ton of bricks. He came up to the Senate, this bully leader of the United States, and was humbled by the Senate and its leadership and worked with them very closely from that point forward.

Historically, the Senate has played that key role with trade promotion authority. We are saying this generation of Senators, this U.S. Congress is going to give power back to the President—our power, our authority, our responsibility. We are saying that when this President negotiates a trade agreement, we will not stand in judgment of that trade agreement in its specifics but only an up-or-down, yes-or-no vote.

That, to me, is a significant constitutional and historic decision. It is the reason that though I have voted in the past repeatedly for globalization and expanding trade and looking for new markets, I have resisted fast track and trade promotion authority because I cannot believe that a Senate in good conscience would walk away from its constitutional authority.

The President makes the argument: Of course, you know these trade agreements are very complicated, and if you expect me to have to answer to the American people through the Senate for each and every provision, I will never reach a trade agreement.

Excuse me, if you look at the history of the United States, many treaties which we have considered and were pretty complicated—I think of Woodrow Wilson and the League of Nations; I think about the treaties relating to proliferation of nuclear weapons—were very complicated, but they came to the floor of the Senate. Historically, trade agreements came to the floor of the Senate, and we walked through them.

Why do we want to do that? I represent a diverse State, strong in farming, manufacturing, and financial services. Certainly, when a trade agreement comes to the floor of the Senate, as a Senator from Illinois, I want to step back and look at these areas of the economy and how that President's idea of a good trade agreement actually has an impact on the jobs and the businesses of my State. I think that is part of my responsibility. Yet the trade promotion authority bill before us says the Senate is going to give away this authority.

We are being asked to surrender the authority of the Congress to ratify trade agreements. This has been a dream of every President in our history and, of course, this President could negotiate a trade agreement with broad and far-reaching implications for farmers, workers, and businesses across the

Nation without fear of scrutiny or close review by Congress.

Instead, our role would be limited, our constitutional authority constrained to an up-or-down vote, a take-it-or-leave-it vote. Why? As the President said, they do not want Congress to meddle; they do not want Congress to interfere; they do not want Congress to delay. I believe that is wrong.

Let me tell my colleagues specifically why I think we should consider this approach I am suggesting as an amendment to the underlying bill.

The Baucus-Grassley bill does not clearly delineate the authority they are asking the Senate to give to the President and to future Presidents. Further, this legislation sidesteps many of today's key challenges in such a way that will diminish America's chances to negotiate solid trade agreements with other nations which would benefit our workers, farmers, and businesses.

The process of economic integration across borders, often referred to as globalization, is the defining economic event of our era. Globalization has had and continues to have fundamental transformative economic, political, and social consequence, and it is undergoing a revolution as profound as interstate commerce in the United States a century ago.

There has been a dramatic increase in the volume and value of trade. The number of countries participating in the international trade arena has mushroomed from 23 in 1947 to 111 10 years ago, to very likely 170 or more before this decade is completed.

Trade expansion now involves China, Vietnam, Russia, and many countries with different traditions and different economic structures than the United States. Major developing countries such as Brazil, Korea, India, Singapore, even South Africa, no longer compete in trade primarily in raw materials, agricultural products, or light manufactured goods. They also compete in steel, automobiles, electronics, and services such as telecommunications and software.

Trade is not only far different in its quantity but also in its quality. We have progressed beyond the relatively uncomplicated world of tariffs reflecting the success of the GATT in the first 50 years in addressing most international trade barriers.

We have now even moved beyond the challenges of many basic nontariff barriers and have entered an era in which trade policy includes a full range of policy laws and regulations that used to be considered exclusively or primarily domestic policy, including domestic agricultural programs, antitrust law, food safety, telecommunications, natural resources, conservation, labor standards, insurance regulation, and the intersection of effective protection of intellectual properties with health policy. Trade policy directly impacts domestic policy, and domestic policy impacts trade policy in

ways that have far-reaching implications on our negotiating trade agreements and the legislation of domestic policy.

It is precisely at this great time of great change and great challenge that it is most important for U.S. trade policy to reflect a real understanding of the substantive issues involved and be driven by sound guiding principles. Unfortunately, the bill before us does not rise to this challenge.

Let me show one chart which demonstrates what is happening in the area of trade negotiations just over the past 30 or so years.

In the Tokyo Round in 1979, we were focused on tariff levels and four or five other concerns, such as antidumping and government procurement.

In the Uruguay Round, just 15 years later, one can see we went beyond the tariff levels and those issues that were part of the Tokyo Round and started including specific items such as textiles and clothing, natural resource products, services, dispute settlement, intellectual property, trade-related investment measures, trade in agriculture, health and safety measures. This was 1994.

In 2001, in the WTO negotiations, one can see we have included all the things before from the Uruguay Round and added to that antitrust law, investment issues, pharmaceutical pricing, trade facilitation, electronic commerce, and many other issues.

The point I am trying to make is if one reads the history of the United States and the issue of trade, for over 150 years this Nation focused almost exclusively on tariffs—that is the tax that we will impose on imports coming into the United States—and some very heated and pitched battles resulted.

By 1979, we had gone beyond tariffs and four or five other issues. By 1994, we added many more issues. By 2001, all of a sudden a trade agreement becomes much more than questions about tariffs and taxes. We start talking about policy considerations as varied as pharmaceuticals to agriculture—across the board.

Giving the President the fast-track authority, trade promotion authority is saying to him: We are prepared to let you come to your best judgment with any country in the world when it comes to trade on all of these issues, and before you take your last stop in Congress and give us an up-or-down vote, we expect this is going to be ratified.

Congress is walking away from all of these issues and subjects of concern. I can tell my colleagues that as I get into this, they will realize we have not lost any of our fervor or interest in any of these issues. In fact, Members who come to the floor today will say: What about textiles? What about intellectual property? What about electronic commerce?

The fact is, if trade promotion authority passes as suggested by the Baucus-Grassley bill, we will have given

away our constitutional right to be part of this debate. The best you get, Mr. Senator, is an up-or-down, take-it-or-leave-it vote. I believe this is moving us in the wrong direction.

Let me address two issues included in my amendment. The first is labor. The one thing I have noticed is this: Without fail, those who vote for it and those who even oppose it say the same thing about labor. Listen, I understand it may be cheaper to hire somebody in the Third World, in a developing country, to make a product, but shouldn't we as the United States, as part of a trade agreement, be encouraging some basic issues when it comes to labor overseas? Shouldn't we ask that both countries in a trade agreement have some basic dignity in their treatment of labor?

People say, sure, I understand that, and you get down to specifics. Let me show a chart.

Is there much doubt in the minds of all the Senators about what America thinks of child labor? If we knew we were entering into a trade agreement that would in any way promote the exploitation of children overseas, the hue and cry against it in the Senate would be overwhelming.

This is a photo illustration. It may not be too visible to my colleagues, but it shows the use of child labor from 1908 all the way to 1992, a street vendor, a tiny little girl in Mexico City. It shows a brick worker, a young man in 1993 in Katmandu in Nepal. It is an illustration that when Americans see this, when Senators see it, they want to make certain, if we are going to enter into a trade agreement, it will not result in the exploitation of children overseas.

We do not want to promote forced labor, slave labor, prison labor. We want to stand for the right of workers around the world to associate together and bargain collectively. These are core values of America, and they are core labor standards. Sadly, the Baucus-Grassley bill does not provide adequate protection for these principles.

It does not require countries to implement core labor standards. The only enforceable commitment in this bill is the commitment that countries enforce their existing labor laws. The Baucus-Grassley bill does not require countries with inadequate labor laws to improve their standards to include core, internationally recognized labor rights.

Let me be more specific, if I may, on this issue. We are considering this Free Trade Area of the Americas agreement, and in this free trade agreement is a question of whether or not we will try to expand trade with countries in our hemisphere. Certainly that, in and of itself, is a positive thing to do. But when one looks at the labor standards in some of the countries, they can understand why many of us are concerned that the Baucus-Grassley bill does not have adequate protections.

Bolivia—part of the negotiations—has been criticized by the International

Labor Organization for provisions in its labor law that permit apprenticeships for children who are 12 years old, which is considered by some as tantamount to not only child labor but to bondage. The International Labor Organization Committee of Experts also reports that abuses and lack of payment of wages constitute forced labor in the agricultural sector of Bolivia.

Does the United States want to be party to an agreement with Bolivia, a trade agreement that would perpetuate this kind of exploitation? I do not think so. I think instead the United States wants to stand up for basic labor principles.

This Baucus-Grassley bill would allow Panama to deny worker protections in export processing zones. In fact, in the so-called export processing zones, they would suspend basic collective bargaining and impose mandatory arbitration.

The list goes on. It is a list which tells us that this should not be a naive endeavor in the belief that every country in the world shares our values. They do not, nor will they. But is it not important that as part of our trade agreements with labor standards we establish some basic standards on which we agree?

We have done this now. President Clinton, in his administration, in the Jordan free trade agreement, based it on the premise that the parties to the agreement reflect core, internationally recognized labor rights in their domestic labor law. I quote the chairman of the Finance Committee, Senator BAUCUS, when we had the Jordan free trade agreement before us. Senator BAUCUS said:

Both Jordan and the United States, both countries, have strong labor and environmental laws. Recognizing this, both countries agree to effectively enforce their own laws.

Senator BAUCUS recognized then and there the point I am making with this amendment. The key is not to say we are going to have strong labor standards and respect for working people in America and we will enter into a trade agreement with your country which may ignore them but, rather, to say we should agree to some basic, core labor standards. Otherwise, what will happen? You know what will happen. We will lose jobs in the United States. We will lose them to companies that shift their production overseas, that put the production out of the hands of American workers who are making a decent wage and into the hands of children and people who are being paid little or nothing, people in other countries that, frankly, do not have the most basic labor law protection.

Is that what the United States is about? Is that what we want to achieve with trade agreements? Is it so important that we can buy something on sale in a store on Sunday that we can ignore the fact that a month before it was made with the hands of children in bondage in some small country on the other side of the world? I hope not.

Unfortunately, the Baucus-Grassley bill, without the protection of this amendment, will leave the door wide open for little or nothing when it comes to labor standards.

This amendment calls for the FTAA countries to implement and enforce five core International Labor Organization standards in domestic law. This objective only applies to the FTAA and other free trade agreements, not to the WTO, and it recognizes that least developed and developing countries should not be penalized because they face serious resource constraints in raising labor standards. My amendment calls for the inclusion of a work program in FTAA to assist lesser developed countries in implementing core labor standards using market access incentives and technical assistance.

I also add that contrary to critiques being circulated by trade associations, the amendment does not require countries to sign International Labor Organization conventions.

The most common questions I hear about trade agreements are: Are you going to exploit labor overseas and therefore kill American jobs? And I have addressed that. The second question is: Well, what are you going to do about the environment? Are you going to ignore the fact that some companies, because they do not like the restrictions of American law on the environment, will ship their production overseas and pollute the rivers, contaminate the air, and leave toxic waste behind? What are we going to do about the environmental side of the equation? I have never heard a Senator on either side of the aisle for or against trade agreements who has not said the following: Well, we should hold them to environmental standards. We do not want to say it is unreasonable, but certainly they ought to be held to environmental standards.

As to the environment, this bill, the Baucus-Grassley bill, does nothing to address the intersection between trade rules and environmental standards.

As to investment, the Baucus-Grassley bill could be read to broaden the ability of investors to challenge U.S. environmental, health, safety, and other regulations. In contrast, my amendment includes important clarifications to investment standards to ensure that investment rules cannot be used to undermine legitimate U.S. laws while ensuring effective protection for U.S. investors overseas.

Let me try to be specific about that, if I may. Imagine that we had entered into an agreement with a foreign country with one of their companies and that foreign company wanted to locate in the United States, and that country then came in and said: Before we locate in the United States, we want to take a look at your laws and see if they are discriminatory.

Let's use an example. They take a look at a wetland regulation. What is a wetland regulation? Well, it is a protection of the environment for certain

fragile land that is important for us to maintain drinkable water, safe water, habitat for animals. American businesses customarily are bound by wetland regulations. So the company from overseas, because the trade agreement says, wait a minute, we do not have to play by your wetland regulation rules because of the trade agreement, we consider that to be unfair, uncompetitive, and a taking from our company. So what we have done with the Baucus-Grassley bill is to open up a challenge from a foreign corporation that wants to come into the United States against our environmental standards. That, to me, is not consistent with what most of us want to see achieved in our trade agreements.

Let me give a couple of other illustrations. There is the area of multilateral environmental agreements. The Baucus-Grassley bill does nothing to clarify the relationship between World Trade Organization rules and multilateral environmental agreements. In contrast, my amendment calls for creating an explicit rule ensuring that a country can enforce a multilateral environmental agreement without violating WTO obligations.

What would that mean? Let me give an example. We enter into an international agreement about endangered species around the world. All of the countries sign on and say, we are going to protect these species, and if one of the countries overseas violates it, they are subject to penalty provisions. Whether we are talking about protecting an endangered animal or whether we are talking about eliminating the trade in skins or ivory tusks, countries around the world enter into these multilateral environmental agreements. Our fear is that the Baucus-Grassley bill will allow a trade agreement between two countries to supersede this multilateral environmental agreement. It is playing to the lowest common denominator when we allow trade agreements to supersede these kinds of multilateral agreements.

On enforcement of environmental standards, the Baucus-Grassley bill retains the midnight change added to the bill in the House of Representatives. That change guts the already weakened environmental provisions in the bill by making clear that a country can lower its environmental standards for any reason with impunity. I want to make clear what that is all about because that is an important issue. It is one that was raised by the Senator from Texas, and it is one that I would like to address.

We have a situation in the United States where we have established standards, and what if we had a provision where, in order to entice a certain company to locate its factory in the United States that our partner overseas would ask for a change in standards when it comes to environmental safety. The language which was added in the House states that no enforce-

ment actions can be brought against a country for lowering environmental standards for any reason, including to begin a competitive advantage—again, playing to the lowest common denominator. The Baucus-Grassley bill retains this change from the House.

Finally, in the area of regulatory authority, the Baucus-Grassley bill includes antiregulatory, anticonsumer provisions. These include requirements for a cost-benefit analysis for proposed regulations and a very reactionary approach toward food and labels.

I have been through the cost-benefit analysis. Some who are opponents of consumer safety and environmental safety say, if you cannot prove to me there are dollars to be saved, we certainly should not allow the regulation to be in place. Many times the things that protect us the most in this country are hard to quantify in dollar terms. We know they are of value to us. Frankly, putting a dollar amount on it, so-called cost-benefit ratio, becomes difficult. That is the standard of this bill.

Do you think as an American consumer it should be wrong or against the law that the food we import from overseas is labeled as to the country of origin? I don't think that is unreasonable. The Baucus-Grassley bill characterizes food labeling as "unjustified trade restrictions." Is it your right as a consumer to know when you buy canned goods that they are from overseas? Do you have a right to know that? I think you do. Then you can make your decision. Maybe you still want to buy that product from overseas. But should you have the right to make that decision? The Baucus-Grassley bill says no, it is an unfair trade restriction. That is what we face with the Baucus-Grassley amendment.

Aside from the failure of this bill to adequately address the issues of labeling and environment, this legislation is dangerously flawed because it fails to ensure the vital role the Congress and the American people need to play at a time when trade is affecting so many businesses and so many jobs. I have listened to Senators on this floor, Mr. LOTT, a Republican, minority leader, complain about Vietnamese catfish farmers. He said their competitive advantage was "due to cheap labor and very loose environmental regulations." Senator LOTT, my amendment addresses that. I hope you and others who feel the same will consider supporting it.

I reflect for a moment on what has happened when it comes to steel, recalling I voted for these trade agreements. I cannot state how disappointed I am in the way we have dealt with challenges to the steel industry in America. I believe in trade, but I think it should be according to the rules. Countries around the world violated the rules; they dumped their product on the United States.

What does it mean to dump a product? It means you sell your product in the United States at a price lower than

the cost to produce it in your own country or lower than the amount that you sell it in your own country. You are clearly trying to run competitors out of the market. You are dumping. You are violating the rules. It happened in the United States and we lost over 25 of our best steel mills and tens of thousands of steelworker jobs.

The President responded with an imposition of tariffs with some exceptions and made a move in the right direction. Critics came forward and said that was a very wrong thing for the President to do—too political. Excuse me, but if we are going to trade with other countries around the world, don't we owe it to our businesses and our workers to enforce laws? Don't we need to have a Congress and a President who will stand up for American businesses and workers? That is not political; that is what the debate is all about.

The people who believe you can just expand trade without taking concern of its consequences, frankly, believe that the expansion of trade in and of itself is something that is ultimately going to be good no matter the consequences. I don't believe that. We have a responsibility. We as a Congress have to maintain this responsibility, to make sure that we have a process for the disapproval of certain trade agreements, to make certain that we have a voice when it comes to enforcing labor and environmental standards.

Before closing, I acknowledge in particular two House Members, Congressman CHARLIE RANGEL, the ranking Democrat on the House Ways and Means Committee, and Congressman SANDER LEVIN of Michigan. They have been invaluable in working with me to bring this amendment to the floor.

I yield the floor.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. I thank the Chair.

(The remarks of Mr. HATCH and Mr. LEAHY pertaining to the introduction of S. 2520 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. Who yields time?

Mr. HATCH. Mr. President, I yield some time to myself.

The PRESIDING OFFICER. The Senator from Montana controls the time.

Mr. BAUCUS. I yield 10 minutes to the Senator from Utah.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I rise to speak in opposition to the amendment offered by my friend from Illinois, Mr. DURBIN.

Before I discuss the specifics of the Durbin amendment, I feel compelled to comment upon some of the dynamics of the trade bill.

First, we reported the trade promotion authority bill out of the Finance Committee by a broad bipartisan 18-to-3 vote. There is strong bipartisan support for trade. I was the one, I believe, who called for the vote.

I believe this vote was in accordance with the tradition of the Finance Committee in doing what is right for the American people. I am afraid that from the moment this bill hit the floor this emerging spirit of bipartisan consensus on trade has been jeopardized. Throughout, the committees, work this Congress, I stated my view that both trade promotion authority and trade adjustment assistance legislation must be passed or neither would be adopted. I still believe that is the case.

Frankly, the compromise that was reached on TAA last week was at the very limit of what many of us on our side of the aisle could stomach. I have many reservations about the health care policies embraced by the compromise and the overall cost of the program.

I think it is going to louse up the health care system of this country, and it is unfair to those workers who do not have health care, who have to pay for those who do not work so they can have health care. That is just one comment about it.

As everybody knows, I worked very hard in the area of health care, and I really think we have made some big mistakes on some of the provisions we are going to accept in this bill.

As I understand it, the final deal on TAA was at a cost that is very close to what Republican members of the Finance Committee opposed last fall.

And then yesterday, the Senate accepted the Dayton-Craig amendment, which stands in violation to the very principle of TPA—a simple up or down vote on each trade agreement that USTR negotiates.

The Dayton-Craig amendment, if signed into law, will establish a new set of rules with respect to agreements that purport to impinge upon U.S. trade remedy laws. Talk about opening a Pandora's box, that is what Dayton-Craig does.

If you don't like the way a particular trade agreement affects the trade remedy laws, vote it down. USTR will quickly get the message. TPA is known as fast track for a good reason; let's not adopt amendments that act to slow down TPA.

I have no doubt that President Bush, Secretary Evans, and Ambassador Zoellick will not undermine our trade protection laws.

We saw that the administration did with steel and is doing on softwood lumber. I have had something to do with that. I stood up on the steel matter, lining up with my colleagues on the other side, especially Senator ROCKFELLER. This administration took a pretty tough position and has been criticized, especially in Europe, for having done so. There is good reason to have confidence in the administration and every reason to fear that enactment of Dayton-Craig would encourage some of our trading partners to attempt to wall off areas of the law that will be deemed near and dear to them.

I hope that other nations will not try to relax their intellectual property

laws or enforcement of these laws or enforcement of these laws as high technology represents an important area for U.S. interests and for the world at large. We are talking about software, information technology, entertainment, and biotechnology, all of which the whole world depends on. And we better protect it—in the sense of protecting the rights under these intellectual property laws.

So I understand that we accepted Dayton-Craig, I am becoming fearful that the accumulated weight of the additions of the trade bill from the time it left the Finance Committee will bring down support for the bill.

It is true that we passed a farm bill, but the loaded up version that we passed should not make us very happy. Let us not repeat that experience by passing a trade bill that tries to do too much for too many interests that are extrinsic to trade that, at the end of the day, it does not deserve our support.

Comes now the Durbin amendment.

I know Senator DURBIN. He is a good man and has nothing but the best of intentions. I personally appreciate his help in funding the generic drug interests last year. He did a good job.

But, if enacted, the substitute would make it difficult or impossible to bring home the best trade deals for the United States. The substitute is so prescriptive it removes needed flexibility. It contains 70 pages of "principal negotiating objectives." The effect of all this detail is to bind the administration's hands at the negotiating table and to telegraph a long list of U.S. "bottom-lines" to our negotiating partners—who will make us pay a heavy price.

The substitute changes negotiating "objectives" into mandates. It gives 18 "congressional advisers" the right to withdraw TPA after an agreement is negotiated unless a majority considers that the trade agreement "substantially achieves" the substitute's principal negotiating objectives. That effectively makes the 70 pages of detailed negotiating objectives into requirements, setting an unrealistic and unobtainable standard for negotiations.

The substitute adopts inconsistent approaches to negotiating objectives. For example, while the substitute says the United States should try to amend or clarify the GATT conservation exception, it says the United States should oppose opening the SPS Agreement, which is derived from the same set of GATT exceptions.

The substitute will make it harder for the President to strike the best possible deals with our trading partners because it raises questions about whether the President will be negotiating on behalf of the United States as a whole.

The substitute creates a biennial fast-track procedure for Congress to withdraw TPA for any reason after a negotiation has begun. That proce-

dures—and the one allowing the congressional advisers to withdraw TPA if the administration has not "substantially achieved" the substitute's negotiating objectives—will lead our trading partners to question whether Congress and the President are united at the negotiating table. How could you make it tougher on the President and the U.S. Trade Representative?

Instilling confidence is a major reason for enacting TPA. It means the President can push other governments to their "bottom lines." The substitute bill would remove that confidence.

The substitute is not drafted with an eye to what the United States can realistically achieve, or should try to secure, in trade negotiations. For example, the substitute says the administration should "establish promptly a working group [in the WTO] on trade and labor issues."

This is something that the overwhelming majority of WTO members adamantly oppose. There is no realistic hope of achieving it anytime soon.

In sum, the proposed substitute is based on the flawed assumption that Congress can pre-negotiate our future trade agreements through highly detailed negotiating objectives, regardless of whether they are achievable, and the implied threat to withdraw TPA if those objectives are not met. That is a recipe for no agreements, rather than better agreements. To achieve the best results, the two branches need to work together.

I have to say that I have been a supporter of the U.S. Trade Representative since I have been in the Senate. I supported President Clinton's U.S. Trade Representative. I was one of the people who cleared the way for some of the things she did—and others as well.

But the fact is, I think we need to support this Trade Representative, someone as bright as anybody we have ever had in that position, and someone who understands the need to satisfy 535 Members of Congress.

The Finance Committee got it right. The House got it right. I oppose the Durbin amendment and will oppose other efforts to load up this trade bill with so much unnecessary, although sometimes well-intentioned, baggage that the bill will fall of its own weight.

That is the net effect of many of these amendments. The American labor force would have been better off if we had entered conference with the bill passed by the Finance Committee, rather than this ever growing extravaganza.

This is important stuff. The Finance Committee is a great committee. Our two leaders on the committee have done a great job. I compliment Senator BAUCUS and Senator GRASSLEY for the work they have done. They deserve our support. We ought to support them.

We should not be undermining what they and 18 members of the committee did. It was a bipartisan bill if there ever was a bipartisan bill. All of us knew that we have to get together in

order to do the constructive trade work that benefits our country.

This amendment, unfortunately, undermines almost everything that we did in the committee and that the House has done. It is tough to get this kind of broad consensus in the Finance Committee on something that is very complex anyway, but we did. And I think that ought to be given greater consideration than we have thus far given it.

I want to support my chairman. He has stood tall on this issue. And I look forward to working with him.

I yield the floor.

The PRESIDING OFFICER (Mrs. CLINTON). Who yields time?

The Senator from Montana.

Mr. BAUCUS. Madam President, I yield myself about 10 minutes.

I obviously have the highest regard for my colleague from Illinois. He is advocating a point of view that is extremely important; namely, the protection of American employees, the environment, basic principles that are fundamental to the human condition, working hard. I highly applaud him for what he is doing.

I would like to comment a bit on some of the points that the Senator and that others who are in support of his amendment have made, just to clear the air a little bit so we know what is in the underlying bill and what isn't.

The Senator said—and we all agree—that we want to uphold the dignity of law, particularly the dignity of labor, and do all we can to discourage the exploitation of children around the world, or other employees who are in adverse conditions. We all know that.

I might say that one of the core objectives in the underlying bill is to promote the ILO core standards in new trade agreements. That has not been mentioned very frequently here. I think it is something that should be stated very clearly. That is, one of the negotiating objectives in the underlying bill is that the United States pursue promotion of the International Labor Organization core standards as one of our negotiating objectives.

It is also important to know that each of the negotiating objectives in the underlying bill is of equal weight. We are not picking and choosing here. They all have the same weight.

Some talk about textiles. There is a negotiating objective on trade in textiles. That is in a special category. There are other objectives, but the bill makes clear they all have equal weight, and our trade negotiators must pursue them all equally.

Pursuance of ILO core standards is certainly one objective stated in the bill. It also has been said the bill does not push the United States strongly enough toward promoting ILO core standards. But, again, I want to underline that the provision in the bill directing our negotiators to pursue ILO core standards has the same weight as other negotiating objectives. It is not

less important than any other objective; it is equal.

Now, it has been stated that the so-called investor-State dispute resolution provisions in the bill kind of tilt toward foreign investors at the expense of American investors, or that environmental provisions that a State may pass, that Congress may pass, that a local government may pass, are in jeopardy because of rights we may afford to foreign investors; that is, it is asserted that foreign investors will have an easier time in challenging a State action as a compensable taking than a domestic investor.

I might say, we corrected that problem with the Baucus-Grassley-Wyden amendment. The Baucus-Grassley-Wyden amendment makes it very clear that foreign investors should not be accorded a greater level of protection in the United States than domestic investors in the United States. That is, there should be a level playing field.

We make that very clear in the Baucus-Grassley-Wyden amendment that we adopted just yesterday.

Now, it has also been stated: Gee, we have these multilateral environmental agreements that could be superseded by trade agreements. I urge all Senators to read the bill, and read it fairly closely, because it states very clearly that one of our overall objectives is for trade agreements and MEAs to be mutually supportive. That is the goal.

It is clear that the United States cannot dictate exactly what the outcome of a trade negotiation will be, but it is certainly clear that we, in the underlying bill, have set as our objective making multilateral environmental agreements and trade agreements consistent with one another; that is, they should be mutually supporting. And many of those multilateral environmental agreements are good agreements.

The one on ozone, for example, or the CITES on trade in endangered species products are terrific agreements. It is only proper that our trade agreements not undermine these environmental agreements.

It has also been stated here: Well, gee, under the provisions of this bill, it says we cannot have country-of-origin labeling. I ask Senators to go back and read the bill. That is not an accurate statement. It is accurate to say there are provisions in the bill that say that we should not agree to deceptive labeling requirements or labeling requirements that are not based on scientifically sound principles. That is true. We should not allow labeling requirements that are not based on scientifically sound principles.

But there are all kinds of labeling requirements that are permissible. I know my friend from Illinois agrees, as do others, that we should not have deceptive labeling or labeling requirements that are not based on sound science.

It has been stated here that enforcement of environmental and labor laws

is weak in the underlying bill. But, again, I remind my colleagues that enforcement of environmental and labor laws is a priority; it is one of the objectives that is listed in the underlying bill. It has equal weight with all of the other objectives.

We want to enforce environmental laws. We want to enforce labor laws. It is also important, on this point, to remind ourselves that the vision of the bill with respect to labor and environment is a dramatic improvement over the status quo; that is, over current law, current law being no fast track.

Let's remember, in previous fast-track bills, there was virtually nothing on the environment or on labor that made any sense. It took a lot of work to get these provisions in, that is, the Jordan provisions, which provide that no country should derogate from its environmental or labor laws in a manner that has an adverse effect on trade with the United States. That is very important.

Clearly, that is a first step. We have to take steps here. The United States cannot today pass, in my judgment, fast-track legislation which really dictates to other countries what their environmental and labor standards should be.

The amendment offered by my friend from Illinois unfortunately goes in that direction. It is an extremely prescriptive bill. It is unworkable. It basically is not a fast-track bill delegating negotiating authority to the executive branch, which we must do if we are going to have trade agreements. Rather, it is writing the trade agreements. It is saying what all the provisions must be, which is clearly a very unworkable way for the United States to negotiate trade agreements.

I have deepest sympathy for the intent of my friend from Illinois. But I must say, after listening to his presentation, there are provisions in the bill which address some of the concerns he has—in fact, almost all the concerns he has. We have to take this a step at a time. We cannot solve all the world's problems in one fast-track delegation bill, but we can take tremendous steps forward, as this bill does.

I strongly encourage my colleagues to not adopt the amendment by the Senator from Illinois. It goes much too far. The provision the Senator is suggesting was defeated resoundingly in the other body by over 100 votes. In the Ways and Means Committee, the vote was 22 to 10. So it is not a consensus measure by any stretch of the imagination. It was defeated quite soundly in the other body. On the other hand, the Finance Committee passed out the current version by a vote of 18 to 3, favorably, which indicates a much stronger consensus. It would have to go back to the House.

I urge Senators again to not support the Durbin amendment.

The PRESIDING OFFICER. Who yields time?

The Senator from Illinois.

Mr. DURBIN. Madam President, how much time do I have?

The PRESIDING OFFICER. Twelve and a half minutes.

Mr. DURBIN. And on the opposition side?

The PRESIDING OFFICER. Nineteen minutes.

Mr. DURBIN. I yield 3 minutes to the Senator from North Dakota.

Mr. DORGAN. Madam President, I support the Durbin amendment but not because I support fast track. Trade promotion authority, which is better known as fast track, is a piece of legislation this Congress should not adopt. However, if the Congress decides that there are sufficient votes for fast track, I certainly want the provisions dealing with labor and the environment offered by Senator DURBIN to be in that final package.

Yesterday, at some length I described the dilemma. The dilemma is, in international competition, what is fair competition and what is the admission price to the American marketplace? Do we want standards, when we adopt trade agreements, that do not put American producers in a circumstance of having to compete with others around the world who are hiring 12-year-old kids, putting them in factories working 12 hours a day, paying them 30 cents an hour? Yes, that happens. The question is, Is that fair competition for American producers? The answer is clearly no.

What do we do about that? Every single trade agreement we seem to adopt—and it is proposed now that we adopt them under fast track so we can offer no amendments when they come back—every single trade agreement fails to address these underlying issues. What is fair competition? Will we really deal with the labor issues? Will we really tell others that you cannot hire kids and put them in plants at age 12 and 11 and 10 and pay them pennies and then ship their products to Pittsburgh or Toledo or Cleveland or Fargo or Los Angeles? Will we do that or will we tell companies you cannot pole-vault to Sri Lanka or Bangladesh or China and pollute the water and air and hire kids? Is that fair competition? Will we ever as a country decide that we will stand up for our producers and our workers to say, yes, you must compete, you must be ready to compete, but we will make sure the competition is fair?

That is why the underlying issue is not fast but fair trade; not fast track but fair trade.

This debate will go on at some great length. If this Congress is to pass fast track, it must do so with the provisions on labor and the environment offered by my colleague from Illinois, Senator DURBIN.

I do not support fast track. Our trade deficit is growing every single year. It is now at record high levels: \$450 billion, over \$1 billion a day every single day in merchandise trade deficit.

That is not a debt we owe to ourselves. That is a debt that will be re-

paid someday with a lower standard of living in this country. Why? Because our trade agreements haven't been in this country's best interests. They don't deal with the central issues of what is fair competition.

That is why my colleague, Senator DURBIN, is proposing, if we have an amendment dealing with fast track that allows no amendments to be offered when trade agreements come back, that at least fast track include the labor and environmental provisions he proposes. I will not support fast track, but I do believe his attempt to insert these provisions in this legislation makes good sense.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

The Senator from Illinois.

Mr. DURBIN. It is my understanding I have about 9 minutes remaining.

The PRESIDING OFFICER. Exactly.

Mr. DURBIN. And 19 minutes on the other side.

The PRESIDING OFFICER. Right.

Mr. DURBIN. In the interest of expediting the debate, if the Senator from Montana has anyone who wants to speak in opposition, I invite him to use the time now. I can close using my 9 minutes and then allow him similar time to close, if that would be appropriate. If we could bring this to a close, it would be in the best interest of the Senate.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. I did not hear the response. How much time remains on both sides?

The PRESIDING OFFICER. The Senator from Montana has 18 minutes 54 seconds; Senator DURBIN has 8 minutes 42 seconds.

Mr. BAUCUS. Madam President, just a couple points to make here. We have to pass this bill. We in America must show that we are not isolating ourselves from the world but, rather, moving forward; we are engaging the world in trade agreements. We must move forward. As the largest, strongest country in the world, we must not abdicate our leadership position in the world.

The underlying bill, the fast-track bill before us, which includes trade adjustment assistance as well as the Andean Trade Preference Act, will help the United States regain some lost position in world leadership certainly with respect to trade, international affairs, and economic affairs, particularly. We can say no. We can say we are not going to pass this bill. One Senator said he is opposed to fast track.

Frankly, if we as a body say no, we as a Congress say no, we are, as a country, like the ostrich with his head in the sand, isolating ourselves from the rest of the world. We cannot go backwards. We must embrace the future, embrace it, work with it, help it work to our advantage, work with other countries to our mutual advantage, but certainly not to the disadvantage of the United States. That is what we must do.

The amendment offered by my friend from Illinois is a killer amendment. It is clearly a killer amendment. It is an amendment to totally undermine the provisions of this bill. It is totally contrary to a balanced effort on a bipartisan basis, working together, both sides of the aisle, to get legislation passed. For that reason, it is essential that it not be adopted.

Let's not forget, too, that in addition to the trade negotiating objectives, which we have been talking about, this bill also includes another provision which, frankly, is the driver. It is the main provision in the whole bill. That is trade adjustment assistance. That is the most important part of this legislation. It expands the current program by three or fourfold. It includes secondary workers. It includes health insurance benefits, provisions that don't exist today in current law.

This bill is designed to strike a bargain between manufacturers and producers on the one hand and people who work in plants and factories and companies on the other hand. We are all Americans in this together. It is true that trade with other countries yields tremendous economic advantages to the United States. We all know that. That is a given. We also know that trade with other countries also causes dislocations, the topsy-turvy world we are in now, almost chaotic, certainly sometimes unsettling. We know that. The trade adjustment provisions in this bill help people who are dislocated, who lose their jobs on account of trade. It also provides them health insurance if they lose their jobs on account of trade. That cannot and should not be forgotten here. That is part of the bargain in reaching a trade agreement; namely, helping make sure our country can negotiate trade agreements overseas but doing the best we can to protect our workers at home. It is vitally important.

The Senator earlier said that we have a huge trade deficit that has been caused by all these trade agreements. That is not accurate. We have a large trade deficit for many reasons. One is, frankly, because American consumers want to buy cheaper products made overseas. I do not think that very many Americans want to move overseas, or work for 25 cents or \$1 an hour making shoes or products that are produced overseas. Rather, it is up to us in the United States to keep working on the areas we are best at; and that is, educating our workforce, providing more job training and more ways for us to secure better, higher paying jobs. That is the goal we should have.

Another cause of the trade deficit which has nothing to do with trade laws in a certain sense, is the high U.S. dollar versus other countries' currencies. In fact, that is the main reason we have a trade deficit. I think to some degree it is a little secret, but all Treasury Secretaries who followed this the last 20, 30 years, like the high dollar. Why? Because a strong dollar

keeps inflation down. They think it is good to keep inflation down, so we have a high dollar.

As a consequence, foreign products are cheaper, irrespective of trade agreements—totally irrespective of trade agreements. That is one of the main reasons we have a trade deficit, which should be addressed, I grant my colleagues, but not addressed in a way that says: Let's have a very prescriptive fast-track bill which dictates what all the provisions should be in a way that is totally unworkable. It will not work at all, and that means not giving the President authority to proceed.

I will yield back the remainder of my time—I do not have much to add—with the understanding my good friend from Illinois also will not have a lot to add so we can vote.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Madam President, I yield 3 minutes to the Senator from California.

Mrs. BOXER. Madam President, I rise in strong support of the Durbin amendment. It is just what we need to get this fast track on the right track because right now it is not. The reason it is not is because we are giving up our rights under the underlying bill to amend to take care of our people, to make sure these agreements are fair to our workers, to our families, to our environment.

When I got elected to the Senate, I did not say: I want to come here and fight for you, but there is one area I am going to give up all of my views and allow the President to address. I am not going to do it. It does not make sense. The Durbin amendment understands that we are here to do a job. He makes sure we are putting into place environmental checks. He makes sure working standards are looked at. It is very important.

I did not give fast-track authority to a President of my own party because I did not want to give up my rights. I agreed with that President so much of the time. I think it is a matter of how we view ourselves here: Do we come here to whimp out on important issues that have an impact on the daily lives of people? I did not come here to go home and face workers and say: Gee, I am really sorry, we could not fight for you. We gave that authority to President Bush. Especially when President Bush was Governor, he supported a minimum wage of \$3.35 cents an hour in Texas, and he is trying to roll back environmental standards in our own country. Talk to Jim Jeffords about it. Talk about how this President said he was going to do something about global warming and not only backed out of Kyoto but now does not want to do anything about CO2.

Why on Earth would we give over our authority and our vote to someone who has not fought for the rights of workers? As a matter of fact, he fights ergonomics standards. He fights when we try to pass a minimum wage. He is

fighting us on this. Why would we give up our rights to that kind of President? It does not make sense.

In closing, I want to read a letter I found in the New York Times in the Metropolitan Diary:

Dear diary:
Got out of bed:
Took off my pajamas—made in Guatemala.
Put on my shorts—Brooks Brothers imported fabric.
T-shirt—Dominican Republic.
Terry robe—Pakistan.
Slippers—China.
Drank my coffee—Colombia.
Put on my pants—China.
Golf shirt—Peru.
Socks—Korea.
Belt—Uruguay.
Zipper jacket—Korea.
Drove to the mall.
Which countries will I discover today?
Good morning, America.

It is signed Henry Karig.

If all these nations treated their workers fairly, had good environmental standards, up to our standards, I would not be here today because I would give fast-track authority for a treaty where we are negotiating with someone who is our equal. But we are giving this President the broad authority to walk in and, frankly, negotiate the rights of our workers, our families, and our environment.

I hope we adopt the Durbin amendment. I think it is a solid amendment. I thank the Chair.

Mr. DURBIN. Madam President, how much time do I have remaining?

The PRESIDING OFFICER. Five minutes 19 seconds.

Mr. DURBIN. I thank the Senator from California for her words of support.

Senator HATCH said the Durbin amendment makes it tougher on the President. I remind my good friend from the Senate Judiciary Committee and my colleague from Utah that the Constitution makes it tough on the President. Article I section 8 says:

The Congress shall have Power . . . To regulate Commerce with foreign Nations . . .

Every President would like to see that stricken from the Constitution so they do not have to worry about this meddlesome interference from Congress. Congress comes in here representing all these people, all these businesses, all these farmers, all these ranchers, and Presidents do not have time for that. So they need fast track so they can have a fast track around Congress, give us a quick up-or-down, take-it-or-leave-it, thank-you-ma'am vote and go home. That is what this is about. It is a question of constitutional authority and whether Congress is going to vote to give away our authority under the Constitution which we have sworn to uphold and protect.

Also, the Senator from Montana has said his bill is going to dedicate us to "pursuing international labor objectives." My amendment goes further. It does not talk about pursuing them. It says implement and enforce them. Do my colleagues know the difference? I

can pursue a career in the movies for as long as I want. I do not think I am going to get it. But if I am told that I have to get one, get out to Hollywood and get busy, I take it a little more seriously. That is what the Durbin amendment does when it comes to labor standards.

This has been characterized—and it is typical in debate—as a killer amendment. Allow me to respond. Without this amendment, the Baucus-Grassley bill is going to, frankly, put us in a position where we will be killing jobs in America.

To say we have a strong adjustment assistance section is like saying: I am sorry I have to spread disease across America, but the good news is we are going to open more hospitals. In this case, we are saying: We know we are going to lose jobs to these trade agreements; the good news is we will keep your family together for a few months and give you health insurance. How is that for a deal? Not a very good one.

Frankly, we should be saying we need expanded trade, we need trade agreements, but we need to work with countries that respect the basic standards and treatment of workers so we do not have exploited child labor, slave labor, and forced labor; so that workers around the world have the rights they have in the United States to bargain collectively and to associate together.

What is radical about this notion? For 70 years in America it has been one of our core values. Why isn't it part of our values when it comes to trade agreements? If we do not have it as part of our values, believe me, we are going to be continuing to lose jobs.

We have to have trade that is fair, and if we fail to pass this amendment, we are also going to kill environmental quality. Let's be very clear about this. These multilateral environmental agreements are not respected by the Baucus-Grassley bill. Our bill basically says if two countries have entered into these agreements, they will be respected. No trade agreement is going to supersede it. Should we not be striving for a cleaner environment around the world? Is it not important to us, whether it is in Mexico, Brazil, or Uruguay, that we have environmental standards? I think it is.

Expanding trade is good, but it is not always good. It should be done in the context of fairness, of rules that can be enforced, of standards and values that America is proud of so that when it is all said and done, we can say to the American workers: Roll up your sleeves and let's get ready to compete, you know we can.

We are competing against a country that is going to play by the same rules we are playing by or aspire to the same values, but the Baucus-Grassley bill says, no, do not force those standards; play to the lowest common denominator when it comes to labor standards, play to the lowest common denominator when it comes to environmental protection. That is not what we should do.

Before this Congress gives away constitutional authority established by our Founding Fathers, in a constitution we have sworn to uphold and protect, stop for a minute and think: Should we not put safeguards in this process so that the Senate and Congress have a voice, so that the American people have a voice, so that the millions I represent and others represent when the trade agreements come due understand they have the protection of a Congress that will fight for their rights, not an alternative of take it or leave it, up or down, thank you, ma'am, good-bye Congress?

I yield the floor.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Madam President, my good friend from Illinois ridiculed the concept that if he pursued to be an actor or movie star, he would never be one. I might say I think the Senator is a great actor. I will nominate the Senator for an Oscar for best actor or best supporting actor. I think the Senator has a great career in the movies based upon this last performance.

In that vein, to be honest about all of this, we have to ask ourselves, what is best, given all the complexities we are dealing with? That is really the question. This bill is a huge step forward with respect to protecting labor and the environment overseas. It is massive compared to what we have done in the past. A basic question we have to ask ourselves is: Are we in favor of trade agreements or are we not? Generally, that is the basic question.

I think we should pursue trade agreements. There are some in this body who will vote against all of them, fast track or trade agreements. Let's not forget, most trade in this country has nothing to do with fast-track negotiating authority. Some of it has to do with some trade agreements that are reached without fast track. We are talking only about the very complex multilateral trade agreements. That is what fast track is about. Companies, employees, and people should pursue their economic objectives worldwide, irrespective of anything they call fast track.

In addition, there are lots of bilateral trade agreements that are negotiated and reached all around the world, irrespective of fast track. Fast track will only be used for the very complicated multinational trade agreements, and we have to delegate authority to the President because we are the only non-parliamentary government negotiating these agreements in most cases. That is in our separation of powers and in our Constitution. Other countries are not going to negotiate with the President knowing that the Congress can totally amend it according to our own particular State and congressional interests. They cannot negotiate with us. We have to, on the very complex agreements, have a fast-track negotiating authority. It is just a given. Otherwise, nothing happens on the very large,

complex agreements we hope we can reach to knock down trade barriers around the world in agriculture and lots of other areas if we are really going to help our people get these trade barriers overseas knocked down, which is the real goal of all of this—to open markets. We need to pass this to get that done.

Second, we have to ask ourselves, do we want a partisan bill or a non-partisan bill? We know we have a closely divided Senate. We have to have a nonpartisan bill. It has to be non-partisan. The provision the Senator is advocating is totally partisan. It received not one vote from the Republican Party on the other side—not one vote on the floor or in committee.

Now, I am a Democrat. I am very proud to be a Democrat, but I am also a Montanan and an American, and I want practical results that really move us forward. This bill before us is that. It is a bipartisan bill. It is not a partisan bill. It is a bipartisan bill. It passed the committee 18 to 3, and it has strong bipartisan support in this body.

So if we really want to reach our objectives and get things done and work to try to solve these extremely complex problems—and they are complex—I believe we should do it on a bipartisan basis, not on a totally partisan basis. Even though I am a Democrat and strongly support the ideas of our party, we have to be practical about things and get some results as well.

Third, this is the most progressive fast-track bill this country has ever seen, by far. I understand some of the problems the Senator from Illinois is suggesting. We cannot let perfection be the enemy of the good. The Senator is seeking perfection. We cannot have perfection. His idea of perfection is totally opposite to some other Senator's idea of perfection, and we can think right now in our minds who that Senator might be.

We cannot let perfection be the enemy of the good. We have to find a good solution, a good result, and this underlying bill is just that. I ask my colleagues, therefore, to vote for the most progressive trade bill this body has ever seen. Unfortunately, that means voting against the amendment of my good friend from Illinois for all the reasons I have indicated.

Mrs. CARNAHAN. Mr. President, as we emerge from last year's recession, we must remain focused on promoting economic opportunities and creating jobs.

Expanding international trade can help our economy.

Our small and large companies, and our workers benefit when we open foreign markets to American goods. Our farmers and ranchers benefit when they can sell their agricultural products overseas and our families benefit when reduced tariffs lower the price of consumer goods.

However, as we look to expand economic opportunities through inter-

national trade, we should remember the Hippocratic oath that all physicians must take: "First, do no harm."

While we should strive to expand international trade, we must first do no harm to our economy and our workers.

Now more than ever as our Nation continues to lose manufacturing jobs. We must not allow our trading partners to gain unfair advantages at the expense of American workers.

Fair trade expands opportunities and creates jobs. Unfair trade ships opportunities and jobs overseas.

My State alone has lost nearly 40,000 manufacturing jobs since 1998. In fact, in fiscal year 2001 alone, Missouri lost 25,000 jobs. Jobs were lost in every region of the State.

Springfield, MO, used to be home to a Zenith Electronics facility that manufactured molded cabinets. Four-hundred and thirty residents of that community lost their jobs when the company closed down and moved to Mexico in 1994.

Lamy Manufacturing had been making pants in Sedalia, MO, for 132 years. They made pants for the army during World War II. The company was forced to close its doors and lay off approximately 350 workers in 1999 because of a flood of inexpensive imports.

Eight-hundred and twelve people lost their jobs last year when GST Steel shut down its plant in Kansas City. That closing marked the end of a plant whose history dated back to 1888.

And earlier this year, Ford Motor Company announced that it was closing its manufacturing facility in Hazelwood, MO. This plant employs nearly 2,600 people. It has been open since Harry Truman was in the White House.

The jobs we have lost are good jobs, the type of jobs that come with health benefits, and a pension, the type of jobs that enable you to pay the mortgage and put some money aside to pay for college or care for an elderly parent.

On April 2, the Los Angeles Times ran an article about this phenomenon entitled "High Paid Jobs latest U.S. Export."

The article told of the efforts of several U.S. manufacturers to lower their costs by moving facilities abroad.

Our government should not encourage these moves, which result in thousands of American jobs being exported to foreign countries. But this is precisely what happens when we sign trade agreements with countries that do not allow workers to form labor unions, countries that allow children to work in unsafe factories, and countries that produce cheap goods because their factories can wantonly pollute the environment.

I firmly believe that expanded international trade can benefit American companies, American farmers, and American workers. But unless we ensure that our trade agreements contain real labor standards, working families will continue to suffer and we will continue to lose American jobs.

President Bush has announced that he wants to expand NAFTA to the rest of the hemisphere and cared a Free Trade Area of the America. If we want to prevent even more jobs from being lost, we must ensure that an agreement to expand NAFTA contains meaningful protections for American workers.

That is why I support Senator DURBIN's alternative. His proposal strikes the appropriate balance between promoting trade and protecting jobs. It would give the President the authority he needs to pursue international trade agreements. And at the same time, it would ensure that those agreements do not threaten working families.

Workers in this country fought for years to gain the rights they currently enjoy: the right to organize; the ban on child labor; the 40-hours work week; and the minimum wage.

The Baucus-Grassley Amendment concerns me because it does not adequately protect working families. It doesn't require our trading partners to have any laws or regulation to protect workers. The amendment only requires that a country enforce its existing labor laws—regardless of how weak those laws may be.

How can we possibly engage in fair trade with a country that permits 14-year-olds to work in factories?

How can we engage in fair trade with a country where the hourly wage is mere pennies an hour?

We cannot. And if we sign trade agreements with countries like this, and don't demand basic protections, we will continue to see American jobs evaporate.

To make matters worse, the Baucus-Grassley amendment contains a provision that actually allows a country to weaken its labor and environmental laws in order to attract investment.

This flies in the face of the concept of fair trade. In order for fair trade to truly exist, all of the nations involved must meet and maintain certain minimum requirements so American workers can compete fairly.

The proposal that Senator DURBIN has offered provide real protections. His amendment requires countries to implement and enforce five core standards. Those standards include: One, the right of association; two, the right to collectively bargain; three, a ban on child labor; four a ban on forced labor; and five, a ban on discrimination.

Ensuring that these minimum labor standards are included in our trade agreements will enable American workers to compete on a level playing field and help stop the loss of American jobs.

I believe in America's workforce. And I am confident that, given the chance to compete fairly, American workers will thrive.

I believe that the alternative that Senator DURBIN has put forward strikes the right balance.

This common-sense approach will enable all the working families of this

Nation to enjoy the benefits offered by expanded international trade.

The PRESIDING OFFICER. Who yields time?

Mr. BAUCUS. I yield whatever time my friend from Utah desires.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Madam President, I also agree that the distinguished Senator would make an excellent actor. In fact, I am going to talk to our mutual friends at DreamWorks to make sure they extend an offer to him because I believe he could do much better than he is doing on the floor today.

Secondly, on the Constitution, we are going through this exercise because we control this process. The Finance Committee, 18 to 3, said we should have a process that works, and it should be a nonpartisan process that works. We have come very close to having a very partisan process as it is. We cannot take any more of these kinds of amendments and have a process that will work at all in the best interest of our country.

I am, of course, kidding my partner. I have a lot of respect for him. He is clearly a very intelligent and very articulate spokesperson for his point of view. But the fact is, it is not easy to get 18 votes in the Finance Committee on most issues. Our chairman has done a terrific job. So has our ranking member. We need to back them. We need to back our U.S. Trade Representative. He is a terrific human being, and he works very hard, as did his predecessors in the prior administration. I supported them.

This bill is an extremely important bill for our country, and I believe in the end it is an important bill for the world. We know our role in the world. We know we have to play that role, and we have to help many countries throughout the world.

I think it is a little ironic that some would suggest our country would not do what is right for the rest of the world, even though we cannot do everything the rest of the world wants, nor can we always please our friends in Europe or anybody else for that matter. But this bill will help us. This bill will help strengthen our economy. This bill will help every worker in America. This bill helps people who are not able to work right now.

I have said we have to have both TPA and TAA. I said it in committee. I want to compliment our leaders on the Finance Committee and our leaders on the floor. They have done a terrific job and they deserve backing. We ought to defeat this amendment.

I yield the floor.

Mr. DURBIN. Madam President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

The Senator from Montana.

Mr. BAUCUS. I move to table the amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

Is all time yielded back on the amendment?

Does the Senator from Montana yield back all time on the amendment?

Mr. BAUCUS. I do.

The PRESIDING OFFICER (Mr. KOHL). The question is on agreeing to the motion. The clerk will call the roll.

The senior assistant bill clerk called the roll.

Mr. NICKLES. I announce that the Senator from North Carolina (Mr. HELMS) is necessarily absent.

I further announce that if present and voting the Senator from North Carolina (Mr. HELMS) would vote "yea."

The PRESIDING OFFICER. (Ms. CANTWELL). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 69, nays 30, as follows:

[Rollcall Vote No. 113 Leg.]

YEAS—69

Allard	Edwards	McCain
Allen	Ensign	McConnell
Baucus	Enzi	Miller
Bayh	Fitzgerald	Murkowski
Bennett	Frist	Murray
Biden	Graham	Nelson (FL)
Bingaman	Gramm	Nelson (NE)
Bond	Grassley	Nickles
Breaux	Gregg	Roberts
Brownback	Hagel	Santorum
Bunning	Hatch	Sessions
Burns	Hutchinson	Shelby
Campbell	Hutchison	Smith (NH)
Cantwell	Inhofe	Smith (OR)
Carper	Inouye	Snowe
Chafee	Jeffords	Specter
Cleland	Kohl	Stevens
Cochran	Kyl	Thomas
Collins	Landrieu	Thompson
Craig	Lieberman	Thurmond
Crapo	Lincoln	Voinovich
DeWine	Lott	Warner
Domenici	Lugar	Wyden

NAYS—30

Akaka	Dorgan	Levin
Boxer	Durbin	Mikulski
Byrd	Feingold	Reed
Carnahan	Feinstein	Reid
Clinton	Harkin	Rockefeller
Conrad	Hollings	Sarbanes
Corzine	Johnson	Schumer
Daschle	Kennedy	Stabenow
Dayton	Kerry	Torricelli
Dodd	Leahy	Wellstone

NOT VOTING—1

Helms

The motion was agreed to.

Mr. REID. I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Madam President, I ask unanimous consent that upon disposition of the Gregg amendment, Senator DODD be recognized to offer an amendment related to environment and labor standards; that the next Democratic amendments following the Dodd amendment will be the following—

The PRESIDING OFFICER. The Senate will be in order.

Mr. DORGAN. Will the Senator restate the consent because I was not able to hear.

Mr. REID. I will be happy to.

Madam President, I ask unanimous consent that upon disposition of the Gregg amendment, which should be at around 11:30 tomorrow morning, Senator DODD be recognized to offer an amendment relating to environment and labor standards; that the next Democratic amendments following the Dodd amendment be the following; provided further, that if there is an amendment from the Republican side, then the amendments will be considered in an alternating fashion, as follows: Republican amendment, Rockefeller-Mikulski amendment regarding steel, Republican amendment, Kerry amendment regarding investors, Republican amendment, Dorgan amendment regarding Cuba, Republican amendment, Torricelli amendment regarding labor standards.

The PRESIDING OFFICER. Is there objection?

Mr. DORGAN. Madam President, reserving the right to object, are there time agreements on these amendments?

Mr. REID. No.

Mr. DORGAN. Can the Senator state it again? I apologize. I was unaware of this request. Can you tell me again the order of the amendments?

Mr. REID. I am happy to: Dodd, Republican, Rockefeller-Mikulski, Republican, Kerry, Republican, Dorgan, Republican, Torricelli.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Under the previous order, the Senator from New Hampshire is recognized.

AMENDMENT NO. 3427 TO AMENDMENT NO. 3401

Mr. GREGG. Madam President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Hampshire [Mr. GREGG] proposes an amendment numbered 3427.

Mr. GREGG. Madam President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To strike the provisions relating to wage insurance)

Strike section 243(b) of the Trade Act of 1974 as added by section 111.

Mr. GREGG. Madam President, this amendment deals with one of the issues in the trade adjustment section of the bill. This bill, as has been mentioned in numerous discussions here, has four major sections, four major issues. One of them is trade adjustment.

First off, I do not think all these issues should have been joined. Historically, the Congress has taken up trade promotion authority, which used to be known as fast track, independent of these other issues. It has taken up trade adjustment as a freestanding bill.

And certainly it has taken up the Andean trade preference bill as a freestanding bill.

They should not have been merged, but, unfortunately, they were merged. As a result of being merged, I believe a lot of language has been basically hooked to the train because they know the train is leaving the station.

The language, regrettably, is not good. It is not good policy. In fact, it is extremely detrimental policy. It should be rejected by the Senate. However, it is part of the package, and there is concern about the whole package going down if this language is deleted.

In my opinion, some of this language is so egregious, we as a Senate need to be on record about it, and we should defeat it. Two of these sections that are egregious, because they open huge new entitlement questions, are the health care section of the trade adjustment language and what is called the wage insurance section, wage subsidy section of the trade adjustment language.

The health insurance language has been talked about quite a bit. I have certainly talked about it. It basically, in a very haphazard way, addresses one of the fundamental issues we as a Congress have to address, which is how we deal with people who are uninsured in our society in health care. In my opinion, doing it in this very narrow way is taking a step down a path which will probably lead to having poor policy overall in the area of health insurance, something I have spent a lot of time working on in the Senate. Therefore, I think this is the wrong vehicle in which to have that type of language.

I am not addressing that tonight. What I have proposed is a motion to strike the wage subsidy language in this bill. What is wage subsidy? It is very important to understand this right upfront. What this is is a new concept, a concept which essentially says that if you lose your job as a senior citizen—not a senior citizen, I am not a senior citizen—if you lose your job and you are over age 50—although you do qualify to be a senior citizen over age 50; I get all these forms now that tell me I am a senior citizen—if you lose your job over age 50 as a result of a trade adjustment event, and then you go out and take another job, you will have a right—this is the point, the big point of context—you will have a right to receive, if the second job you take pays you less than the job you lost as a result of trade activity, you will have a right to get from the taxpayers of America up to \$5,000 to make up the difference between the job you lost and the job you have taken.

This is a concept which, as I mentioned earlier, is in great vogue in places such as Italy and France but which goes fundamentally against the free market society we have in our country and which has been the dynamic that has made our society so strong. That dynamic is essentially

this: We have a marketplace which says we want people to be the most productive they can be; we want them to have jobs where they are going to obtain the best benefit, not only for themselves but the best benefit for the whole, by doing the best they can in a job that is producing economic activity that is benefiting everyone.

The way you do that is you allow the marketplace to decide what a person's value is within the marketplace, and the person can move from job to job and improve their standing and, as a result, improve their own personal income but also improve the economic activity of the whole country.

What this bill is proposing is that we no longer do that, that we reward people for taking a less efficient job, for taking a job where they are less productive, and for taking a job which basically is less of an incentive for them to be productive than what they presently have, and we are going to reward them for that. We are going to reward them for stepping out of the mainstream of the marketplace, where they have been successful, and stepping backwards.

It is really a unique concept for us as a country to pursue at this time. It is especially ironic in light of what has happened in such other industries; for example, the whole technology industry, where you had a huge reorganization as a result of the late 1990s activities and the Internet and the boom in the Internet and then the bust in the Internet, people having to move from job to job.

Suddenly we are going to say we no longer have any confidence in the marketplace. We are going to tell people, you can take a lesser job, be less productive, but we will pay you more money and use tax dollars to do it. It is a concept which is used in France and Italy, but it certainly is not appropriate here.

I want to talk about the specifics of how this is structured. The structure of it is also unique. It abandons all the basic rules and regulations under the present trade adjustment authority. Then I want to talk about the philosophy of it.

To outline what it does, it says, if you lose a job as a result of trade and you are over 50 years old and you get a new job within 26 weeks and the new job pays less than the old job, then the taxpayers will make up the difference up to \$5,000 if the job pays less than \$50,000. It does not require any training. It does not require that you choose a similar or suitable job that is available.

In other words, if there is a job out there that is equal to what you are presently doing and you can have that job or you want to take a different job that pays a lot less—I can think of a lot of reasons somebody might want to do that if they are over 50 years old—then you can take that job that pays less and the taxpayers have to make up the difference. You do not have to take a similar or suitable job.

It does not require that you remain in the community, which is something the trade adjustment clause has required. There is no limitation based on necessity, and the program does not consider whether wage rates at the new employer have been altered or negotiated or manipulated to basically make a deal.

These are all big issues. There is no requirement that the relationship be arm's length between the new job you take that is subsidized by the taxpayer and the old job that you lost. There is no protection afforded to other workers who may be displaced. It just runs to the people who are over 50 years old and who are subjected to trade adjustment.

The fact that there is no training required flies in the face of the whole concept of the trade adjustment proposal. Anybody who has spent any time with trade adjustment knows its real strength is that it says to a person who loses their job because the industry they are in maybe can't compete with products coming in as a result of a trade agreement or for some other reason—we say to that person, we are going to give you all sorts of training options so you can improve your position, improve your knowledge base, and move forward, hopefully to a higher level job in a different sector that has not been so significantly impacted by trade.

That is one of the key ingredients to trade adjustment. The wage subsidy has absolutely no training requirement. So it basically throws out one of the key components of trade adjustment.

Another key component is that if there is a similar or suitable job available, you should take it. Why shouldn't you? Let's say you are working for an employer for whose product you have a skill that you have developed but the employer didn't do a good job competing in that area. That skill is unique and it is special. And there is another employer over here across the street who is making the same product and is competing well in the international marketplace. If that job is available to you, you should take it. Under trade adjustment, you are supposed to take it.

Under this proposal, you don't have to take that job. You don't have to take a similar, suitable job. So basically it throws out the concept that people should be encouraged, before they start getting Federal benefits, if the availability is there, to move laterally and even move up. No. Instead, you can take a lesser paying job where you are less productive and the taxpayer comes in and pays you \$5,000 to do it.

You don't have to remain in the community. One of the keys to the whole concept of trade adjustment was that you would remain in the community. This is a bill that is structured around the concept of trying to keep people and communities vibrant when they

are hit by a huge trade event. That grew out of the textile and clothing fights, problems not only in the South but in the North.

In my State, where we had all our shoe factories closed, all our textile mills closed, we have recovered dramatically because the people who were working in those textile mills and those shoe mills moved into industries which were competitive and which involved being retrained. Actually they ended up, in most instances, with higher paying jobs; certainly their kids did. By staying in those communities, they are being productive citizens. That is a concept.

Under this bill, you can leave the State, move across the country, and take a job somewhere else. And if it pays you less than what your old job paid you, even though there may be lots of jobs in the community that paid you more, you just wanted a job that paid you less, the taxpayers pay you \$5,000 for taking that job and for leaving your community. It is an incentive to leave your community rather than an incentive to stay.

It does not require any showing of need before the person gets this money. It is just basically a payment. If you meet the requirement of \$50,000, you get paid.

There are a lot of people out there who might have personal assets, wealth, or who may be part of a family who has an income who certainly doesn't need a \$5,000 subsidy coming from the Federal Government.

Other taxpayers are working hard. There should be, obviously, some threshold standard to meet as to assets which the person has, or as to what their income is as a family, rather than simply sending them the money.

A steelworker might get laid off from a steel plant. He or she may go to work for his or her son who runs a construction company, take a significant cut in pay, have the taxpayers pay a \$5,000 supplement.

Basically, this is a great deal for the son. He gets an employee with \$5,000 of the cost of that employee picked up by the taxpayers. No arm's length necessity, no limitations on arm's length transactions, no requirement that they be arm's length, no requirement that there be any review for the purposes of fraud or abuse.

There could be all sorts of deals made out there—and I can see them actually occurring—where somebody closes a plant, alleges it is trade adjustment, reopens another facility, or has somebody else reopen another facility—I am not talking large numbers of people here maybe—and they work it out for a couple years where these employees will get this \$5,000 payment from the taxpayers and they do not have to pay it. As a result, they have a huge windfall and a gaming of the system. It is a very distinct possibility.

Of course, without the arm's length transaction, there are all sorts of implications for the ways this could be

gamed by somebody. One does not even have to be that creative to game the system.

The actual language of this section is poorly drafted, to be kind, and has significant problems substantively in its application beyond the policy problems—beyond the huge policy problems—of being a totally new approach to how we address our productivity as an economy and how we approach market forces in our economy.

It is important to remember that the TAA proposal had some core purposes. I alluded to them, but one of them is, of course, to retrain people who are dislocated. It has had tremendous success in this area. In fact, in 2001, 75 percent of dislocated workers who sought service got jobs and averaged 100 percent of their predislocation earnings. Furthermore, 86 percent were still working after 6 months in those new jobs.

The theme of trade adjustment is: Give people training so they can move to a new job when they lose a job and have that job be a better job. That is logical; that makes sense.

Unfortunately, this proposal says: No, we are going to tell people when they lose their job, to get a job that pays them less, which means they are less productive; and it also probably means they have chosen a different type of activity that is maybe more lifestyle appropriate to them, but they are doing it all at a subsidy from the taxpayers.

It is not too farfetched to presume that if you are 50 years old and you lose your job through trade adjustment and you are working in the Northeast that you may want to go to Florida or you may want to go to Arizona or New Mexico because you are tired of the snow, you are tired of the winters. All that shoveling does catch up with you when you get a little older sometimes and trying to get your car started in the cold weather.

Madam President, you can see where this proposal is going, basically, to create a huge incentive for people to leave those communities in the North, move to the Sun Belt, take jobs that pay significantly less, have the taxpayers send them \$5,000 as a benefit, and go into, basically, semiretirement. We could almost call this the "Disney World Employment Act." Disney World is going to be overwhelmed with people in their fifties who want to come down and maybe do the Adventure Ride and the Jungle 3 days a week and spend the rest of the time enjoying Florida's weather and golf courses and get a \$5,000 bonus.

That is not the concept of trade adjustment. If somebody wants to do that, that is fine, but the guy or woman who is out there working on a factory line somewhere paying taxes or working in a restaurant paying taxes or working in a computer company paying taxes should not have to subsidize that sort of mismanagement of our economy, that sort of activity which is going to basically redirect

productivity to nonproductive activity and take tax dollars to do it.

The way the bill is drafted flies in the face of all the basic policy we have passed in Congress relative to age discrimination. Basically, the concept of age discrimination we passed has been that when people hit age 50 or 55 and want to work, they should not be discriminated against in maintaining and improving their position in the workplace.

What this bill says is: When you reach age 50, we are going to create an economic incentive for you to reduce your productivity and to reduce your position in the workplace. It is totally inconsistent with the Age Discrimination Act and the Older Americans Act because it is basically subscribing to a theory that when you hit 50, you should be pushed into a job that pays you less and have the taxpayers come along and subsidize it.

That is the opposite of what we thought the Age Discrimination Act was. The purpose of the Age Discrimination Act was when somebody reaches 50, they cannot be pushed out of their job because of their age and they should be encouraged to continue to improve in their productivity by growing in their job.

The language says if a person is over 50 and loses their job, we do not have any confidence they can find another job that is going to pay them more; we do not have any confidence they can go through trade adjustment training and improve their position; we do not believe what we said in the Age Discrimination Act or the Older Americans Act.

No, rather, this language believes you cannot teach an old dog new tricks. So instead of trying to teach him new tricks, we are going to pay him \$5,000 a year to forget everything he knew, everything he learned at his workplace, and take a lesser job. What an outrageous policy that is.

On the specifics, this language, first, is terribly drafted because it has no training requirement, no requirement that similar and suitable jobs be taken, no requirement you remain in the community, no requirement that it be based on necessity, no requirement for arm's length, no requirement you check for fraud and abuse, no requirement there be a necessity, some sort of test as to whether or not the person should get the \$5,000, and it does not protect anybody else except people over age 50 and actually creates an incentive which flies in the face of all the age policy, antidiscrimination language we passed in this Congress for the last 10, 15, 20 years.

Other than that, it is a great idea. Beyond those specific problems in the drafting, there is a bigger issue at stake and it goes to something I mentioned earlier and have alluded to, and that is the question as to how our economy remains resilient.

I happen to believe, and I think there are a lot of people who agree with this, especially ironically in Europe and in

Japan today, that one of the key elements of the resiliency of our economy is the flexibility of our workforce and the fact that we have a workforce which is dynamic and is capable of moving with the times from jobs to jobs which are more and more competitive.

I take my State as the classic example. Twenty years ago in my State—maybe 30 years ago now—we were a textile, woolen mill, shoe factory State, where most of the people worked in large factories. In fact, up through the middle part of the last century, we had the largest continuous mill in the world in Manchester, NH. It was built in the 1800s and functioned right into the 1900s. Then everybody moved to the South. All our textile mills closed, our shoe mills closed, and they took all this business down south where they could get a different wage rate.

So New Hampshire had to adjust. I remember when I was growing up in Nashua, NH, we lost our single biggest employer. They left the city and we had to adjust. So those people in the mills that had been textile and shoe mills had to find something else to do. They started moving into technology-related activities. Slowly, we developed this technology-based economy to the point where today more people on a per capita basis work in technology-based activities in New Hampshire than in any other State in the country.

What has been the practical impact? It has meant that we went from a per capita income which was in the mid-thirties—relative to other States we were about 35th, 36th in the country in the 1960s and 1970s—to a per capita income which is now fourth in the country. That has been a function of the fact that we have not changed our people but we have retrained our people. Our people have shown the initiative and the creativity to take new jobs, different jobs, and people have come to New Hampshire to employ them. Jobs have been created in New Hampshire, and we have created an economic climate where we have seen this huge expansion.

This is not a unique New Hampshire story. This is an American story. We, as a culture, are constantly moving through different forms of value-added activity where we create new concepts, new initiatives, whether it is in the technology area or whether it is in the medical area or whether it is in the widget area or whether it is in the Starbucks area. There is always a new idea in America that is creating jobs and activity.

Regrettably, on the other side of the coin there are quite often industries which have not kept up with the times or which can no longer compete for some reason with some international company that maybe is able to do something at a lower wage.

Those people who are in those jobs for the most part find themselves with opportunities in other industries which are growing. We have not pursued the

Italian model where, when you get a job, you have that job for life, literally have it for life, and that company cannot fire you, or the French model which essentially says, when you get a job, first you do not have to work too hard and, second, if you lose that job you are basically taken care of as if you still had the job and you get to retire very early.

In fact, I remember the truckdrivers in France about 3 years ago struck because they wanted to be able to retire at full pay when they were 55. Well, the life expectancy has extended quite a bit, so basically you had people working half their working lives and retired half their working lives, and they basically ran out of money. It becomes a pyramid that is inverted after a while in the classic Mark Twain story where there is only one person still working and everybody else is taking, which totally undermines productivity when there is that sort of approach to the economic structure of your country in what amounts to an alleged market economy.

We have not pursued that course. We have instead pursued a course to maintain flexibility. We want people to be able to move up and always improve, and if somebody has gone on hard times because the competition from an international commodity has been overwhelming and they have lost their job because of it, we have trade adjustment to help train that person and move up and improve their life. We do not want to say to that person, you should move down in your economic activity, you should slow your productivity, you should reduce your efficiency, you should take a job which we, the taxpayers, or everybody in America, all taxpayers, have to end up subsidizing so that you can have a job that pays you less where you probably are asked to do less and where the skills which you have are probably not adequately used.

If you as a citizen lose your job because of trade adjustment, whatever the job might be—steel is being talked about today so let's say it is steel—and there is not a similar job—if there was a similar job, theoretically you should take it but, of course, under this language you do not have to—but you decided that you wanted to go to Florida and become a greens keeper, that was always your dream and you were 50 years old and you thought you might be running out of time and you wanted to be on that golf course every day and play a little golf when you were not working on the golf course, or maybe be a part-time golf pro, that is your right. You can do that, but there is absolutely no reason that we should come along and, as a society, subsidize your taking that position and doing that job which basically you are overqualified to do.

You could do something else if you wanted to that would pay you significantly more and which would be much better in the sense of the overall economy potentially.

This is one of the worst ideas to come down the pike in a long time. It, obviously, arises out of a philosophy which is attracted to the way things occur in France and in Italy. It is a 1950s form of economics which was in vogue at one time, sort of a quasi-socialist view of the world which says essentially that someone should always be able to receive a benefit from the government, even if they are making choices which are basically counter to what the government policy should be.

It is a view of the world which seems to have incredible disregard for those Americans who are working and who are paying taxes, because it is essentially saying to those Americans who are working hard every day and paying taxes, we are going to subsidize someone to the tune of \$5,000 to take a job they do not necessarily need to take in many instances, but we are going to subsidize them, and then we are not going to ask that person to train. We are not going to ask that person to take a similar job. We are not going to ask that person to stay in the community. We are not going to find out whether that job was agreed to at arm's length. We are not going to check on the abuse. We are not going to check on even whether the person needs the job from a financial situation. We are simply going to pay that person \$5,000 to take less of a job, simply because they were allegedly put out of work as a result of a trade event and because they are over 50 years of age.

It delivers the wrong message to somebody who is working pretty hard, who is under 50 years old and happens to lose their job because they do not have this opportunity. It clearly delivers the wrong message to somebody who is working very hard trying to make ends meet, paying a significant amount of their income in taxes, and suddenly finds they are supporting someone to the tune of a \$5,000 benefit that creates less efficiency, less marketplace productivity, and undermines the basic concept of our approach as a nation to how one remains vibrant in a competitive world.

So this language, I would hope, would be deleted. Tomorrow we will have a vote on it. I appreciate the courtesy of the Senate, and especially the staff of the Senate, for listening.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. DAYTON). Without objection, it is so ordered.

Mr. REID. Mr. President, I ask unanimous consent that the next Democratic amendments in order following the Torricelli amendment be a Landrieu amendment regarding maritime workers, a Harkin amendment re-

garding child labor, and a Reed of Rhode Island amendment regarding secondary worker TAA benefits. These, of course, will be interspersed with the Republican amendments, if they choose to offer them.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent that the Senate now proceed to a period of morning business with Senators allowed to speak therein for a period not to exceed 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

RUSSELL JANICKE

Mr. REID. Mr. President, I would like to take a moment to commend Russell Janicke on his successful tour as Commanding Officer of the U.S.S. *Louisville*. Under Russell's command, the *Louisville* has demonstrated superior tactical and operational competency, pioneered new tactics, and excelled in joint operations.

Russell was recently awarded the Retention Excellence Award for fiscal year 2000. This pennant recognizes ships, aircraft squadrons, shore commands and other units and organizations for achieving high levels of personnel retention—getting sailors to reenlist and stay in the Navy at the end of their first, second, and later terms of enlistment. It is awarded by the two fleet commanders in chief as well as by the commanders of other major commands.

This award is a visible recognition of Russell's commitment to maintaining a command climate that promotes retention. Russell's command's proactive personnel programs have led him to achieve the highest levels of retention excellence and have helped to reduce attrition. By receiving this award along with others, and praise Russell and his crew has received for successful missions, are testimony to his leadership qualities.

Sincere congratulations to Russell on a job well done.

AFGHANISTAN

Mr. HATCH. Mr. President, as the *loya jirga* process moves forward in Afghanistan, all of us must realize that U.S. security depends on a political solution in that far-away country that truly creates functioning stability there. All of us know what the costs of an unstable Afghanistan have been—those costs were delivered to us on September 11.

A political solution in Afghanistan, in my opinion, cannot rely solely on the Northern Alliance leaders who control many aspects of the government today. While we have had numerous

military successes in Afghanistan, we must be as serious about our commitment to a truly multi-ethnic political resolution to the country's current ingovernability.

Last week, Dr. Marin Strmecki, a scholar on Afghanistan for the past 20 years, a fine intellectual who served on my staff many years ago, wrote an excellent analysis in the *National Review*. I have much respect for Dr. Strmecki's analysis and would urge my colleagues to read it. I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the *National Review*, May 20, 2002]

WINNING, TRULY, IN AFGHANISTAN

(By Marin J. Strmecki)

In late March, President Bush placed a call to Prime Minister Silvio Berlusconi of Italy that led to the delay of the departure from Rome of the former king of Afghanistan, Zahir Shah. The king had wanted to return to his war-torn country in the hope of reunifying it—but the U.S. had credible information that there would be an attempt on his life. The most dismaying aspect of this news was that the ringleaders of the plan were members of the Northern Alliance, an Afghan faction closely aligned with the U.S. and propelled into Kabul by the U.S. rout of the Taliban.

This episode illustrates a growing danger: Despite having won militarily in Afghanistan, the U.S. may still lose politically. A complete victory would mean a pro-Western government in Kabul, one that would mop up the remnants of al-Qaeda and cooperate in the larger regional war. But if the U.S. doesn't change its policies soon, radical Islamists could end up in the driver's seat in Afghanistan.

The critical error came last fall, when U.S. officials selected their principal Afghan allies. The Bush administration opted against working with "the Rome group," a faction of Western-oriented Afghans (including the former king) who sought to recreate the country's moderate and secular pre-1978 government. Though it had no forces in the field, the Rome group could have rapidly mobilized sympathetic commanders and fighters, particularly in Taliban strongholds in southern and eastern Afghanistan. The U.S. chose instead to ally itself with the Northern Alliance, a faction supported by Iran and Russia and in control of about 10 percent of the country.

The Northern Alliance was a dubious choice. Two of its principal leaders, Burhanuddin Rabbani and Abdul Rasul Sayyaf, are major figures in the jihadist movement and were close associates of Osama bin Laden in the 1980s. When Rabbani served as president in the early 1990s, his administration granted visas to the foreign elements of al-Qaeda. Also, he and his party, Jamiat-i-Islami, sought to seize dictatorial power, with his secret-police and interior ministries, led by Qasim Fahim and Yunus Qanooni respectively, killing thousands of members of other political groups. Moreover, Rabbani's Tajik-led military forces carried out atrocities against ethnic Pashtuns in many areas, abuses that contributed greatly to the outbreak of the civil war out of which the Taliban emerged.

Not surprisingly, when Northern Alliance forces rolled into Kabul last fall, its leaders picked up where the Rabbani government had left off. Rabbani himself reoccupied the

presidential palace and appointed ministers and governors, all from his Islamist party. More troubling, the Northern Alliance opened the doors to Russian and Iranian advisers and intelligence operatives, who arrived in Kabul on a steady stream of air transports. Fahim, now the defense minister, garrisoned his forces in the capital and staffed the military high command exclusively with his political cronies and former Communist officers selected by his Russian allies.

Though international pressure forced the creation of a coalition government in late December, all of the powerful ministries—defense, interior, and foreign affairs—remained in the hands of the Northern Alliance. Qanooni, again the interior minister, and Fahim proceeded to use their power to harass political opponents, with several senior officials reportedly taking part in the assassination in January of a cabinet minister associated with the Rome group.

The Northern Alliance's winner-take-all approach threatens U.S. interests. First of all, the interim government has not been much help to U.S. forces against al-Qaeda in the south and east, where Pashtuns remember all too well the atrocities of the Rabbani government and seek to hold the new government at arm's length. Second, its Iranian allies have established two Hezbollah-style clandestine networks, Sepah-e-Mohammed and Sepah-e-Sahaba, to wage a campaign of Lebanon-style attacks designed to bog down the U.S. or even force it to withdraw. Third, Northern Alliance leaders have sought to delay or subvert the scheduled June meeting of the national assembly, or *loya jirga*, which is the key event in the planned transition to a more representative government. Fourth, if the dominance of the Northern Alliance persists, the Pashtuns (40-45 percent of the population) could rise up in a renewed civil war, and offer Pakistan's intelligence service an opportunity to reestablish its pernicious practice of supporting Taliban-style movements in Afghanistan.

The Bush administration must act carefully—but quickly. First, the U.S. must assert itself as the dominant foreign power in Afghanistan until the transition is completed (when elections take place in about two years). Bush has made excellent statements indicating that the U.S. will remain engaged over the long haul. In practical terms, this means that the U.S.—even as it moves on to other theaters—must retain sufficient strike power in the region to cow the Afghan factions. The U.S. also must check the roles of Russia and Iran. Although Bush encouraged Russia's President Putin to bolster the Northern Alliance as it fought to topple the Taliban, he must now explain to Putin that stability can only come from pluralism in an open political process—and that Moscow needs to rein in its client. The U.S. must also insist that the Afghan authorities cut off incoming flights from Iran.

Second, the U.S. must signal a shift away from its excessive reliance on the Northern Alliance. It should emphasize the need to pluralize Afghan politics and to distribute important cabinet seats more broadly: The stacking of ministries with Northern Alliance Appointees—often incompetent and in many cases illiterate—must not be allowed to stand. The coalition should further insist that—with the deployment of the International security assistance Force (ISAF) in Kabul—Northern Alliance troops begin to be redeployed back to their native provinces. At the same time, the U.S. and its allies must try to level the playing field for the *loya jirga*. Russia and Iran have provided vast amounts of money to the Northern Alliance to buy political support; the U.S. should assist pro-Western parties, just as it did in Europe after World War II.

Third, the U.S. should insist that the *loya jirga* end the current imbalance of power favoring the Northern Alliance. We should also demand that every new minister be professionally qualified for his position and that no minister have a history of massive human-rights abuses. These criteria would preclude reappointment of Qanooni and Fahim, who were deeply involved in massacres in the early and mid 1990s. This step is essential to opening a new chapter in Afghanistan's troubled recent history.

Fourth, the U.S. should take the lead—but with the smallest possible footprint—in solving the security problem in Afghanistan. The ISAF should not be drawn into policing Afghanistan. If its mission expands geographically, a larger deployment—even one with as many as 20,000 additional troops—would be spread so thinly as to be militarily meaningless. The primary U.S. goal should be, rather, the creation of professional, nonpolitical, and ethnically balanced police and military services. This would require playing an intrusive role in rebuilding Afghan security services, similar to the one the U.S. played in El Salvador in the 1980s. Qualified Afghan personnel are available, at home and abroad, and many were not involved in factional politics during the 1990s. Even before the defeat of the Taliban, members of the Rome group had organized an association of former officers of the Afghan armed forces and police in anticipation of the need to rebuild the government; the U.S. should use these professionals to form core groups in each agency or service who would then recruit and train their subordinates and line officers.

Because of its poverty, Afghanistan should have a military limited to approximately 50,000 troops, though these forces must have sufficient mobility to deploy rapidly anywhere in the country. This limits the scope of the task of rebuilding the armed forces, and the process could readily be completed in two to three years. Only by creating such a professional military force can the U.S. have a local ally sufficiently able to hunt down remaining Taliban and al-Qaeda elements and preclude their return after the U.S. moves on to other theaters.

Fifth, the U.S. must be willing to fund the operations of the Afghan government—and particularly its police and military services—until its capacity to raise revenues has been reestablished. Providing sufficient pay for troops is crucial, because it enables the government to draw the best personnel away from factional armies, such as those of the Northern Alliance, and from regional warlords.

Together, these actions can, over time, secure a political outcome commensurate with the victory won by American arms last fall. But the adjustment in policy is badly needed. If we stay on the present course, the most likely outcome is a Northern Alliance-dominated government—a result that will leave Islamists like Rabbani in power, extend Iranian and Russian influence, and set the stage for renewed civil war when Pakistan eventually reengages in Afghanistan's politics. If the United States wisely recalibrates, it can establish a moderate and pro-Western state in Afghanistan, an outcome that will have a powerful and unmistakable demonstration effect for those who seek positive political change in the members of the Axis of Evil.

VOTE EXPLANATION

Mr. WARNER. Mr. President, I wish to discuss my absence during the vote to table the Senate amendment No. 3419 offered by my colleague Senator LIEBERMAN. Although my vote would

not have affected the outcome, I would have voted to table the amendment. The language in the legislation, which was also included in the Jordan Free Trade Agreement signed into law on September 28, 2001, is vital to ensuring that Congress preserves its exclusive right to establish and enforce U.S. labor and environmental standards.

During the vote I was attending a White House signing ceremony for H.R. 169, the Notification and Federal Employee Anti-discrimination and Retaliation Act, "No FEAR" Act. I was the sponsor of this legislation in the Senate, S. 201—the Federal Employee Protection Act.

The press has referred to the No FEAR Act as "the first civil rights bill of the new century." It significantly strengthens existing laws protecting Federal employees from discrimination, harassment, and retaliation for whistle blowing in the workplace. It is an unfortunate fact that too many federal employees are subjected to such treatment with alarming regularity.

I am pleased that President Bush has signed this important legislation and honored I was invited to the Oval Office for the signing ceremony. No FEAR will promote a more productive work environment by ensuring agencies enforce the laws intended to protect Federal employees.

LOCAL LAW ENFORCEMENT ACT OF 2001

Mr. SMITH of Oregon. Mr. President, I rise today to speak about hate crimes legislation I introduced with Senator KENNEDY in March of last year. The Local Law Enforcement Act of 2001 would add new categories to current hate crimes legislation sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a terrible crime that occurred in January 1998 in Springfield, IL. A gay man was abducted, tortured, and robbed. The attacker, Thomas Goacher, 27, was charged with a hate crime, aggravated kidnapping, armed robbery, and aggravated battery in connection with the incident.

I believe that government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act of 2001 is now a symbol that can become substance. I believe that by passing this legislation and changing current law, we can change hearts and minds as well.

COMMEMORATING MAY 15TH AS PEACE OFFICERS MEMORIAL DAY

Mr. CAMPBELL. Mr. President, today more than 15,000 peace officers are expected to gather in Washington, D.C. to join with and honor the families of federal, state, and local officers who were killed in the line of duty.

On March 17, I was joined by Senators LEAHY, HATCH, ALLARD, CANTWELL, GREGG, ROCKEFELLER, BINGAMAN, BIDEN, BUNNING, COCHRAN, ALLEN, THOMAS, and HUTCHINSON in introducing S. Res. 221, to keep alive in the memory of all Americans the sacrifice and commitment of those law enforcement officers who lost their lives serving their communities. Specifically, this resolution would designate May 15, 2002, as National Peace Officers Memorial Day. These heroes have established for themselves an enviable and enduring reputation for preserving the rights and security of all citizens. This resolution is a fitting tribute for this special and solemn occasion.

As a former deputy sheriff, I know first-hand the risks which law enforcement officers face every day on the front lines protecting our communities. Currently, more than 700,000 men and women who serve this nation as our guardians of law and order do so at a great risk. Every year, about 1 in 9 officers is assaulted, 1 in 25 officers is injured, and 1 in 4,400 officers is killed in the line of duty. There are few communities in this country that have not been impacted by the words "officer down."

On September 11, 2001, 70 peace officers died at the World Trade Center in New York City as a result of a cowardly act of terrorism. This single act of terrorism resulted in the highest number of peace officers ever killed in a single incident in the history of this country. Thirty-seven of those fallen heroes served with the Port Authority of New York and New Jersey Police Department; twenty-three were New York City police officers; three worked for the New York Office of Court Administration; five were with the New York Office of Tax Enforcement; one was an FBI special agent; and one was a master special officer with the U.S. Secret Service. Before this event, the greatest loss of law enforcement life in a single incident occurred in 1917, when nine Milwaukee police officers were killed in a bomb blast at their police station. Yet the incredible bravery and selfless sacrifice our officers displayed that day was no different than any other day of the year in communities across America.

In 2001, more than 230 federal, state and local law enforcement officers gave their lives in the line of duty. This represents more than a 57 percent increase in police fatalities over the previous year. And, in total, nearly 15,000 men and women have made the supreme sacrifice. We owe all of our police officers a huge debt of gratitude for the invaluable work they do.

As we gather on this special day here in Washington, D.C. and nationwide to honor our fallen heroes, we must be ever vigilant and remember those outstanding men and women who continue to put their lives on the line so that we may continue to enjoy the freedom we have.

RECOGNITION OF ALAN B. MILLER

Mr. SPECTER. Mr. President, I have sought recognition today to acknowledge my constituent and friend Alan B. Miller of Gladwyne, PA, who on Sunday, May 19, 2002, will be honored with the George Washington University's prestigious President's Medal.

This award, which has been bestowed upon such distinguished and varied figures as Soviet statesman Mikhail Gorbachev, renowned journalist Walter Cronkite, and political humorist Mark Russell, will serve to recognize Alan's many achievements as a leader in the health services industry.

In 1978, Alan founded Universal Health Services, Inc., based in King of Prussia, PA, which was then the third-largest proprietary hospital management company in the Nation and now operates 100 facilities in 22 States, plus the District of Columbia, Puerto Rico, and in France. He currently serves as the company's president and chairman.

Alan is an authority on hospital management and has served as health care adviser to the Federal Mediation and Coalition Service. Among the pioneering activities developed under his direction was the founding of an industry mutual insurance company that provided malpractice insurance to over 200 hospitals at a substantial savings, thereby lowering health care costs.

He is a graduate of the College of William and Mary in Virginia and earned his M.B.A. at the Wharton School of the University of Pennsylvania, where he now serves on its executive board. He also holds an honorary doctorate from the University of South Carolina and is the recipient of the Federation of American Health Systems' Industry Award and the Anti-Defamation League's Americanism Award. He was named Entrepreneur of the Year in 1991 and C.E.O. of the Year in Hospital Management in 1992. He serves on the boards of Broadlane, Inc., CDI Corporation, the Penn Mutual Life Insurance Company, and is chairman of the Opera Company of Philadelphia. He served his country as Captain in the U.S. Army's 77th Infantry Division.

For his accomplishments and many contributions to the corporate community, I salute him, and I congratulate Alan for the distinctive honor that will be bestowed upon him this coming Sunday.

ADDITIONAL STATEMENTS

MALMSTROM AIR FORCE BASE WINS THE 2002 BLANCHARD TROPHY

• Mr. BURNS. Mr. President, I rise today to pay tribute to the men and women of Malmstrom Air Force Base, AFB, Montana for being awarded the Blanchard Trophy as the United States Air Force's best intercontinental ballistic missile wing.

This is the eighth time Malmstrom has won this weeklong competition,

called Guardian Challenge. There are several areas scored in this competition including missile operations, satellite operations, remote space tracking, security forces, helicopter operations, food services, missile maintenance, communications, and missile codes.

The men and women who compete in Guardian Challenge are the best of the best from their respective Air Force Bases. This year marks the 35th anniversary of the competition, boasting some 200 participants. Besides the competition, Guardian Challenge helps sharpen the skills of and improve our military personnel's effectiveness and combat capability, while showing the world that the United States is the world's premier space force, second to none. The 341 Space Wing of Malmstrom AFB controls 200 Minuteman III missiles. This award is just one of several that Team Malmstrom has won over the years. They are truly the best of the best.

I am very proud of the men and women from Malmstrom AFB. As Operation Enduring Freedom continues, our military personnel are being tasked with increased missions and more time spent away from their families to support the war on terrorism. As a former member of the U.S. Marine Corps, I understand and appreciate the sacrifices these people and their families make in the name of freedom. Military people are special freedom-loving people.

Montana is fortunate to have Malmstrom AFB, and I know that I speak for all Montanans when I congratulate Malmstrom AFB for being the best intercontinental ballistic missile wing in the world. ●

LEONARD KNIGHT AND SALVATION MOUNTAIN

• Mrs. BOXER. Mr. President, there are areas of the California desert near the Salton Sea that can best be described as dry, desolate and forlorn. Indeed, there are those who describe the area around Niland off Highway 111 as godforsaken. But rising out of this sere, super-heated desert is the multi-colored and textured Salvation Mountain, a unique and visionary sculpture encompassing five acres. Salvation Mountain is Leonard Knight's personal statement on the love and the glory of God.

Leonard Knight, a one-time snow shoveler from Vermont, came to Salvation Mountain from the sky. His hot-air balloon crashed into the site and he decided to stay, believing the experience to be a sign from God. Here he produces his unique creation, using adobe, straw, and thousands of gallons of paint to color and reshape the desert landscape. Seen from afar, Salvation Mountain is an unlikely mass of technicolor shapes and textures. Up close, it is an iridescent fusion of doves, clouds, flags, flowers, hearts, streams, biblical messages and countless other images.

In the last 16 years, Knight's creation has been visited by thousands of people from all over the world, artists and art lovers, journalists, students on field trips, retirees, newlyweds and just plain curious people come by the mountain each day. The Folk Art Society of America has declared Salvation Mountain a national folk art shrine. The American Visionary Art Museum has embraced Leonard Knight and his mountain monument.

Salvation Mountain is the product of the vision and non-stop labor of one dedicated man. Leonard lives alone at the base of the mountain, sleeping in a converted school bus that is as colorful as his desert creation. He uses paint constantly supplied by visitors, local residents and others willing to be a part of this stunning work-in-progress. He figures that he has used close to 60,000 gallons of donated paint over the years.

American folk art is found in all corners of our nation. Perhaps one of the least likely locations would be the desert where Salvation Mountain is found. Leonard Knight's artwork is a national treasure, a singular sculpture wrought from the desert by a modest, single-minded man. It is a sculpture for the ages—profoundly strange and beautifully accessible, and worthy of the international acclaim it receives.●

HONORING KENTUCKY REFUGEE MINISTRIES

● Mr. BUNNING. Mr. President, I rise today to honor the 23 members of Kentucky Refugees Ministries, Inc. (KRM) for all they have done to bring and welcome refugees to Kentucky.

Kentucky Refugee Ministries, Inc. is the refugee resettlement office in the Commonwealth of Kentucky for two national church-based programs: Church World Service and The Episcopal Migration Ministries. This group, which has offices in both Louisville and Lexington, is authorized by the U.S. Department of State to assist refugees legally admitted to the United States as victims of warfare, or other forms of persecution related to their religious or political beliefs. Since their inception in 1990, KRM has placed over 3,000 refugees representing 25 different nationalities and ethnic groups, in various communities throughout the Commonwealth. Once the refugees have been admitted, KRM provides them with housing, furnishings, food, and clothing. They also offer educational opportunities such as English and cultural orientation classes in order to help refugees adapt to their new life. In virtually every instance, these individuals have become productive and active citizens, willing to work their way up from the bottom in an effort to live the American dream.

One fact we as Americans must never forget is that our forefathers were also political and religious refugees in search of a better life. The system they established was specifically set up so

people could live their lives without fear of endless persecution. Late last year, President Bush signed the Presidential Determination authorizing the United States to admit 70,000 refugees in 2002. I applaud President Bush's efforts concerning refugees. Only 8,100 refugees, a quarter of the number admitted at the same time last year, have so far been admitted. This slowdown in admittance has obviously occurred because of security matters resulting from the September 11 tragedies. However, I hope that soon we can begin expediting refugee admittance again after we put the proper security and safety procedures in place. The principles of freedom and democracy our nation lives by must serve as our guide in this extremely important matter. If we let these individuals languish in deplorable conditions in refugee camps or hostile lands, we will be turning our backs on the principles we so cherish. We cannot let this happen.

Once again, I ask that my colleagues join me in thanking and honoring KRM. I am grateful to know that Kentucky's adopted refugees and their families are being looked after in such a careful and caring manner.●

IN RECOGNITION OF MICHIGAN STATE UNIVERSITY'S DEBATE TEAM

● Mr. LEVIN. Mr. President, I ask that the Senate join me in congratulating Michigan State University's Debate Team. These bright young men and women recently won this year's Cross Examination Debate Association Seasonal National Championship—the most prestigious national college debating title.

As I am sure many of my colleagues in this room can appreciate, debating is a skill that requires enormous preparation, great intelligence and the ability to think and speak quickly. Michigan State University's Debate Team has repeatedly excelled in these areas, establishing itself as one of the finest debate teams in the nation. In fact, since 1994 the team has finished no worse than fifth in the competition, and it recorded another first place finish in 1996. This is a spectacular record of achievement that is the source of great pride for the University and for the State of Michigan.

We often come to this floor to congratulate the hard work and dedication of the student athletes from our states who have won national championships on the basketball court or the football field, whose competitions are shown on television and whose victories are written about in newspapers. However, the young men and women who compete with their quick minds and sharp wit deserve just as much of an accolade as those who compete with quick legs or strong arms. The debate season lasts virtually the entire academic year. From August to April the team spends countless hours every week studying, analyzing, researching and practicing.

The commitment that these young people have shown to competition is unrivaled.

Director of Debate Jason Trice, Head Coach William Repko and Assistant Coaches Alison Woidan and Michael Eber did an excellent job of preparing this year's team. The full roster of that team is Anjali Vats, Geoff Lundeen, Maggie Ryan, Job Gillenwater, John Rood, Austin Carson, Calum Matheson, Greta Stahl, Suzanne Sobotka, John Groen, Gabe Murillo, Amber Watkins, Aaron Hardy and David Strauss. I can think of no better place for these young men and women to be congratulated than in the CONGRESSIONAL RECORD of the U.S. Senate, an institution known for its history of great debaters.

I know that all these individuals, as well as their families and friends, are incredibly proud of their accomplishments. I also know that Michigan State University is thrilled to have this honor. In addition to adding my own congratulations I would also like to wish these young men and women the best of luck in defending their championship next year and extending the proud record of accomplishment for which this team has come to be known. I know that my Senate colleagues join me in congratulating Michigan State University's Debate Team for their victory as National Champions of the Cross Examination Debate Association.●

HONORING LTG THOMAS J. KECK

● Ms. LANDRIEU. Mr. President, I rise today to honor a member of our military who has faithfully served the United States for over 30 years. LTG Thomas J. Keck is to retire this Friday and I think it is appropriate that we honor him here on the Senate floor today.

Lieutenant General Keck graduated from the Air Force Academy in 1969. After completing flight training, he was sent to Vietnam. While there, he flew B-52 missions over North Vietnam, and distinguished himself in combat numerous times. In recognition of his gallantry, Lieutenant General Keck was awarded the Distinguished Flying Cross and the Air Medal. The bravery he displayed in Vietnam is demonstrative of the characteristics that define the Air Force Officer's Core Values: Integrity first, Service Before Self, Excellence in all that is done. He has certainly displayed these values throughout his career.

After the War, Lieutenant General Keck came back to the U.S., and served in a variety of commands in the Air Force. Throughout his career, Lieutenant General Keck has flown twenty-two different planes in several different missions. He logged over 4,600 flying hours, 886 of which were in combat. He has certainly shown himself to be an able and adaptable pilot, perhaps one of the finest that the Air Force has produced.

Lieutenant General Keck served in many places throughout the U.S. and abroad, including California, Arizona, Nebraska, Guam, Alabama, and Panama. I think it is also appropriate to recognize his family on this occasion as well, as they have supported him throughout many years and many moves.

Lieutenant General Keck leaves the military as the Commander of the Eighth Air Force. The Eighth Air Force, or "Mighty Eighth" as it is known, consists of nine wings and two groups—nearly 500 aircraft, more than 53,000 active duty and civilian personnel, and 80 major installations world wide. The Mighty Eighth is headquartered at Barksdale Air Force Base in Northwest Louisiana. I am extremely proud to have my state host this exemplary unit. The relationship between the people of Northwest Louisiana and the community on base is excellent, and Lieutenant General Keck has only made that relationship better.

On September 11th, Air Force One landed at Barksdale while it was on its way back to Washington. Lieutenant General Keck and Briadier General Bedke played host to President Bush. Less than a month later, numerous units from the Mighty Eighth would be deployed across the globe, defending America from the menace of terrorism. As Lieutenant General Keck leaves the service, we are a nation at war, but our Air Force is no doubt stronger as a result of Lieutenant General Keck's leadership. In the years to come, the Eighth Air Force will undertake many more missions in Operation Enduring Freedom, and there is no doubt in my mind that they will be successful.

In closing, I would like to thank Lieutenant General Keck for his years of dedicated service to our country. I would also like to thank his family for the support they have provided over all of these years. I wish him well in the future and success in all of his endeavors.●

ON THE AGUA CALIENTE CULTURAL MUSEUM

● Mrs. BOXER. Mr. President, I am pleased to announce that, after several years of preparation, the Agua Caliente Band of Cahuilla Indians is ready to construct a major cultural museum. The Agua Caliente Cultural Museum will be built at the Indian Canyons near Palm Springs, California.

The Agua Caliente Cultural Museum will pay tribute to the Agua Caliente Band's rich heritage and at the same time educate the community and visitors about the tribe's history of tribulation and triumph. This museum will truly be a bridge to the tribe's past and a platform for celebrating its future and potential.

A greatly expanded facility from the temporary museum built in 1995, this new 100,000 square-foot museum will house an auditorium, provide space for

traveling exhibits, and allow for the expansion of the current museum's education programs in language, singing and crafts. Visitors to the museum will learn about the tribe's history through exhibits of photographs, videotaped testimonies and other historical artifacts. The facility will also feature exhibits on current issues like land and water rights, as well as sovereignty issues.

When completed, the cultural museum will be a fitting tribute to the Agua Caliente Band, its proud traditions and history. The tribe, part of the Cahuilla Nation, survived the arrival of the Spanish in 1776, and through the centuries has become a strong and enduring people despite many challenges. The tribe is an important economic force in Southern California, has endowed an extremely generous and ambitious philanthropic program, and is a visionary steward of the land. This museum will ensure that the great heritage and spirit of the Agua Caliente Band of Cahuilla Indians are never forgotten and are accessible to all.

I commend all those who have made the dream of an Agua Caliente Cultural Museum a reality.●

IN RECOGNITION OF PASTOR ALVIN M. STOKES, SR.

● Mr. TORRICELLI. Mr. President, I rise today to recognize the efforts of Pastor Alvin Stokes, Sr. of Trinity A.M.E. Church and congratulate him on his forthcoming retirement.

Pastor Stokes has served as a positive and energetic force within the New Jersey communities he has served. In his efforts as a member of the clergy, he organized the United Black Clergy Association of Bridgeton and aided in obtaining plans to build the new Grant A.M.E. Church. Perhaps his most important work, however, has been through his ministry to his parishioners at Trinity A.M.E. Church, where he has been pastor since 1979.

While Pastor Stokes has a strong presence outside of his ministry, some of his greatest efforts have been on behalf of the schoolchildren of New Jersey. During his time in Chesilhurst, he served on the School board and organized efforts that led to the construction of the community's first elementary school. He has also served on the New Jersey Federation of District School Boards, a county Task Force for school dropouts and teen pregnancy, and the Fairfield Township's School Crisis Committee.

I would like to express my sincere gratitude for the efforts of Pastor Stokes to improve the lives of those around him. The people of New Jersey are truly grateful for his service.●

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

At 12:48 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1370. An act to amend the National Wildlife Refuge System Administration Act of 1966 to establish requirements for the award of concessions in the National Wildlife Refuge System, to provide for maintenance and repair of properties located in the system by concessionaires authorized to use such properties, and for other purposes.

H.R. 1925. An act to direct the Secretary of the Interior to study the suitability and feasibility of designating the Waco Mammoth Site Area in Waco, Texas, as a unit of the National Park System, and for other purposes.

H.R. 2051. An act to authorize the National Science Foundation to establish regional centers for the purpose of plant genome and gene expression research and development and international research partnerships for the advancement of plant biotechnology in the developing world.

H.R. 3694. An act to provide for highway infrastructure investment at the guaranteed funding level contained in the Transportation Equity Act for the 21st Century.

H.R. 4044. An act to authorize the Secretary of the Interior to provide assistance to the State of Maryland and the State of Louisiana for implementation of a program to eradicate or control nutria and restore marshland damaged by nutria, and for other purposes.

H.R. 4069. An act to amend title II of the Social Security Act to provide for miscellaneous enhancements in Social Security benefits, and for other purposes.

H.R. 4714. An act to prohibit members of the Armed Forces in Saudi Arabia from being required or formally informally compelled to wear the abaya garment, and for other purposes.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate.

H. Con. Res. 387. Concurrent resolution recognizing the American Society of Civil Engineers for reaching its 150th Anniversary and for the many vital contributions of civil engineers to the quality of life of our Nation's people including the research and development projects that have led to the physical infrastructure of modern America.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 1370. An act to amend the National Wildlife Refuge System Administration Act of 1966 to establish requirements for the award of concessions in the National Wildlife

Refuge System, to provide for maintenance and repair of properties located in the System by concessionaires authorized to use such properties, and for other purposes; to the Committee on Environment and Public Works.

H.R. 1925. An act to direct the Secretary of the Interior to study the suitability and feasibility of designating the Waco Mammoth Site Area in Waco, Texas, as a unit of the National Park System, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 2051. An act to authorize the National Science Foundation to establish regional centers for the purposes of plant genome and gene expression research and development and international research partnerships for the advancement of plant biotechnology in the developing world; to the Committee on Health Education Labor and Pensions.

H.R. 4044. An act to authorize the Secretary of the Interior to provide assistance to the State of Maryland and the State of Louisiana for implementation of a program to eradicate or control nutria and restore marshland damaged by nutria, and for other purposes; to the Committee on Environment and Public Works.

H.R. 4069. An act to amend title II of the Social Security Act to provide for miscellaneous enhancements in Social Security benefits, and for other purposes; to the Committee on Finance.

H.R. 4714. An act to prohibit members of the Armed Forces in Saudi Arabia from being required or formally informally compelled to wear the abaya garment, and for other purposes; to the Committee on Armed Services.

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 387. Concurrent resolution recognizing the American Society of Civil Engineers for reaching its 150th Anniversary and for the many vital contributions of civil engineers to the quality of life of our Nation's people including the research and development projects that have led to the physical infrastructure of modern America; to the Committee on the Judiciary.

MEASURES READ THE FIRST TIME

The following bill was read the first time:

H.R. 3694. An act to provide for highway infrastructure investment at the guaranteed funding level contained in the Transportation Equity Act for the 21st Century.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-7041. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, the report of the texts and background statements of international agreements, other than treaties; to the Committee on Foreign Relations.

EC-7042. A communication from the Secretary of Agriculture, transmitting, pursuant to law, a Implementation Report relative to the Packers and Stockyards Act, 1921 Improved Investigative and Enforcement Activities; to the Committee on Agriculture, Nutrition, and Forestry.

EC-7043. A communication from the Director of the Office of Management and Budget,

Executive Office of the President, transmitting, pursuant to law, the OMB Cost Estimate for Pay-As-You-Go Calculations for report numbers 575 and 576; to the Committee on the Budget.

EC-7044. A communication from the General Counsel, Office of Management and Budget, transmitting, pursuant to law, the report of a rule entitled "Air Transportation Safety and System Stabilization Act; Air Carrier Guarantee Loan Program (Technical Amendment)" (67 Fed. Reg. 17258) received on May 2, 2002; to the Committee on Governmental Affairs.

EC-7045. A communication from the Chairman of the Foreign Claims Settlement Commission, Department of Justice, transmitting, pursuant to law, the Commission's Report under the Government in the Sunshine Act for 2001; to the Committee on Governmental Affairs.

EC-7046. A communication from the Assistant General Counsel for Regulatory Law, Office of Environment, Safety and Health, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Beryllium Lymphocyte Proliferation Testing (BeLPT)" (DOE-SPEC-1142-2001) received on May 8, 2002; to the Committee on Energy and Natural Resources.

EC-7047. A communication from the Assistant General Counsel for Regulatory Law, Office of Procurement and Assistance Policy, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Maximizing Opportunities for Small Business" (AL-2001-05) received on May 10, 2002; to the Committee on Energy and Natural Resources.

EC-7048. A communication from the Secretary of Transportation, transmitting, pursuant to law, a report on School Bus Safety: Crashworthiness Research; to the Committee on Commerce, Science, and Transportation.

EC-7049. A communication from the Secretary of Transportation, transmitting, pursuant to law, a report on Effectiveness of Occupant Protection Systems and Their Use; to the Committee on Commerce, Science, and Transportation.

EC-7050. A communication from the Secretary of Veterans' Affairs, transmitting, a draft of proposed legislation entitled "Veterans' Benefits Improvement Act of 2002"; to the Committee on Veterans' Affairs.

EC-7051. A communication from the Acting Director, Office of Regulatory Law, Veterans' Health Administration, Department of Veterans' Affairs, transmitting, pursuant to law, the report of a rule entitled "Copayments for Inpatient Hospital Care and Outpatient Medical Care" (RIN2900-AK50) received on May 8, 2002; to the Committee on Veterans' Affairs.

EC-7052. A communication from the Director, Office of Regulations Management, Board of Veterans' Appeals, Department of Veterans' Affairs, transmitting, pursuant to law, the report of a rule entitled "Board of Veterans' Appeals: Appeals Regulation and Rules of Practice—Jurisdiction" (RIN2900-AJ97) received on May 10, 2002; to the Committee on Veterans' Affairs.

EC-7053. A communication from the Director of the Federal Emergency Management Agency, transmitting, pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act, a report relative to funds exceeding \$5 million for the response to the emergency declared in the Commonwealth of Virginia; to the Committee on Environment and Public Works.

EC-7054. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Clean Air Act Finding of Attainment; California-Imperial Valley Planning Area;

Particulate Matter of 10 microns or less (PM-10)" (FRL7087-1) received on May 10, 2002; to the Committee on Environment and Public Works.

EC-7055. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Effective Date of Revisions to the Water Quality Planning and Management Regulation and Revisions to the National Pollutant Discharge Elimination System Program in Support of Revisions to the Water Quality Planning and Management Regulation; and Revision of the Date for Late Submission of the 2002 List of Impaired Waters" (FRL7086-1) received on May 10, 2002; to the Committee on Environment and Public Works.

EC-7056. A communication from the Chief Executive Officer, Corporation for National and Community Service, transmitting, pursuant to law, the report of the designation of acting officer for the position of Inspector General, received on May 10, 2002; to the Committee on Health, Education, Labor, and Pensions.

EC-7057. A communication from the Director, Regulations Policy and Management, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Food Labeling: Health Claims; Plant Sterol/Stanol Esters and Coronary Heart Disease" (Doc. Nos. 00P-1275 and 00P-1276) received on May 10, 2002; to the Committee on Health, Education, Labor, and Pensions.

EC-7058. A communication from the Regulations Coordinator, Substance Abuse and Mental Health Services Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Mental Health and Substance Abuse Emergency Response Criteria" (RIN0930-AA09) received on May 10, 2002; to the Committee on Health, Education, Labor, and Pensions.

EC-7059. A communication from the Assistant Secretary, Pension and Welfare Benefits Administration, Department of Labor, transmitting, pursuant to law, the report of a rule entitled "Furnishing Documents to the Secretary of Labor Upon Request under ERISA Section 104(a)(6) and Assessment of Civil Penalties under ERISA Section 502(c)(6)" ((RIN1210-AA67) (RIN1210-AA68)) received on May 13, 2002; to the Committee on Health, Education, Labor, and Pensions.

EC-7060. A communication from the Assistant Secretary, Pension and Welfare Benefits Administration, Department of Labor, transmitting, pursuant to law, the report of a rule entitled "Removal of Superseded Regulations Relating to Plan Descriptions and Summary Plan Descriptions, and Other Technical Conforming Amendments" (RIN1210-AA66) received on May 13, 2002; to the Committee on Health, Education, Labor, and Pensions.

EC-7061. A communication from the White House Liaison, transmitting, pursuant to law, the report of a vacancy, a nomination, and a nomination confirmed for the position of Director of the Mint, Department of the Treasury, received on October 4, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC-7062. A communication from the White House Liaison, transmitting, pursuant to law, the report of a nomination and a nomination confirmed for the position of Assistant Secretary, Financial Institutions, Department of the Treasury, received on October 4, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC-7063. A communication from the General Counsel, Federal Emergency Management Agency, transmitting, pursuant to law,

the report of a rule entitled "Suspension of Community Eligibility" (Doc. No. FEMA-7769) received on May 10, 2002; to the Committee on Banking, Housing, and Urban Affairs.

EC-7064. A communication from the General Counsel, National Credit Union Administration, transmitting, pursuant to law, the report of a rule entitled "Prompt Corrective Action; Requirements for Insurance. Requires All Federally Insured Credit Unions to File Quarterly Financial and Statistical Reports with NCUA" (12 CFR Part 702 and 741) received on May 10, 2002; to the Committee on Banking, Housing, and Urban Affairs.

EC-7065. A communication from the Assistant General Counsel for Regulatory Law, Office of Environment, Safety and Health, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Nuclear Explosives Safety Study Process" (DOE-STD-3015-2001) received on May 8, 2002; to the Committee on Armed Services.

EC-7066. A communication from the General Counsel of the Department of Defense, transmitting, a draft of proposed legislation entitled "Military Construction Authorizations"; to the Committee on Armed Services.

EC-7067. A communication from the Under Secretary of Defense, Personnel and Readiness, transmitting, pursuant to law, the Annual Report of the Armed Forces Retirement Home (AFRH) for Fiscal Year 2000; to the Committee on Armed Services.

EC-7068. A communication from the Under Secretary of Defense, Acquisition, Technology and Logistics, transmitting, pursuant to law, a report relative to the Distribution of Department of Defense Depot Maintenance Workloads for Fiscal Years 2002 through 2006; to the Committee on Armed Services.

EC-7069. A communication from the Under Secretary of Defense, Comptroller, transmitting, pursuant to law, the report of a violation of the Antideficiency Act, case number 99-07; to the Committee on Appropriations.

EC-7070. A communication from the Under Secretary of Defense, Comptroller, transmitting, pursuant to law, the report of a violation of the Antideficiency Act, case number 99-02; to the Committee on Appropriations.

EC-7071. A communication from the Under Secretary of Defense, Comptroller, transmitting, pursuant to law, the report of a violation of the Antideficiency Act, case number 98-08; to the Committee on Appropriations.

EC-7072. A communication from the Under Secretary of Defense, Comptroller, transmitting, pursuant to law, the report of a violation of the Antideficiency Act, case number 98-05; to the Committee on Appropriations.

EC-7073. A communication from the Congressional Liaison Officer, Trade and Development Agency, transmitting, pursuant to law, a report of a prospective U.S. Trade Development Agency funding obligation that requires special notification under Section 520 of the Kenneth M. Ludden Foreign Operations, Export Financing, and Related Programs Appropriations Act, Fiscal Year 2002, relative to Columbia; to the Committee on Appropriations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. LEVIN, from the Committee on Armed Services, without amendment:

S. 2514: An original bill to authorize appropriations for fiscal year 2003 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes. (Rept. No. 107-151).

S. 2515: An original bill to authorize appropriations for fiscal year 2003 for military activities of the Department of Defense, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

S. 2516: An original bill to authorize appropriations for fiscal year 2003 for military construction, and for other purposes.

S. 2517: An original bill to authorize appropriations for fiscal year 2003 for defense activities of the Department of Energy, and for other purposes.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. LEVIN:

S. 2514. An original bill to authorize appropriations for fiscal year 2003 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; from the Committee on Armed Services; placed on the calendar.

By Mr. LEVIN:

S. 2515. An original bill to authorize appropriations for fiscal year 2003 for military activities of the Department of Defense, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; from the Committee on Armed Services; placed on the calendar.

By Mr. LEVIN:

S. 2516. An original bill to authorize appropriations for fiscal year 2003 for military construction, and for other purposes; from the Committee on Armed Services; placed on the calendar.

By Mr. LEVIN:

S. 2517. An original bill to authorize appropriations for fiscal year 2003 for defense activities of the Department of Energy, and for other purposes; from the Committee on Armed Services; placed on the calendar.

By Mr. HAGEL:

S. 2518. A bill to authorize the Secretary of Agriculture to enter into cooperative agreements and contracts with the Nebraska State Forester to carry out watershed restoration and protection activities on National Forest System land in the State of Nebraska; to the Committee on Energy and Natural Resources.

By Mr. DODD (for himself and Mr. LIEBERMAN):

S. 2519. A bill to direct the Secretary of the Interior to conduct a study of Coltsville in the State of Connecticut for potential inclusion in the National Park System; to the Committee on Energy and Natural Resources.

By Mr. HATCH (for himself, Mr. LEAHY, Mr. SESSIONS, Mr. HUTCHINSON, Mr. BROWNBACK, Mr. EDWARDS, and Mr. DEWINE):

S. 2520. A bill to amend title 18, United States Code, with respect to the sexual exploitation of children; to the Committee on the Judiciary.

By Mr. KERRY:

S. 2521. A bill to amend title II of the Social Security Act to restrict the application of the windfall elimination provision to individuals whose combined monthly income from benefits under such title and other monthly periodic payments exceeds \$2,000 and to provide for a graduated implementation of such provision on amounts above such \$2,000 amount; to the Committee on Finance.

By Mr. BINGAMAN (for himself and Mrs. HUTCHISON):

S. 2522. A bill to establish the Southwest Regional Border Authority; to the Committee on Environment and Public Works.

By Mr. ALLARD:

S. 2523. A bill to make it more likely that the cleanup and closure of the Rocky Flats Environmental Technology Site will be completed on or before December 15, 2006; to the Committee on Armed Services.

By Mr. BAYH (for himself, Mr. CARPER, Mr. GRAHAM, Mrs. CLINTON, Mr. LIEBERMAN, Mr. MILLER, Mrs. CARNAHAN, Mr. NELSON of Nebraska, and Mr. NELSON of Florida):

S. 2524. A bill to amend part A of title IV of the Social Security Act to reauthorize the temporary assistance to needy families program, and for other purposes; to the Committee on Finance.

By Mr. KERRY (for himself, Mr. FRIST, Mr. BIDEN, Mr. HELMS, Mr. DASCHLE, Mr. LEAHY, Mr. FEINGOLD, Mr. DODD, Mr. HAGEL, Mrs. BOXER, Mr. SARBANES, Mr. SMITH of Oregon, Mr. DEWINE, and Mr. WELLSTONE):

S. 2525. A bill to amend the Foreign Assistance Act of 1961 to increase assistance for foreign countries seriously affected by HIV/AIDS, tuberculosis, and malaria, and for other purposes; to the Committee on Foreign Relations.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. CAMPBELL (for himself, Mr. DEWINE, and Mr. KERRY):

S. Res. 270. A resolution designating the week of October 13, 2002, through October 19, 2002, as "National Cystic Fibrosis Awareness Week"; to the Committee on the Judiciary.

By Mrs. CLINTON:

S. Con. Res. 111. A concurrent resolution expressing the sense of Congress that Harriet Tubman should have been paid a pension for her service as a nurse and scout in the United States Army during the Civil War; to the Committee on Armed Services.

ADDITIONAL COSPONSORS

S. 77

At the request of Mr. DASCHLE, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 77, a bill to amend the Fair Labor Standards Act of 1938 to provide more effective remedies to victims of discrimination in the payment of wages on the basis of sex, and for other purposes.

S. 414

At the request of Mr. CLELAND, the name of the Senator from North Carolina (Mr. EDWARDS) was added as a cosponsor of S. 414, a bill to amend the National Telecommunications and Information Administration Organization Act to establish a digital network technology program, and for other purposes.

S. 603

At the request of Mr. LIEBERMAN, the names of the Senator from Connecticut (Mr. DODD) and the Senator from New York (Mr. SCHUMER) were added as cosponsors of S. 603, a bill to provide for

full voting representation in the Congress for the citizens of the District of Columbia to amend the Internal Revenue Code of 1986 to provide that individuals who are residents of the District of Columbia shall be exempt from Federal income taxation until such full voting representation takes effect, and for other purposes.

S. 677

At the request of Mr. HATCH, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. 677, a bill to amend the Internal Revenue Code of 1986 to repeal the required use of certain principal repayments on mortgage subsidy bond financing to redeem bonds, to modify the purchase price limitation under mortgage subsidy bond rules based on median family income, and for other purposes.

S. 710

At the request of Mr. KENNEDY, the name of the Senator from Vermont (Mr. JEFFORDS) was added as a cosponsor of S. 710, a bill to require coverage for colorectal cancer screenings.

S. 1022

At the request of Mr. WARNER, the name of the Senator from Kansas (Mr. BROWNBACK) was added as a cosponsor of S. 1022, a bill to amend the Internal Revenue Code of 1986 to allow Federal civilian and military retirees to pay health insurance premiums on a pretax basis and to allow a deduction for TRICARE supplemental premiums.

S. 1042

At the request of Mr. INOUE, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 1042, a bill to amend title 38, United States Code, to improve benefits for Filipino veterans of World War II, and for other purposes.

S. 1282

At the request of Mr. HATCH, the name of the Senator from Arkansas (Mr. HUTCHINSON) was added as a cosponsor of S. 1282, a bill to amend the Internal Revenue Code of 1986 to exclude from gross income of individual taxpayers discharges of indebtedness attributable to certain forgiven residential mortgage obligations.

S. 1303

At the request of Mr. KERRY, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. 1303, a bill to amend title XVIII of the Social Security Act to provide for payment under the medicare program for more frequent hemodialysis treatments.

S. 1329

At the request of Mr. JEFFORDS, the name of the Senator from Florida (Mr. GRAHAM) was added as a cosponsor of S. 1329, a bill to amend the Internal Revenue Code of 1986 to provide a tax incentive for land sales for conservation purposes.

S. 1339

At the request of Mr. CAMPBELL, the name of the Senator from Florida (Mr.

GRAHAM) was added as a cosponsor of S. 1339, a bill to amend the Bring Them Home Alive Act of 2000 to provide an asylum program with regard to American Persian Gulf War POW/MIAs, and for other purposes.

S. 1394

At the request of Mr. ENSIGN, the name of the Senator from New Hampshire (Mr. SMITH) was added as a cosponsor of S. 1394, a bill to amend title XVIII of the Social Security Act to repeal the medicare outpatient rehabilitation therapy caps.

S. 1839

At the request of Mr. ALLARD, the name of the Senator from Alaska (Mr. MURKOWSKI) was added as a cosponsor of S. 1839, a bill to amend the Bank Holding Company Act of 1956, and the Revised Statutes of the United States to prohibit financial holding companies and national banks from engaging, directly or indirectly, in real estate brokerage or real estate management activities, and for other purposes.

S. 1917

At the request of Mr. BUNNING, his name was added as a cosponsor of S. 1917, a bill to provide for highway infrastructure investment at the guaranteed funding level contained in the Transportation Equity Act for the 21st Century.

S. 1945

At the request of Mr. JOHNSON, the names of the Senator from North Dakota (Mr. DORGAN) and the Senator from North Dakota (Mr. CONRAD) were added as cosponsors of S. 1945, a bill to provide for the merger of the bank and savings association deposit insurance funds, to modernize and improve the safety and fairness of the Federal deposit insurance system, and for other purposes.

S. 1967

At the request of Mr. KERRY, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. 1967, a bill to amend title XVIII of the Social Security Act to improve outpatient vision services under part B of the medicare program.

S. 2057

At the request of Mrs. LINCOLN, the name of the Senator from Maryland (Mr. SARBANES) was added as a cosponsor of S. 2057, a bill to amend title XVIII of the Social Security Act to permit expansion of medical residency training programs in geriatric medicine and to provide for reimbursement of care coordination and assessment services provided under the medicare program.

S. 2119

At the request of Mr. GRASSLEY, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. 2119, a bill to amend the Internal Revenue Code of 1986 to provide for the tax treatment of inverted corporate entities and of transactions with such entities, and for other purposes.

S. 2134

At the request of Mr. HARKIN, the names of the Senator from South Carolina (Mr. HOLLINGS), the Senator from South Dakota (Mr. JOHNSON), and the Senator from New Jersey (Mr. TORRICELLI) were added as cosponsors of S. 2134, a bill to allow American victims of state sponsored terrorism to receive compensation from blocked assets of those states.

S. 2213

At the request of Mr. DAYTON, the name of the Senator from Georgia (Mr. MILLER) was added as a cosponsor of S. 2213, a bill to amend the Internal Revenue Code of 1986 to exclude from gross income certain overseas pay of members of the Armed Forces of the United States.

S. 2239

At the request of Mr. SARBANES, the names of the Senator from Indiana (Mr. BAYH), the Senator from Rhode Island (Mr. REED), the Senator from Michigan (Ms. STABENOW), and the Senator from Iowa (Mr. HARKIN) were added as cosponsors of S. 2239, a bill to amend the National Housing Act to simplify the downpayment requirements for FHA mortgage insurance for single family homebuyers.

S. 2243

At the request of Mr. HUTCHINSON, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 2243, a bill to specify the amount of Federal funds that may be expended for intake facilities for the benefit of Lonoke and White Counties, Arkansas, as part of the project for flood control, Greers Ferry Lake, Arkansas.

S. 2454

At the request of Mr. ENSIGN, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 2454, a bill to eliminate the deadlines for spectrum auctions of spectrum previously allocated to television broadcasting.

S. 2480

At the request of Mr. BUNNING, his name was added as a cosponsor of S. 2480, a bill to amend title 18, United States Code, to exempt qualified current and former law enforcement officers from state laws prohibiting the carrying of concealed handguns.

S. 2493

At the request of Mr. DASCHLE, the name of the Senator from Nebraska (Mr. HAGEL) was added as a cosponsor of S. 2493, a bill to amend the Immigration and Nationality Act to provide a limited extension of the program under section 245(i) of that Act.

S. 2498

At the request of Mr. BAUCUS, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. 2498, a bill to amend the Internal Revenue Code of 1986 to require adequate disclosure of transactions which have a potential for tax avoidance or evasion, and for other purposes.

S. 2509

At the request of Mrs. HUTCHISON, the names of the Senator from Missouri (Mr. BOND) and the Senator from New Mexico (Mr. DOMENICI) were added as cosponsors of S. 2509, a bill to amend the Defense Base Closure and Realignment Act of 1990 to specify additional selection criteria for the 2005 round of defense base closures and realignments, and for other purposes.

S. 2512

At the request of Mr. HARKIN, the names of the Senator from Montana (Mr. BAUCUS), the Senator from Louisiana (Mr. BREAUX), and the Senator from Georgia (Mr. CLELAND) were added as cosponsors of S. 2512, a bill to provide grants for training court reporters and closed captioners to meet requirements for realtime writers under the Telecommunications Act of 1996, and for other purposes.

S. 2513

At the request of Mr. BIDEN, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. 2513, a bill to assess the extent of the backlog in DNA analysis of rape kit samples, and to improve investigation and prosecution of sexual assault cases with DNA evidence.

S. RES. 253

At the request of Mr. SMITH of Oregon, the name of the Senator from Maryland (Mr. SARBANES) was added as a cosponsor of S. Res. 253, a resolution reiterating the sense of the Senate regarding Anti-Semitism and religious tolerance in Europe.

S. RES. 269

At the request of Mr. CRAIG, the name of the Senator from Colorado (Mr. ALLARD) was added as a cosponsor of S. Res. 269, a resolution expressing support for legislation to strengthen and improve Medicare in order to ensure comprehensive benefits for current and future retirees, including access to a Medicare prescription drug benefit.

AMENDMENT NO. 3406

At the request of Mr. ALLEN, the name of the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of amendment No. 3406 intended to be proposed to H.R. 3009, a bill to extend the Andean Trade Preference Act, to grant additional trade benefits under that Act, and for other purposes.

AMENDMENT NO. 3413

At the request of Mr. BUNNING, his name was added as a cosponsor of amendment No. 3413 intended to be proposed to H.R. 3009, a bill to extend the Andean Trade Preference Act, to grant additional trade benefits under that Act, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS—MAY 14, 2002

By Mrs. CARNAHAN (for herself and Mrs. HUTCHISON):

S. 2511. A bill to prevent trafficking in child pornography and obscenity, to proscribe pandering and solicitation relating to visual depictions of minors engaging in sexually explicit conduct, to prevent the use of child pornography and obscenity to facilitate crimes against children, and for other purposes; to the Committee on the Judiciary.

Mrs. CARNAHAN. Mr. President, child pornography is an affront to the inherent decency of our society. Creating and distributing this revolting material causes severe damage to the children involved. Those who purchase this material also harm children by creating a demand for production of more child pornography, leading to a greater number of victimized children.

Congress has enacted strong criminal laws outlawing the production, distribution, and possession of child pornography. But the advent of the internet and advances in imaging technology have made enforcing these laws more difficult. The problem is twofold. First, child pornography can now be created using digital technology such that the subjects of the images are virtual, not real, children. Second, child pornographers facing criminal prosecution now claim that the materials at issue contain computer-generated, virtual image, and claim that such images are constitutionally protected free speech. The technology is now so advanced that it is difficult for expert witnesses to determine whether the pornographers' claims are true, giving real pornographers the ability to escape prosecution.

Congress attempted to address this problem in 1996 by expanding the scope of federal child pornography statutes to cover sexually explicit images that appear to depict children, but were created without using actual children. Unfortunately, last month the Supreme Court determined that parts of the statute were unconstitutional. The Court concluded that the law was drafted too broadly and covered speech that is protected by the First Amendment. Unless Congress takes further action, future prosecutions of child pornographers will be in jeopardy. According to Associate Deputy Attorney General Daniel Collins, if prosecutors can only obtain convictions when the have affirmative proof that actual children were used, the "[g]overnment may be able to prosecute effectively only in very limited cases, such as those in which it happens to be able to match the depictions to pictures in pornographic magazines produced before the development of computer imaging software."

The legislation I am introducing today, along with my colleague Senator HUTCHISON, will cure this problem. It is companion legislation to H.R. 4623 and contains the Justice Department's recommendations on how to draft a constitutional statute that will facilitate prosecution of child pornographers. The legislation strikes a bal-

ance between the government's compelling interest in protecting children while not infringing on First Amendment rights.

The bill has a number of features. First, it narrows the definition of virtual child pornography and includes an affirmative defense that places the burden of proof on defendants to establish that the materials at issue were created without using real children. Second, it prohibits all real or virtual child pornography that depicts preteens. These sexually explicit materials involving young children are obscene and, in my view, do not enjoy any first amendment protection. The bill also creates new ways to crack down on pedophiles by outlawing showing pornography to children. It also encourages greater voluntary reporting of suspected child pornography found by internet service providers on their systems.

This legislation is progressing quickly through the House of Representatives. I hope that we can move expeditiously in this body as well to give the Justice Department the tools it needs to continue its campaign against the exploitation and degradation of children.

Mrs. HUTCHISON. Mr. President, I rise today to join my colleague from Missouri to introduce the Child Obscenity and Pornography Prevention Act of 2002. The passage of this legislation is urgently needed to stop the marketing of child pornography and its destructive impact on our society.

This bill is similar to the House version, which has the strong support of the Department of Justice. Attorney General Ashcroft has asked for this legislation so that he will have the tools to prosecute child pornographers. In this Internet age, it is becoming more difficult to ascertain whether child pornography is produced by exploiting real minors or whether it is made with computer imagery. I understand the Supreme Court's concerns about First Amendment rights. The bill we are introducing today does not violate the First Amendment.

Our bill goes after the marketing of child pornography, regardless of whether it is produced using a real minor. Legal precedent is clear that Congress may outlaw the solicitation and attempt to commit a crime, even if the core crime does not transpire. I have been a strong advocate against marketing violence to children, and similarly, I am strongly against the marketing of child pornography. The bottom line is that sexual images of children, even if produced by computer-imagery, only increase the chances of sexual crimes occurring against our children.

In addition, our bill outlaws the production of "obscene" child pornography, regardless of whether a real child or a computer-image is used. The Supreme Court has been clear that obscenity deserves no protection under

the first amendment, much less obscenity related to child pornography. Without a new law, the Supreme Court's ruling several weeks ago could mean a pornographer might use the defense that the child pornography does not involve a real minor and thus constitutes protected speech. That is a terrible outcome and we must remedy it.

I am pleased to be cosponsor of this important legislation, and I urge the Senate to address this issue expeditiously.

By Mr. HARKIN (for himself, Mr. GRASSLEY, Mr. BINGAMAN, Mr. COCHRAN, Mr. DODD, Mr. HELMS, Mr. KERRY, Mr. ROCKEFELLER, Mr. REID, Mr. SMITH of Oregon, and Mr. WELLSTONE):

S. 2512. A bill to provide grants for training court reporters and closed captioners to meet requirements for realtime writers under the Telecommunications Act of 1996, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Mr. HARKIN. Mr. President, today I am introducing legislation, the Training for Realtime Writers Act of 2002, on behalf of myself and my colleagues, Senators GRASSLEY, BINGAMAN, COCHRAN, DODD, HELMS, KERRY, ROCKEFELLER, REID, GORDON SMITH, and WELLSTONE. The 1996 Telecom Act required that all television broadcasts were to be captioned by 2006. This was a much needed reform that is helping millions of deaf and hard-of-hearing Americans to be able to take full advantage of television programming. As of today, it is estimated that 3,000 captioners will be needed to fulfill this requirement, and that number continues to increase as more and more broadband stations come online. Unfortunately, the United States only has 300 captioners. If our country expects to have media fully captioned by 2006, something must be done.

This is an issue that I feel very strongly about because my late brother, Frank, was deaf. I know personally that access to culture, news, and other media was important to him and to others in achieving a better quality of life. More than 28 million Americans, or 8 percent of the population, are considered deaf or hard of hearing and many require captioning services to participate in mainstream activities. In 1996, I authored legislation that required all television sets to be equipped with a computer chip to decode closed captioning. This bill completes the promise of that technology, affording deaf and hard of hearing Americans the same equality and access that captioning provides.

Though we don't necessarily think about it, on the morning of September 11, Holli Miller of Ankeny, Iowa was captioning for Fox News. She was supposed to do her three and a half hour shift ending at 7 a.m. but as we all know, tragedy struck. Despite the fact that she had already worked most of

her shift and had two small children to care for, Holli Miller stayed right where she was and for nearly five more hours, she captioned. Without even the ability to take bathroom breaks, Holli Miller made sure that deaf and hard of hearing people got the same news the rest of us got on September 11. I want to say thank you to Holli Miller and all the many captioners and other people across America that made sure the country was alert and informed on that sad day.

But let me emphasize that the deaf and hard of hearing population is only one of a number of groups that will benefit from this legislation. The audience for captioning also includes individuals seeking to acquire or improve literacy skills, including approximately 27 million functionally illiterate adults, 3 or 4 million immigrants learning English as a second language, and 18 million children learning to read in grades kindergarten through 3. In addition, I see people using closed captioning to stay informed everywhere, from the gym to the airport. Captioning helps people educate themselves and helps all of us stay informed and entertained when audio isn't the most appropriate medium.

Although we have a few years to go until the deadline given by the 1996 Telecom Act, our Nation is facing a serious shortage of captioners. Over the past five years, student enrollment in programs that train court reporters to become realtime writers has decreased significantly, causing such programs to close on many campuses. Yet the need for these skills keeps rising. That is why my colleagues and I are introducing this vital piece of legislation. The Training for Realtime Writers Act of 2002 would establish competitive grants to be used toward training realtime captioners. This is necessary to ensure that we meet our goal set by the 1996 Telecom Act.

I urge my colleagues to review this legislation and I hope they will join us in support and join us in our effort to win its passage. I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2512

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Training for Realtime Writers Act of 2002".

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) As directed by Congress in section 723 of the Communications Act of 1934 (47 U.S.C. 613), as added by section 305 of the Telecommunications Act of 1996 (Public Law 104-104; 110 Stat. 126), the Federal Communications Commission adopted rules requiring closed captioning of most television programming, which gradually require new video programming to be fully captioned beginning in 2006.

(2) More than 28,000,000 Americans, or 8 percent of the population, are considered

deaf or hard of hearing and many require captioning services to participate in mainstream activities.

(3) More than 24,000 children are born in the United States each year with some form of hearing loss.

(4) According to the United States Department of Health and Human Services and a study done by the National Council on Aging—

(A) 25 percent of Americans over 65 years old are hearing impaired;

(B) 33 percent of Americans over 70 years old are hearing impaired; and

(C) 41 percent of Americans over 75 years old are hearing impaired.

(5) The National Council on Aging study also found that depression in older adults may be directly related to hearing loss and disconnection with the spoken word.

(6) Over the past 5 years, student enrollment in programs that train court reporters to become realtime writers has decreased significantly, causing such programs to close on many campuses.

SEC. 3. AUTHORIZATION OF GRANT PROGRAM TO PROMOTE TRAINING AND JOB PLACEMENT OF REALTIME WRITERS.

(a) IN GENERAL.—The National Telecommunications and Information Administration shall make grants to not more than 20 eligible entities under subsection (b) to promote training and placement of individuals, including individuals who have completed a court reporting training program, as realtime writers in order to meet the requirements for closed captioning of video programming set forth in section 723 of the Communications Act of 1934 (47 U.S.C. 613) and the rules prescribed thereunder.

(b) ELIGIBLE ENTITIES.—For purposes of this Act, an eligible entity is a court reporting program that is—

(1) approved by the National Court Reporters Association;

(2) accredited by an accrediting agency recognized by the Department of Education; and

(3) participating in student aid programs under title IV of the Higher Education Act of 1965.

(c) DURATION OF GRANT.—A grant under this section shall be for a period of two years.

(d) MAXIMUM AMOUNT OF GRANT.—The amount of a grant provided under subsection (a) to an entity eligible may not exceed \$1,000,000 for the two-year period of the grant under subsection (c).

SEC. 4. APPLICATION.

(a) IN GENERAL.—To receive a grant under section 3, an eligible entity shall submit an application to the National Telecommunications and Information Administration at such time and in such manner as the Administration may require. The application shall contain the information set forth under subsection (b).

(b) INFORMATION.—Information in the application of an eligible entity under subsection (a) for a grant under section 3 shall include the following:

(1) A description of the training and assistance to be funded using the grant amount, including how such training and assistance will increase the number of realtime writers.

(2) A description of performance measures to be utilized to evaluate the progress of individuals receiving such training and assistance in matters relating to enrollment, completion of training, and job placement and retention.

(3) A description of the manner in which the eligible entity will ensure that recipients of scholarships, if any, funded by the grant will be employed and retained as realtime writers.

(4) A description of the manner in which the eligible entity intends to continue providing the training and assistance to be funded by the grant after the end of the grant period, including any partnerships or arrangements established for that purpose.

(5) A description of how the eligible entity will work with local workforce investment boards to ensure that training and assistance to be funded with the grant will further local workforce goals, including the creation of educational opportunities for individuals who are from economically disadvantaged backgrounds or are displaced workers.

(6) Such other information as the Administration may require.

SEC. 5. USE OF FUNDS.

(a) IN GENERAL.—An eligible entity receiving a grant under section 3 shall use the grant amount for purposes relating to the recruitment, training and assistance, and job placement of individuals, including individuals who have completed a court reporting training program, as realtime writers, including—

- (1) recruitment;
- (2) subject to subsection (b), the provision of scholarships;
- (3) distance learning;
- (4) education and training;
- (5) job placement assistance;
- (6) encouragement of individuals with disabilities to pursue a career in realtime writing; and
- (7) the employment and payment of personnel for such purposes.

(b) SCHOLARSHIPS.—

(1) AMOUNT.—The amount of a scholarship under subsection (a)(2) shall be based on the amount of need of the recipient of the scholarship for financial assistance, as determined in accordance with part F of title IV of the Higher Education Act of 1965 (20 U.S.C. 1087kk).

(2) AGREEMENT.—Each recipient of a scholarship under subsection (a)(2) shall enter into an agreement with the National Telecommunications and Information Administration to provide realtime writing services for a period of time (as determined by the Administration) that is appropriate (as so determined) for the amount of the scholarship received.

(3) COURSEWORK AND EMPLOYMENT.—The Administration shall establish requirements for coursework and employment for recipients of scholarships under subsection (a)(2), including requirements for repayment of scholarship amounts in the event of failure to meet such requirements for coursework and employment. Requirements for repayment of scholarship amounts shall take into account the effect of economic conditions on the capacity of scholarship recipients to find work as realtime writers.

(c) ADMINISTRATIVE COSTS.—The recipient of a grant under section 3 may not use more than 5 percent of the grant amount to pay administrative costs associated with activities funded by the grant.

(d) SUPPLEMENT NOT SUPPLANT.—Grants amounts under this Act shall supplement and not supplant other Federal or non-Federal funds of the grant recipient for purposes of promoting the training and placement of individuals as realtime writers

SEC. 6. REPORTS.

(a) ANNUAL REPORTS.—Each eligible entity receiving a grant under section 3 shall submit to the National Telecommunications and Information Administration, at the end of each year of the grant period, a report on the activities of such entity with respect to the use of grant amounts during such year.

(b) REPORT INFORMATION.—

(1) IN GENERAL.—Each report of an entity for a year under subsection (a) shall include

a description of the use of grant amounts by the entity during such year, including an assessment by the entity of the effectiveness of activities carried out using such funds in increasing the number of realtime writers. The assessment shall utilize the performance measures submitted by the entity in the application for the grant under section 4(b).

(2) FINAL REPORT.—The final report of an entity on a grant under subsection (a) shall include a description of the best practices identified by the entity as a result of the grant for increasing the number of individuals who are trained, employed, and retained in employment as realtime writers.

SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out this Act, amounts as follows:

(1) \$15,000,000 for each of fiscal years 2003, 2004, and 2005.

(2) Such sums as may be necessary for each of fiscal years 2006 and 2007.

Mr. GRASSLEY. Mr. President, I am pleased to join my colleague from Iowa, Senator HARKIN, in introducing legislation to provide grants for the training of realtime reporters and captioners. Many Senators may not be aware of a looming problem related to a shortage of what are called "realtime writers." Realtime writers are essentially trained court reporters, much like the official reporters of debates here in the Senate, who use a combination of additional specialized training and technology to transform words into text as they are spoken. This can allow deaf and hard of hearing individuals to understand live television as well as follow proceedings at a civic function or in a classroom.

In the Telecommunications Act of 1996, Congress mandated that most television programming be fully captioned by 2006 in order to allow the 28 million Americans who are deaf or hard of hearing to have access to the same news and information that many of us take for granted. I know that most of us were glued to the television on and after September 11 in order to absorb every scrap of information we could about the events that took place. In order for those who are deaf and hard of hearing to receive the same information as it is broadcast on live television, groups of captioners must work around the clock transcribing words as they are spoken.

As of this year, 2002, the required number of hours of captioned programming that must be provided by video-programming distributors increased from 450 to 900. In 2004, this will increase to 1350 hours. By 2006, 100 percent of new nonexempt programming must be provided with captions. At the same time, student enrollment in programs that provide essential training in captioning has decreased significantly, with programs closing on many campuses. In order to meet the growing demand for realtime writers caused by this mandate, we must do everything we can to increase the number of individuals receiving this very specialized training.

The legislation that Senator HARKIN and I are introducing, along with a number of other senators, will help ad-

dress the shortage of individuals trained as realtime writers by providing grants to up to 20 court reporting programs to promote the training and placement of individuals as realtime writers. Specifically, court reporting programs could use these grants for items like recruitment of students for realtime writing programs, need-based scholarships, distance learning, education and training, job placement assistance, the encouragement of individuals with disabilities to pursue a career as a realtime writer, and personnel costs.

The expansion of distance learning opportunities in particular will have an enormous impact by making training accessible to individuals who want to become realtime writers but do not live in metropolitan areas. Also, need based scholarships offered using these grant funds would be subject to an agreement with the National Telecommunications and Information Administration to provide realtime writing services for a period of time.

Unless we act now, the shortage of individuals trained as realtime writers will only grow more severe. This would leave the 28 million deaf or hard of hearing Americans without the ability to fully participate in many of the professional, educational, and civic activities that other Americans enjoy. I would therefore urge my fellow Senators to support the swift passage of this legislation.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS—MAY 15, 2002

By Mr. HATCH (for himself, Mr. LEAHY, Mr. SESSIONS, Mr. HUTCHINSON, Mr. BROWNBACK, Mr. EDWARDS, and Mr. DEWINE):

S. 2520. A bill to amend title 18, United States Code, with respect to the sexual exploitation of children; to the Committee on the Judiciary.

Mr. HATCH. Mr. President, every decent American joins with me in seeking to rid our country of child pornography. Unfortunately, the growth of technology and the rise of the internet have flooded our nation with it. Child pornography is inherently repulsive, but even more damaging are the purposes for which it routinely is used. Perverts and pedophiles not only use child pornography to whet their sick desires, but also to lure our defenseless children into unspeakable acts of sexual exploitation.

There is no place for child pornography even in our free society. Mr. President, I have long championed legislation designed to punish those who produce, peddle or possess this reprehensible material. As I stated in introducing the Child Pornography Prevention Act of 1996 ("CPPA"), we have both the constitutional right and moral obligation to protect our children from the horrors of child pornography.

I remain fully committed to these principles today. We were disappointed some weeks ago, when a majority of the Supreme Court struck down some key provisions of the CPPA under the first amendment. While I firmly respect the Supreme Court's role in interpreting the Constitution, the decision left some gaping holes in our nation's ability to prosecute child pornography effectively. We must now act quickly to repair our child pornography laws to provide for effective law enforcement in a manner that accords with the Court's ruling.

Mr. President, the legislation I introduce today strikes a necessary balance between the first amendment and our nation's critically important interest in protecting children. This Act does many things to aid the prosecution of child pornography, and I highlight some of its most significant provisions here.

First, the act plugs the loophole that exists today where child pornographers can escape prosecution by claiming that their sexually explicit material did not actually involve real children. Technology has advanced so far that even experts often cannot say with absolute certainty that an image is real or a "virtual" computer creation. If our criminal laws fail to take account of such advances in technology, they become completely worthless. For this reason, the act permits a prosecution to proceed when the child pornography includes persons who appear virtually indistinguishable from actual minors. And even when this occurs, the accused is afforded a complete affirmative defense by showing that the child pornography did not involve a minor.

Second, the act prohibits the pandering or solicitation of anything represented to be obscene child pornography. The Supreme Court has ruled that this type of conduct does not constitute protected speech. Congress, moreover, should severely punish those who would try to profit or satisfy their depraved desires by dealing in such filth.

Third, the act prohibits any depictions of minors, or apparent minors, in actual—not simulated—acts of bestiality, sadistic or masochistic abuse, or sexual intercourse, when such depictions lack literary, artistic, political or scientific value. This type of hardcore sexually explicit material merits our highest form of disdain and disgust and is something that our society ought to try hard to eradicate. Nor does the first amendment bar us from banning the depictions of children actually engaging in the most explicit and disturbing forms of sexual activity.

Fourth, the act beefs up existing record keeping requirements for those who chose to produce sexually explicit materials. These record keeping requirements are unobjectionable since they do not ban anything. Rather, the act simply requires such producers to keep records confirming that no actual minors were involved in the making of

the sexually explicit materials. In light of the difficulty experts face in determining an actor's true age and identity just by viewing the material itself, increasing the criminal penalties for failing to maintain these records are vital to ensuring that only adults appear in such productions.

Finally, the act creates a new civil action for those aggrieved by the depraved acts of those who violate our child pornography laws. Mr. President, this is one area of the law where society as a whole can benefit from more vigorous enforcement, both on the criminal and civil fronts.

Mr. President, we will not need to wait long before those who deal in child pornography will take advantage of the Supreme Court's decision. Congress can and should act, promptly and decisively, to close any gaps in current law to protect our children from the immeasurable harms posed by child pornography.

I strongly urge my colleagues to join with me in promptly passing this important legislation.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2520

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Prosecutorial Remedies and Tools Against the Exploitation of Children Today Act of 2002".

SEC. 2. CERTAIN ACTIVITIES RELATING TO MATERIAL CONSTITUTING OR CONTAINING CHILD PORNOGRAPHY.

Section 2252A of title 18, United States Code, is amended—

(1) in subsection (a)—

(A) by striking paragraph (3) and inserting the following:

“(3) knowingly—

“(A) reproduces any child pornography for distribution through the mails, or in interstate or foreign commerce by any means, including by computer; or

“(B) advertises, promotes, presents, describes, distributes, or solicits through the mails, or in interstate or foreign commerce by any means, including by computer, any material in a manner that conveys the impression that the material is, or contains, an obscene visual depiction of a minor engaging in sexually explicit conduct;”;

(B) in paragraph (4), by striking “or” at the end;

(C) in paragraph (5), by striking the period at the end and inserting “; or”; and

(D) by adding at the end the following:

“(6) knowingly distributes, offers, sends, or provides to a minor any visual depiction, including any photograph, film, video, picture, or computer generated image or picture, whether made or produced by electronic, mechanical, or other means, of sexually explicit conduct where such visual depiction is, or appears to be, of a minor engaging in sexually explicit conduct—

“(A) that has been mailed, shipped, or transported in interstate or foreign commerce by any means, including by computer;

“(B) that was produced using materials that have been mailed, shipped, or transported in interstate or foreign commerce by any means, including by computer; or

“(C) which distribution, offer, sending, or provision is accomplished using the mails or by transmitting or causing to be transmitted any wire communication in interstate or foreign commerce, including by computer, for purposes of inducing or persuading such minor to participate in any activity that is illegal.”;

(2) in subsection (b)(1), by striking “(1), (2), (3), or (4)” and inserting “(1), (2), (3), (4), or (6)”; and

(3) by striking subsection (c) and inserting the following:

“(c) It shall be an affirmative defense to a charge of violating paragraph (1), (2), (3), (4), or (5) of subsection (a) that—

“(1)(A) the alleged child pornography was produced using an actual person or persons engaging in sexually explicit conduct; and

“(B) each such person was an adult at the time the material was produced; or

“(2) the alleged child pornography was not produced using any actual minor or minors. No affirmative defense shall be available in any prosecution that involves obscene child pornography or child pornography as described in section 2256(8)(D). A defendant may not assert an affirmative defense to a charge of violating paragraph (1), (2), (3), (4), or (5) of subsection (a) unless, within the time provided for filing pretrial motions or at such time prior to trial as the judge may direct, but in no event later than 10 days before the commencement of the trial, the defendant provides the court and the United States with notice of the intent to assert such defense and the substance of any expert or other specialized testimony or evidence upon which the defendant intends to rely. If the defendant fails to comply with this subsection, the court shall, absent a finding of extraordinary circumstances that prevented timely compliance, prohibit the defendant from asserting a defense to a charge of violating paragraph (1), (2), (3), (4), or (5) of subsection (a) or presenting any evidence for which the defendant has failed to provide proper and timely notice.”.

SEC. 3. ADMISSIBILITY OF EVIDENCE.

Section 2252A of title 18, United States Code, is amended by adding at the end the following:

“(e) ADMISSIBILITY OF EVIDENCE.—In any prosecution under this chapter, the name, address, or other identifying information, other than the age or approximate age, of any minor who is depicted in any child pornography shall not be admissible and the jury shall be instructed, upon request of the United States, that it can draw no inference from the absence of such evidence in deciding whether the child pornography depicts an actual minor.”.

SEC. 4. DEFINITIONS.

Section 2256 of title 18, United States Code, is amended—

(1) in paragraph (1), by inserting before the semicolon the following: “and shall not be construed to require proof of the actual identity of the person”;;

(2) in paragraph (8)—

(A) in subparagraph (B), by inserting “is obscene and” before “is”;;

(B) in subparagraph (C), by striking “or” at the end; and

(C) by striking subparagraph (D) and inserting the following:

“(D) such visual depiction—

“(i) is of a minor, or an individual who appears to be a minor, actually engaging in bestiality, sadistic or masochistic abuse, or sexual intercourse, including genital-genital, oral-genital, anal-genital, or oral-anal, whether between persons of the same or opposite sex; and

“(ii) lacks serious literary, artistic, political, or scientific value; or

“(E) the production of such visual depiction involves the use of an identifiable minor engaging in sexually explicit conduct; and”; and

(3) in paragraph (9)(A)(ii)—

(A) by striking “(ii) who is” and inserting the following:

“(ii)(I) who is”; and

(B) by striking “and” at the end and inserting the following: “or

“(II) who is virtually indistinguishable from an actual minor; and”.

SEC. 5. RECORDKEEPING REQUIREMENTS.

Section 2257 of title 18, United States Code, is amended—

(1) in subsection (d)(2), by striking “of this section” and inserting “of this chapter or chapter 71.”;

(2) in subsection (h)(3), by inserting “, computer generated image or picture,” after “video tape”; and

(3) in subsection (i)—

(A) by striking “not more than 2 years” and inserting “not more than 5 years”; and

(B) by striking “5 years” and inserting “10 years”.

SEC. 6. FEDERAL VICTIMS' PROTECTIONS AND RIGHTS.

Section 227(f)(1)(D) of the Victims of Child Abuse Act of 1990 (42 U.S.C. 13032(f)(1)(D)) is amended to read as follows:

“(D) where the report discloses a violation of State criminal law to an appropriate official of that State or subdivision of that State for the purpose of enforcing such State law.”.

SEC. 7. CONTENTS DISCLOSURE OF STORED COMMUNICATIONS.

Section 2702 of title 18, United States Code, is amended—

(1) in subsection (b)—

(A) in paragraph (5), by striking “or” at the end;

(B) in paragraph (6)—

(i) in subparagraph (A)(ii), by inserting “or” at the end;

(ii) by striking subparagraph (B); and

(iii) by redesignating subparagraph (C) as subparagraph (B);

(C) by redesignating paragraph (6) as paragraph (7); and

(D) by inserting after paragraph (5) the following:

“(6) to the National Center for Missing and Exploited Children, in connection with a report submitted under section 227 of the Victims of Child Abuse Act of 1990 (42 U.S.C. 13032); or”; and

(2) in subsection (c)—

(A) in paragraph (4), by striking “or” at the end;

(B) by redesignating paragraph (5) as paragraph (6); and

(C) by inserting after paragraph (4) the following:

“(5) to the National Center for Missing and Exploited Children, in connection with a report submitted under section 227 of the Victims of Child Abuse Act of 1990 (42 U.S.C. 13032); or”.

SEC. 8. EXTRATERRITORIAL PRODUCTION OF CHILD PORNOGRAPHY FOR DISTRIBUTION IN THE UNITED STATES.

Section 2251 of title 18, United States Code, is amended—

(1) by striking “subsection (d)” each place that term appears and inserting “subsection (e)”;

(2) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively; and

(3) by inserting after subsection (b) the following:

“(c)(1) Any person who, in a circumstance described in paragraph (2), employs, uses, persuades, induces, entices, or coerces any minor to engage in, or who has a minor assist any other person to engage in, any sexu-

ally explicit conduct outside of the United States, its territories or possessions, for the purpose of producing any visual depiction of such conduct, shall be punished as provided under subsection (e).

“(2) The circumstance referred to in paragraph (1) is that—

“(A) the person intends such visual depiction to be transported to the United States, its territories or possessions, by any means, including by computer or mail; or

“(B) the person transports such visual depiction to the United States, its territories or possessions, by any means, including by computer or mail.”.

SEC. 9. CIVIL REMEDIES.

Section 2252A of title 18, United States Code, as amended by this Act, is amended by adding at the end the following:

“(f) CIVIL REMEDIES.—

“(1) IN GENERAL.—Any person aggrieved by reason of the conduct prohibited under subsection (a) or (b) may commence a civil action for the relief set forth in paragraph (2).

“(2) RELIEF.—In any action commenced in accordance with paragraph (1), the court may award appropriate relief, including—

“(A) temporary, preliminary, or permanent injunctive relief;

“(B) compensatory and punitive damages; and

“(C) the costs of the civil action and reasonable fees for attorneys and expert witnesses.”.

SEC. 10. ENHANCED PENALTIES FOR RECIDIVISTS.

Sections 2251(d), 2252(b), and 2252A(b) of title 18, United States Code, are amended by inserting “chapter 71,” before “chapter 109A,” each place it appears.

SEC. 11. SENTENCING ENHANCEMENTS FOR INTERSTATE TRAVEL TO ENGAGE IN SEXUAL ACT WITH A JUVENILE.

Pursuant to its authority under section 994(p) of title 18, United States Code, and in accordance with this section, the United States Sentencing Commission shall review and, as appropriate, amend the Federal Sentencing Guidelines and policy statements to ensure that guideline penalties are adequate in cases that involve interstate travel with the intent to engage in a sexual act with a juvenile in violation of section 2423 of title 18, United States Code, to deter and punish such conduct.

SEC. 12. MISCELLANEOUS PROVISIONS.

(a) APPOINTMENT OF TRIAL ATTORNEYS.—Not later than 6 months after the date of enactment of this Act, the Attorney General shall appoint 25 additional trial attorneys to the Child Exploitation and Obscenity Section of the Criminal Division of the Department of Justice or to appropriate U.S. Attorney's Offices, and those trial attorneys shall have as their primary focus, the investigation and prosecution of Federal child pornography laws.

(b) REPORT TO CONGRESSIONAL COMMITTEES.—

(1) IN GENERAL.—Not later than 9 months after the date of enactment of this Act, and every 2 years thereafter, the Attorney General shall report to the Chairpersons and Ranking Members of the Committees on the Judiciary of the Senate and the House of Representatives on the Federal enforcement actions under chapter 110 of title 18, United States Code.

(2) CONTENTS.—The report required under paragraph (1) shall include—

(A) an evaluation of the prosecutions brought under chapter 110 of title 18, United States Code;

(B) an outcome-based measurement of performance; and

(C) an analysis of the technology being used by the child pornography industry.

(c) SENTENCING GUIDELINES.—Pursuant to its authority under section 994(p) of title 18, United States Code, and in accordance with this section, the United States Sentencing Commission shall review and, as appropriate, amend the Federal Sentencing Guidelines and policy statements to ensure that the guidelines are adequate to deter and punish conduct that involves a violation of paragraph (3)(B) or (6) of section 2252A(a) of title 18, United States Code, as created by this Act. With respect to the guidelines for section 2252A(a)(3)(B), the Commission shall consider the relative culpability of promoting, presenting, describing, or distributing material in violation of that section as compared with solicitation of such material.

SEC. 13. SEVERABILITY.

If any provision of this Act, an amendment made by this Act, or the application of such provision or amendment to any person or circumstance is held to be unconstitutional, the remainder of this Act, the amendments made by this Act, and the application of the provisions of such to any person or circumstance shall not be affected thereby.

Mr. LEAHY. Mr. President, today I join Senator HATCH in introducing the PROTECT Act of 2002. This bill is intended to protect our Nation's children from exploitation and protect our constitution at the same time.

In the Free Speech Coalition case, seven Justices of the Supreme Court ruled that the definition of child pornography in the CPPA was overbroad and covered such non-obscene movies as Traffic, Romeo and Juliet, and American Beauty. No one intended that.

It also ruled that Congress could not broadly ban all “virtual child pornography,” which may make prosecutors' jobs very tough in the internet age.

The Court in Free Speech faced a difficult task—as do we here—applying the time honored principles of the first amendment to the computer age. I join Senator HATCH today in introducing a bill carefully drawn to stick. As a former prosecutor, I am more interested in making real cases that protect children than making new first amendment law. There are many people who do not agree with the Supreme Court's decision in Free Speech, but that will not erase it from the books. Everyone wants to protect our children, but we need to do it with cases and laws that don't get tossed out in court. It is tempting to rush to come up with a “quick fix,” but we owe our children more than just a press conference on this matter. We owe them careful and thoughtful action.

My initial review of the administration's proposal, now working its way through the House, gives me serious concern. Already I have a letter from six constitutional experts—prominent practitioners and law professors alike—that expresses “grave concern” about the Department of Justice's proposal from a first amendment perspective. I will put that statement in the RECORD at the conclusion of my remarks.

Indeed, the entire approach that the administration has taken in this matter is to reach as far as possible, not to hedge its bets, and simply to throw

down the gauntlet on the steps of the Supreme Court, daring it to strike down the law yet again. That will help no one. In contrast, the bipartisan bill we introduce today is not an attempt to “get around” the Supreme Court’s decision, or to ignore that decision.

Instead, Senator HATCH and I have together to craft a bill that attempts to work within the limits set by the Supreme Court. At the same time, the bill contains tough enforcement tools which are not in the administration’s bill. For instance, it creates a new crime aimed at people who actually use child pornography, whether real or virtual, to entice children to do illegal acts. This crime carries a tough 15-year maximum prison sentence for a first offense. Second, the bill requires the U.S. Sentencing Commission to address a disturbing disparity in the current Sentencing Guidelines.

The current sentences for a person who actually travels across state lines to have sex with a child are not as high as for producing child pornography. The Commission needs to correct this disparity immediately, so that prosecutors are able to deal just as effectively with dangerous sexual predators off the street as with child pornographers.

Third, this bill has several provisions designed to protect the children so that they are not victimized again in the criminal process. This bill provides for the first time ever a “shield law” that prohibits the name or other identifying information of the child victim from being admitted at any child pornography trial.

Next, this bill also provides a new private right of action for the victims of child pornography. This provision has teeth, including punitive damages that will put those who produce child pornography out of business. I commend Senator HATCH for including this provision. None of these new prosecutorial tools presents first amendment issues. They are not going to result in Supreme Court arguments—all they will do is get bad guys in jail and protect children. Other parts of the bill are closer to the first amendment line, and I expect that the debate on the constitutional issues raised by this bill will be vigorous. That being said, this bill reflects a good faith attempt to protect children to the greatest extent possible while not crossing that line.

I look forward to the debate on these issues, and I do not pretend that I or any of us here have a monopoly on wisdom when it comes to such important constitutional questions. For all of these reasons, I am pleased to introduce this legislation with Senator HATCH.

To reiterate, this bill is intended to protect our nation’s children from exploitation by those who produce and distribute child pornography, within the parameters of the first amendment. Just last month, the Supreme Court in *Ashcroft v. Free Speech Coalition*, 122 S. Ct. 1389 (April 16, 2002) (“*Free Speech*”), struck down portions of the 1996 Child

Pornography Protection Act (“CPPA”) as being in violation of the first amendment. I voted for that act when it became law in 1996, and I join Senator HATCH today in introducing a bill carefully drawn to square with the Supreme Court’s decision and protect our children with a law that when used by prosecutors, will produce convictions that will stick. While that task is not an easy one, Senator HATCH and I are working together to do all we can to protect our children and protect our Constitution at the same time.

In *Free Speech*, the Supreme Court voided two provisions of the CPPA as being overbroad and imposing substantial restrictions on protected speech. The specific provisions struck down in that case targeted No. 1 virtual child pornography—that is, child porn made not using real children but with computer images or adults and No. 2 material which is “pandered” as child pornography (though the material may not in fact be as advertised). In a complex and divided opinion, seven Justices ruled that some part of the CPPA was unconstitutional as currently drafted. Only Chief Justice Rehnquist and Justice Scalia, in dissent, would have upheld the CPPA in its entirety and only by reading the statute more narrowly than it appears on its face.

The Court in *Free Speech* faced a difficult task—applying the time honored principles of the first amendment to the computer age. The Internet provides many opportunities for doing good, but also for doing harm. Over the past few years, the Congress has paid a lot of attention to how the Internet is being used to purvey child pornography manufactured through the sexual abuse of children, and has not always been successful in crafting legislation to address this problem that passes constitutional muster. Past efforts, such as the Communications Decency Act, the CPPA and the Child Online Protection Act have all had difficulty overcoming constitutional challenges.

The majority opinion in *Free Speech* is grounded on two basic premises. First, the Court ruled that the definition of child pornography in the CPPA was overbroad and covered a substantial amount of material that was not “obscene” under the Supreme Court’s traditional obscenity test. The Supreme Court’s *Miller* test provides that only “obscene” pornographic images can be prohibited without violating the first amendment. See *Miller v. California*, 413 U.S. 15 (1973). Under the *Miller* test, the material must be viewed as a whole, and not judged by any single scene so that material with serious literary, artistic, or scientific value cannot be banned in a blanket manner. Thus, the Court ruled in the *Free Speech* case that the CPPA went well beyond *Miller* and covered such non-obscene movies as *Traffic*, *Romeo and Juliet*, and *American Beauty*.

Second, the Court ruled that the CPPA could not be saved by the so-called “child pornography doctrine,”

which excludes yet another class of speech from first amendment protection. Because the CPPA covers a broad array of pornographic material that only “appears to be” of children, such as computer images or youthful adults, the Court ruled that such material could not be banned and criminalized under the child porn doctrine first articulated in *New York v. Ferber*, 458 U.S. 747 (1982) (“*Ferber*”). The Court ruled that the *Ferber* doctrine was justified based on the harm to real children, and that “virtual porn,” or material that “appeared to be” child pornography under the CPPA was not sufficiently lined to real child abuse to justify the CPPA’s complete ban on it. In reaching this decision the Court considered and rejected some of the government’s forceful arguments regarding the harmful secondary effects of even virtual child pornography, finding them insufficient under the first amendment to justify a comprehensive ban. Since certain provisions of the CPPA were overbroad and covered such “protected” speech, however offensive, the Court struck those provisions down. The Court also struck down the CPPA’s definition of “pandered” child pornography as overbroad, finding that it criminalized possession of non-obscene material not just by the so-called “panderer,” but by downstream possessors who might not have any knowledge as to how it was originally sold or marketed.

The *Free Speech* decision has placed prosecutors in a difficult position. With key portions of the CPPA gone, the decision invites all child porn defendants, even those who exploit real children, to assert a “virtual porn” defense in which they claim that the material at issue is not illegal because no real child was used in its creation. The increasing technological ability to create computer images closely resembling real children may make it difficult for prosecutors to obtain prompt guilty pleas in clear-cut child porn cases and even to defeat such a defense at trial, even in cases where real children were victimized in producing the sexually explicit material. In short, unless we attempt to rewrite portions of the CPPA, the future bodes poorly for the ability of the federal government to combat a wave of child pornography made ever more accessible over the Internet.

The bill we introduce today is not an attempt to “get around” the Supreme Court’s decision, or to ignore that decision, as do sizable portions of the administration’s bill, which has been introduced in the House of Representatives. Ignoring the law will simply land America’s children right back where they started—unprotected.

Instead, Senator HATCH and I have together crafted a bipartisan bill that works within the limits set by the Supreme Court. I expect that the debate on the complicated constitutional issues raised by this bill will be vigorous, and I appreciate that they may

be isolated provisions of the bill that some may think crosses the first amendment line drawn by the court in the *Free Speech* case. That being said, this bill reflects a good faith attempt to protect children to the greatest extent possible by going up to that line, but not crossing it. I look forward to the debate on these issues as the legislative process moves forward, and I do not pretend that I or any Member of this body has a monopoly on wisdom when it comes to such important and complex constitutional questions. Let me summarize some of the bill's provisions.

Section 2 of the bill creates two new crimes aimed at people who distribute child pornography and those who use such material to entice children to do illegal acts. Each of these new crimes carry a 15-year maximum prison sentence for a first offense and double that term for repeat offenders. First, the bill criminalizes the pandering of child pornography, creating a new crime to respond to the Supreme Court's recent ruling striking down the CPPA's definition of pandering. This provision is narrower than the old "pandering" definition for two reasons, both of which respond to specific Court criticisms: First, the new crime only applies to the people who actually pander the child pornography or solicit it, not to all those who possess the material "downstream." The bill also contains a directive to the Sentencing Commission which asks them to distinguish between those who pander or distribute such material who are more culpable than those who solicit the material. Second, the pandering in this provision must be linked to "obscene" material, which is totally unprotected speech under *Miller*. Thus, while I acknowledge that this provision may well be challenged on some of the same grounds as the prior CPPA provision, it responds to specific concerns raised by the Supreme Court and is significantly narrower than the CPPA's definition of pandering.

Second, the bill creates a new crime to take direct aim at one of the chief evils of child pornography: namely, its use by sexual predators to entice minors either to engage in sexual activity or the production of more child pornography. This was one of the compelling arguments made by the government before the Supreme Court in support of the CPPA, but the Court rejected that argument as an insufficient basis to ban the production, distribution or possession of "virtual" child pornography. This bill addresses that same harm in a more targeted manner. It creates a new felony, which applies to both actual and virtual child pornography, for people who use such material to entice minors to participate in illegal activity. This will provide prosecutors a potent new tool to put away those who prey upon children using such pornography—whether the child pornography is virtual or not.

Next, this bill attempts to revamp the existing affirmative defense in

child pornography cases both in response to criticisms of the Supreme Court and so that the defense does not erect unfair hurdles to the prosecution of cases involving real children. Responding directly to criticisms of the Court, the new affirmative defense applies equally to those who are charged with possessing child pornography and to those who actually produce it, a change from current law. It also allows, again responding to specific Supreme Court criticisms, for a defense that no actual children were used in the production of the child pornography—i.e. that it was made using computers. At the same time, this provision protects prosecutors from unfair surprise in the use of this affirmative defense by requiring that a defendant give advance notice of his intent to assert it, just as defendants are currently required to give if they plan to assert an alibi or insanity defense. As a former prosecutor I suggested this provision because it effects the real way that these important trials are conducted. With the provision, the government can marshal the expert testimony that may be needed to rebut this "virtual porn" defense in cases where real children were victimized.

This improved affirmative defense provides important support for the constitutionality of much of this bill after the *Free Speech* decision. Even Justice Thomas specifically wrote that it would be a key factor for him. This is one reason for making the defense applicable to all non-obscene, child pornography, as defined in 18 U.S.C. §2256. In the bill's current form, however, the affirmative defense is *not* available in one of the new proposed classes of virtual child pornography, which would be found at 18 U.S.C. §2256(8)(D). This omission may render that provision unconstitutional under the first Amendment, and I hope that, as the legislative process continues, we can work with constitutional experts to improve the bill in this and other ways. I do not want to be here again in five years, after yet another Supreme Court decision striking this law down.

The bill also provides needed assistance to prosecutors in rebutting the virtual porn defense by removing a restriction on the use of records of performers portrayed in certain sexually explicit conduct that are required to be maintained under 18 U.S.C. §2257, and expanding such records to cover computer images. These records, which will be helpful in proving that the material in question is not "virtual" child pornography, may be used in federal child pornography and obscenity prosecutions under this act. The purpose of this provision is to protect real children from exploitation. It is important that prosecutors have access to this information in both child pornography and obscenity prosecutions, since the Supreme Court's recent decision has had the effect of narrowing the child pornography laws, making more likely that the general obscenity statutes

will be important tools in protecting children from exploitation. In addition, the act raises the penalties for not keeping accurate records, further deterring the exploitation of minors and enhancing the reliability of the records.

Next, this bill contains several provisions altering the definition of "child pornography" in response to the *Free Speech* case. One approach would have been simply to add an "obscenity" requirement to the child pornography definitions. Outlawing all obscene child pornography—real and virtual; minor and "youthful-adult;" simulated and real—would clearly pass a constitutional challenge because obscene speech enjoys no protection at all. Under the *Miller* test, such material (1) "appeals to the prurient interest," (2) is utterly "offensive" in any "community," and (3) has absolutely no "literary, artistic or scientific value."

Some new provisions of this bill do take this "obscenity" approach, like the new §2256(8)(B). Other provisions, however, take a different approach. They attempt to address the fatal flaws identified by the Supreme Court in the CPPA with more narrow definitions of what the Court found were overbroad definitions of "child pornography," which still might not be obscene speech under the test set forth by the Supreme Court. While these new provisions are more narrowly tailored than both the original CPPA and the administration's proposal introduced in the House, these provisions may continue to benefit from further examination by constitutional scholars.

Specifically, the CPPA's definition of "identifiable minor" has been modified in the bill to include a prong for persons who are "virtually indistinguishable from an actual minor." This adopts language from Justice O'Connor's concurrence in the *Free Speech* case. Thus, while this language is defensible, I predict that this provision will be the center of much constitutional debate. Unlike Senator HATCH, I believe that this new prong may not be needed, and may both confuse the statute unnecessarily and endanger the already upheld "morphing" section of the CPPA because it applies to that provision as well. This new definition may create both overbreadth and vagueness problems in a later constitutional challenge both the new and existing parts of the "child pornography" definition. In short, while these new definitional provisions are a good faith effort to go as far as the Constitution allows, they risk crossing the line.

It does not do America's children any good to write a law that might get struck down by our courts in order to prove an ideological point. Since most all the real cases being prosecuted even under the CPPA involve clearly obscene material, by anyone's standard, one could legitimately ask, 'Why push the envelope and risk cases getting thrown out of court?' These provisions should be fully debated and examined during the legislative process.

The bill also contains a variety of other measures designed to increase jail sentences in cases where children are victimized by sexual predators. First, it enhances penalties for repeat offenders of child sex offenses by expanding the predicate crimes which trigger tough, mandatory minimum sentences. Second, the bill requires the U.S. Sentencing Commission to address a disturbing disparity in the current Sentencing Guidelines. The current sentences for a person who actually travels across state lines to have sex with a child are not as high as for child pornography. The Commission needs to correct this oversight immediately, so that prosecutors can take these dangerous sexual predators off the street. These are all strong measures designed to protect children and increase prison sentences for child molesters and those who otherwise exploit children.

The act also has several provisions designed to protect the children who are victims in these horrible cases. Privacy of the children must be paramount. It is important that they not be victimized yet again in the criminal process. This bill provides for the first time ever an explicit shield law that prohibits the name or other identifying information of the child victim (other than the age or approximate age) from being admitted at any child pornography trial. It is also intended that judges will take appropriate steps to ensure that such information as the child's name, address or other identifying information not be publicly disclosed during the pretrial phase of the case or at sentencing. The bill also contains a provision requiring the judge to instruct the jury, upon request of the government, that no inference should be drawn against the United States because of information inadmissible under the new shield law.

The act also amends certain reporting provisions governing child pornography. Specifically, it allows federal authorities to report information they receive from the Center for Missing and Exploited Children ("CMEC") to state and local police without a court order. In addition, the bill removes the restrictions under the Electronic Communications Privacy Act (ECPA) for reporting the contents of, and information pertaining to, a subscriber of stored electronic communications to the CMEC when a mandatory child porn report is filed with the CMEC pursuant to 42 U.S.C. §13032. This change may invite federal, state or local authorities to circumvent all subpoena and court order requirements under ECPA and allow them to obtain subscriber e-mails and information by triggering the initial report to the CMEC themselves. To the extent that these changes in ECPA may have that unintended effect, as this bill is considered in the Judiciary Committee and on the floor, we should consider mechanisms to guard against subverting the safeguards in ECPA from government officials going on fishing expeditions

for stored electronic communications under the rubric of child porn investigations. This may include clarifying 42 U.S.C. §13032 that the initial tip triggering the report may not be generated by the government itself. A tip line to the CMEC is just that—a way for outsiders to report wrongdoing to the CMEC and the government, not for the government to generate a report to itself without following otherwise required lawful process.

The bill provides for extraterritorial jurisdiction where a defendant induces a child to engage in sexually explicit conduct outside the United States for the purposes of producing child pornography which they intend to transport to the United States. The provision is crafted to require the intent of actual transport of the material into the United States, unlike the House bill which criminalizes even an intent to make such material "accessible." Under that overly broad wording, any material posted on a web site internationally could be covered, whether or not it was ever intended that the material be downloaded in the United States.

Finally, the bill provides also a new private right of action for the victims of child pornography. This provision has teeth, including injunctive relief and punitive damages that will help to put those who produce child pornography out of business for good. I commend Senator HATCH for his leadership on this provision.

There are many people who do not agree with the Supreme Court's decision in *Free Speech*, but that will not erase it from the books. It is the law of the land, and resulted from seven Justices who had problems with the overbreadth of the last child pornography law passed by Congress. That alone should counsel a thoughtful approach this time around. Everyone wants to protect our children, but we need to do it with cases and laws that stick.

It is tempting to rush to come up with a "quick fix," but we owe our children more than a press conference on this matter. My initial review of the administration's proposal, now working its way through the House of Representatives, gives me serious concern. Already, the constitutional law experts and law professors with whom I have consulted on this matter have expressed a near consensus that large parts of that proposal will not withstand scrutiny under the first amendment after the *Free Speech* case.

Indeed, the entire approach that the administration has taken in this matter is to reach as far as possible, not to hedge its bets, and simply to throw down the gauntlet on the steps of the Supreme Court, daring it to strike down the law yet again. That does not serve anyone's interest, least of all the real victims of child pornography. Criminal prosecution is not about making an ideological point—whether one agrees with it or not—that is for speeches and law review articles.

Criminal prosecution should be about helping victims and punishing criminals with cases that do not get thrown out of court.

Let me discuss a couple of the most problematic aspects of the Department's proposal. First, it sweepingly rejects any attempt to incorporate the Supreme Court's doctrine of "obscenity" into the definition of child pornography. Not even one provision takes that approach, which would at least ensure that some of the law was upheld. Instead, in its new 2256(8)(B) definition of "child pornography," the Department simply changes the words "appears to be" in the current statute to "appears virtually indistinguishable from" in the new provision. The problem with that approach is this is the same argument that was tried by the Department in the *Free Speech* case and overwhelmingly lost. Although Justice O'Connor wrote that such an approach might satisfy her, she was not the deciding vote in the case—indeed she was the seventh vote to strike down the statute.

Second, the administration's proposal regarding the new crime for child pornography involving "prepubescent" children is also problematic under the Court's *Free Speech* case. Although the section is entitled "Obscene visual depictions of young children" the Department has assiduously avoided any "obscenity" requirement in the provision itself. I recognize that headlines and titles like "prepubescent" and "obscene" are popular, but one has to ask if the Department of Justice really believes that it can fool our federal judges with such linguistic sleight of hand when there is no obscenity requirement in the statute itself, only the title? Or perhaps it is only the public that is supposed to be fooled.

In any event, as a legal matter, the provision contains absolutely no requirement that the material be judged as a whole for artistic, literary, or scientific value. That was a point that the Supreme Court repeatedly pounded home in the *Free Speech* case, yet it is simply ignored in this provision. This approach is especially frustrating because in the cases that the Department is likely to actually prosecute, it would be easy to meet the obscenity test. Under the Department's current approach, however, one can already predict the parade of legitimate movies and scientific or educational materials that those challenging the act will produce which meet the new definition. In addition, no affirmative defense is available under this new crime, so it cannot be saved from the *Free Speech* case on that basis either.

There are other problematic provisions in the administration proposal, but I simply raise these two in order to make the point that the Department's proposal seems to be more concerned with making a public point than with making successful cases. If the Department's proposal becomes law, it will result in yet another round of court

cases, followed by another round of cases being thrown out, followed by another round of legislation. America's children deserve better, and I think that, while we may disagree on some of the specifics, that Senator HATCH and I have made a good faith and bipartisan effort to come up with a law that will survive judicial scrutiny and protect them for years to come.

For all of these reasons, I am pleased to introduce this legislation with Senator HATCH to help protect our nation's children. I hope that we can continue to work together to address the complex constitutional issues raised in this area. Mr. President, I ask unanimous consent that the letter from constitutional scholars to which I referred be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 13, 2002.

Chairman PATRICK J. LEAHY,
U.S. Senate Judiciary Committee, Dirksen Senate Office Building, Washington, DC.

DEAR CHAIRMAN LEAHY: We write to express our grave concern with the legislation recently proposed by the Department of Justice in response to the Supreme Court's decision in *Ashcroft, et al. v. The Free Speech Coalition, et al.*, No. 00-795 (Apr. 16, 2002). In particular, the pornography (indeed, the bill expressly targets images that do not involve real human beings at all). Accordingly, in our view, it suffers from the same infirmities that led the Court to invalidate the statute at issue in *Ashcroft*.

We emphasize that we share the revulsion all Americans feel toward those who harm children, and fully support legitimate efforts to eradicate child pornography. As the Court in *Ashcroft* emphasized, however, in doing so Congress must act within the limits of the First Amendment, in our view, the bill proposed by the Department of Justice fails to do so.

Respectfully submitted,

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ington, DC.

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sity, Washington
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DONALD B. VERRILLI, Jr.,
Partner, Jenner & Block,
LLC, Washington, DC.

Mr. HUTCHINSON. Mr. President, I am pleased to join with my colleagues, Senators HATCH and LEAHY, in introducing the Prosecutorial Remedies and Tools Against the Exploitation of Children Today Act of 2002, PROTECT, S. 2520. The spread of child pornography is one of the gravest dangers in our society because it harms the weakest among us, our children.

Since the Supreme Court's April 16, 2002, decision in *Ashcroft v. Free Speech Coalition*, I have been extremely concerned that those who would prey on our children through the Internet have a shield from prosecution. They can simply claim the images they are posting, often computer files which are difficult to closely examine, are not of actual children but rather are computer generated. As the law currently stands, it is offering protection to the predators, not to the child victims.

Those who collect and engage in child pornography are oftentimes full-fledged sexual predators themselves who have abused real children. This has been proven by the highly successful Federal Bureau of Investigation operation, Operation Candyman. Investigators found 7,200 Internet child pornography traffickers. At this point, of the 90 people arrested through Operation Candyman in March of 2002, 13 have admitted to molesting a total of 48 different children.

There is an achievable balance between preserving our first amendment right to freedom of speech and protecting children from Internet predators. I believe this bill strikes that balance, and I have confidence that the Supreme Court will agree.

I would also like to thank Attorney General John Ashcroft for working with Congress to draft this legislation.

By Mr. BINGAMAN (for himself and Mrs. HUTCHISON):

S. 2522. A bill to establish the Southwest Regional Border Authority; to the Committee on Environment and Public Works.

Mr. BINGAMAN. Mr. President, I rise today to introduce legislation along with Senator KAY BAILEY HUTCHISON that will help raise the standard of living for hundreds of thousands of Americans who live near the United States-Mexico border. The Southwest Regional Border Authority Act would create an economic development authority for the Southwest border region, charged with awarding grants to border communities in support of their local economic development projects.

The need for a regional border authority is acute: The poverty rate in the Southwest border region is 20 percent—nearly double the national average; unemployment rates in Southwest border counties often reach as high as five times the national unemployment rate; per capita personal income in the region is greatly below the national average; and lack of adequate access to capital has made it difficult for businesses to start up in the region.

In addition, the development of key infrastructures—such as water and wastewater, transportation, public health, and telecommunications—has not kept pace with the population explosion and the increase in cross-border commerce.

The counties in the Southwest border region are among the most economically distressed in the Nation. In fact, there are only a few such regions of economic distress throughout the country—almost all of which are currently served by regional economic development commissions. These commissions, which are authorized by Congress, include the Appalachian Regional Commission, the Delta Regional Authority, and the Denali Commission. In order to address the needs of the border region in a similar fashion, I propose the creation of a regional economic development authority for the Southwest border.

My bill, which is modeled after the Appalachian Regional Commission, is based on four guiding principles. First, it starts from the premise that the people who live in the Southwest border region know best when it comes to making decisions that affect their communities. Second, it employs a regional approach to economic development and encourages communities to work across county and State lines when appropriate. All too often, past efforts to improve the Southwest border region have hit roadblocks as a result of poor coordination and communication between communities.

Third, it creates an economic development entity that is independent, meaning it will be able to make decisions that are in the best interest of border communities, without being subject to the politics of Federal agencies. Finally, it brings together representatives of the four Southwest border States and the Federal Government as equal partners, all of whom will work to improve the quality of life and standard of living for border residents.

This is not just another commission, and it is certainly not just another grant program. I believe the Southwest Regional Border Authority not only will help leverage new private sector funding, but also will help better target Federal funding to those projects that are most likely to achieve the desired outcome of increased economic development.

The legislation accomplishes this through a sensible mechanism of development planning. Under the bill, communities in each of the four border States will work through local development districts to create development plans that reflect the needs and priorities specific to each locality. These local development plans then go to the State in which the communities are located, where they become the basis for a State development plan. The four State development plans, in turn, form the basis for a regional development

plan, which is put together by the Authority. The purpose of this planning process is to ensure that local priorities are reflected in the projects funded by the Authority, while also providing flexibility to the Authority to fund projects that are regional in nature.

This process has several advantages. First, by ensuring that Federal dollars are targeted to projects that have gone through thorough planning at the local level, we will greatly improve the probability of success for those projects—thereby increasing the Federal Government's return on its investment. Second, local development plans are essential to attracting private sector funding. Increased private investment means less need for Federal, State, and local public sector funding. Third, combining resources in such a way will help communities get more funding than they can currently get from any one program. This is particularly important now as we in Congress grapple with how to fund the needs of the border in the current budget climate.

I believe there are additional benefits to be derived from the Border Authority. As the only independent, quasi-Federal entity charged with economic development for the entire Southwest border region, the Authority will become a clearinghouse of sorts on all the funding available to the border region. This will enable the Authority to help border communities learn which programs are best suited to their needs and most likely to achieve the goals of their local development plans. Another benefit is its focus on economically distressed counties. Under the bill, the Authority can provide funding to increase the Federal share of a Federal grant program to up to 90 percent of the total cost. This is particularly helpful to the many communities that are often unable to utilize Federal funding because they can't afford the required local match.

For far too long the needs of the Southwest border have been ignored, overlooked, or underfunded. I am confident that the creation of a Southwest Regional Border Authority not only will call attention to the great needs that exist along the border, but also provide resources to local communities where the dollars will do the most good. I urge the Senate to move swiftly on this legislation, and I ask my colleagues for their support.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2522

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) **SHORT TITLE.**—This Act may be cited as the "Southwest Regional Border Authority Act".

(b) **TABLE OF CONTENTS.**—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Findings and purposes.

Sec. 3. Definitions.

TITLE I—SOUTHWEST REGIONAL BORDER AUTHORITY

Sec. 101. Membership and voting.

Sec. 102. Duties and powers.

Sec. 103. Authority personnel matters.

TITLE II—GRANTS AND DEVELOPMENT PLANNING

Sec. 201. Infrastructure development and improvement.

Sec. 202. Technology development.

Sec. 203. Community development and entrepreneurship.

Sec. 204. Education and workforce development.

Sec. 205. Funding.

Sec. 206. Supplements to Federal grant programs.

Sec. 207. Demonstration projects.

Sec. 208. Local development districts; certification and administrative expenses.

Sec. 209. Distressed counties and areas and economically strong counties.

Sec. 210. Development planning process.

TITLE III—ADMINISTRATION

Sec. 301. Program development criteria.

Sec. 302. Approval of development plans and projects.

Sec. 303. Consent of States.

Sec. 304. Records.

Sec. 305. Annual report.

Sec. 306. Authorization of appropriations.

Sec. 307. Termination of authority.

SEC. 2. FINDINGS AND PURPOSES.

(a) **FINDINGS.**—Congress finds that—

(1) a rapid increase in population in the Southwest border region is placing a significant strain on the infrastructure of the region, including transportation, water and wastewater, public health, and telecommunications;

(2) 20 percent of the residents of the region have incomes below the poverty level;

(3) unemployment rates in counties in the region are up to 5 times the national unemployment rate;

(4) per capita personal income in the region is significantly below the national average and much of the income in the region is distributed through welfare programs, retirement programs, and unemployment payments;

(5) a lack of adequate access to capital in the region—

(A) has created economic disparities in the region; and

(B) has made it difficult for businesses to start up in the region;

(6) many residents of the region live in communities referred to as "colonias" that lack basic necessities, including running water, sewers, storm drainage, and electricity;

(7) many of the problems that exist in the region could be solved or ameliorated by technology that would contribute to economic development in the region;

(8) while numerous Federal, State, and local programs target financial resources to the region, those programs are often uncoordinated, duplicative, and, in some cases, unavailable to eligible border communities because those communities cannot afford the required funding match;

(9) Congress has established several regional economic development commissions, including the Appalachian Regional Commission, the Delta Regional Authority, and the Denali Commission, to improve the economies of those areas of the United States that experience the greatest economic distress; and

(10) many of the counties in the region are among the most economically distressed in

the United States and would benefit from a regional economic development commission.

(b) **PURPOSES.**—The purposes of this Act are—

(1) to establish a regional economic development authority for the Southwest Border region to address critical issues relating to the economic health and well-being of the residents of the region;

(2) to provide funding to communities in the region to stimulate and foster infrastructure development, technology development, community development and entrepreneurship, and education and workforce development in the region;

(3) to increase the total amount of Federal funding available for border economic development projects by coordinating with and reducing duplication of other Federal, State, and local programs; and

(4) to empower the people of the region through the use of local development districts and State and regional development plans that reflect State and local priorities.

SEC. 3. DEFINITIONS.

In this Act:

(1) **ATTAINMENT COUNTY.**—The term "attainment county" means an economically strong county that is not a distressed county or a competitive county.

(2) **AUTHORITY.**—The term "Authority" means the Southwest Regional Border Authority established by section 101(a)(1).

(3) **BINATIONAL REGION.**—The term "binational region" means the 150 miles on either side of the United States-Mexico border.

(4) **BUSINESS INCUBATOR SERVICE.**—The term "business incubator service" means—

(A) a legal service, including aid in preparing a corporate charter, partnership agreement, or contract;

(B) a service in support of the protection of intellectual property through a patent, a trademark, or any other means;

(C) a service in support of the acquisition or use of advanced technology, including the use of Internet services and Web-based services; and

(D) consultation on strategic planning, marketing, or advertising.

(5) **COMPETITIVE COUNTY.**—The term "competitive county" means an economically strong county that meets at least 1, but not all, of the criteria for a distressed county specified in paragraph (5).

(6) **DISTRESSED COUNTY.**—The term "distressed county" means a county in the region that—

(A)(i) has a poverty rate that is at least 150 percent of the poverty rate of the United States;

(ii) has a per capita market income that is not more than 67 percent of the per capita market income of the United States; and

(iii) has a 3-year unemployment rate that is at least 150 percent of the unemployment rate of the United States; or

(B)(i) has a poverty rate that is at least 200 percent of the poverty rate of the United States; and

(ii)(I) has a per capita market income that is not more than 67 percent of the per capita market income of the United States; or

(II) has a 3-year unemployment rate that is at least 150 percent of the unemployment rate of the United States.

(7) **ECONOMICALLY STRONG COUNTY.**—The term "economically strong county" means a county in the region that is not a distressed county.

(8) **FEDERAL GRANT PROGRAM.**—The term "Federal grant program" means a Federal grant program to provide assistance in—

(A) acquiring or developing land;

(B) constructing or equipping a highway, road, bridge, or facility; or

(C) carrying out other economic development activities.

(9) ISOLATED AREA OF DISTRESS.—The term “isolated area of distress” means an area located in an economically strong county that has a high rate of poverty, unemployment, or outmigration, as determined by the Authority.

(10) LOCAL DEVELOPMENT DISTRICT.—The term “local development district” means an entity that—

(A)(i) is a planning district in existence on the date of enactment of this Act that is recognized by the Economic Development Administration of the Department of Commerce; or

(ii) in the case of an area for which an entity described in clause (i) does not exist, is—

(I) organized and operated in a manner that ensures broad-based community participation and an effective opportunity for other nonprofit groups to contribute to the development and implementation of programs in the region;

(II) governed by a policy board with at least a simple majority of members consisting of elected officials or employees of a general purpose unit of local government who have been appointed to represent the government;

(III) certified to the Authority as having a charter or authority that includes the economic development of counties or parts of counties or other political subdivisions within the region—

(aa) by the Governor of each State in which the entity is located; or

(bb) by the State officer designated by the appropriate State law to make the certification; and

(IV)(aa) a nonprofit incorporated body organized or chartered under the law of the State in which the entity is located;

(bb) a nonprofit agency or instrumentality of a State or local government;

(cc) a public organization established before the date of enactment of this Act under State law for creation of multijurisdictional, area-wide planning organizations;

(dd) a nonprofit association or combination of bodies, agencies, and instrumentalities described in subclauses (I) through (III); or

(ee) a nonprofit, binational organization; and

(B) has not, as certified by the Federal cochairperson—

(i) inappropriately used Federal grant funds from any Federal source; or

(ii) appointed an officer who, during the period in which another entity inappropriately used Federal grant funds from any Federal source, was an officer of the other entity.

(11) REGION.—The term “region” means—

(A) the counties of Cochise, Gila, Graham, Greenlee, La Paz, Maricopa, Pima, Pinal, Santa Cruz, and Yuma in the State of Arizona;

(B) the counties of Imperial, Los Angeles, Orange, Riverside, San Bernardino, San Diego, and Ventura in the State of California;

(C) the counties of Catron, Chaves, Doña Ana, Eddy, Grant, Hidalgo, Lincoln, Luna, Otero, Sierra, and Socorro in the State of New Mexico; and

(D) the counties of Atascosa, Bandera, Bee, Bexar, Brewster, Brooks, Cameron, Coke, Concho, Crane, Crockett, Culberson, Dimmit, Duval, Ector, Edwards, El Paso, Frio, Gillespie, Glasscock, Hidalgo, Hudspeth, Irion, Jeff Davis, Jim Hogg, Jim Wells, Karnes, Kendall, Kenedy, Kerr, Kimble, Kinney, Kleberg, La Salle, Live Oak, Loving, Mason, Maverick, McMullen, Medina, Menard, Midland, Nueces, Pecos, Presidio, Reagan, Real, Reeves, San Patricio, Shleicher, Sutton, Starr, Sterling, Terrell, Tom Green, Upton, Uvalde, Val Verde, Ward, Webb, Willacy, Wilson, Winkler, Zapata, and Zavala in the State of Texas.

(12) SMALL BUSINESS.—The term “small business” has the meaning given the term “small business concern” in section 3(a) of the Small Business Act (15 U.S.C. 632(a)).

TITLE I—SOUTHWEST REGIONAL BORDER AUTHORITY

SEC. 101. MEMBERSHIP AND VOTING.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—There is established the Southwest Regional Border Authority.

(2) COMPOSITION.—The Authority shall be composed of—

(A) a Federal member, to be appointed by the President, by and with the advice and consent of the Senate; and

(B) State members who shall consist of the Governor (or a designee of the Governor) of each State in the region that elects to participate in the Authority.

(3) COCHAIRPERSONS.—The Authority shall be headed by—

(A) the Federal member, who shall serve—

(i) as the Federal cochairperson; and

(ii) as a liaison between the Federal Government and the Authority; and

(B) a State cochairperson, who shall—

(i) be a Governor of a State described in paragraph (2)(B);

(ii) be elected by the State members for a term of not more than 2 years; and

(iii) serve only 1 term during any 4 year period.

(b) ALTERNATE MEMBERS.—

(1) STATE ALTERNATES.—The State member of a State described in paragraph (2)(B) may have a single alternate, who shall be—

(A) a resident of that State; and

(B) appointed by the Governor of the State, from among the members of the cabinet or personal staff of the Governor.

(2) ALTERNATE FEDERAL COCHAIRPERSON.—The President shall appoint an alternate Federal cochairperson.

(3) QUORUM.—Subject to subsection (d)(4), a State alternate member shall not be counted toward the establishment of a quorum of the members of the Authority in any case in which a quorum of the State members is required to be present.

(4) DELEGATION OF POWER.—No power or responsibility of the Authority specified in paragraph (2) or (3) of subsection (d), and no voting right of any member of the Authority, shall be delegated to any person who is not—

(A) a member of the Authority; or

(B) entitled to vote at meetings of the Authority.

(c) MEETINGS.—

(1) INITIAL MEETING.—The initial meeting of the Authority shall be conducted not later than the date that is the earlier of—

(A) 180 days after the date of enactment of this Act; or

(B) 60 days after the date on which the Federal cochairperson is appointed.

(2) OTHER MEETINGS.—The Authority shall hold meetings at such times as the Authority determines, but not less often than semi-annually.

(3) LOCATION.—Meetings of the Authority shall be conducted, on a rotating basis, at a site in the region in each of the States of Arizona, California, New Mexico, and Texas.

(d) VOTING.—

(1) IN GENERAL.—To be effective, a decision by the Authority shall require the approval of the Federal cochairperson and not less than 60 percent of the State members of the Authority (not including any member representing a State that is delinquent under section 102(d)(2)(D)).

(2) QUORUM.—

(A) IN GENERAL.—A majority of the State members shall constitute a quorum.

(B) REQUIRED FOR POLICY DECISION.—A quorum of State members shall be required

to be present for the Authority to make any policy decision, including—

(i) a modification or revision of a policy decision of the Authority;

(ii) approval of a State or regional development plan; and

(iii) any allocation of funds among the States.

(3) PROJECT AND GRANT PROPOSALS.—The approval of project and grant proposals shall be—

(A) a responsibility of the Authority; and

(B) conducted in accordance with section 302.

(4) VOTING BY ALTERNATE MEMBERS.—An alternate member shall vote in the case of the absence, death, disability, removal, or resignation of the Federal or State member for which the alternate member is an alternate.

SEC. 102. DUTIES AND POWERS.

(a) DUTIES.—The Authority shall—

(1) develop comprehensive and coordinated plans and programs to establish priorities and approve grants for the economic development of the region, giving due consideration to other Federal, State, and local planning and development activities in the region;

(2) conduct and sponsor investigations, research, and studies, including an inventory and analysis of the resources of the region, using, in part, the materials compiled by the Interagency Task Force on the Economic Development of the Southwest Border established by Executive Order No. 13122 (64 Fed. Reg. 29201);

(3) sponsor demonstration projects under section 207;

(4) review and study Federal, State, and local public and private programs and, as appropriate, recommend modifications or additions to increase the effectiveness of the programs;

(5) formulate and recommend, as appropriate, interstate and international compacts and other forms of interstate and international cooperation;

(6) encourage private investment in industrial, commercial, and recreational projects in the region;

(7) provide a forum for consideration of the problems of the region and any proposed solutions to those problems;

(8) establish and use, as appropriate, citizens, special advisory counsels, and public conferences; and

(9) provide a coordinating mechanism to avoid duplication of efforts among the border programs of the Federal agencies and the programs established under the North American Free Trade Agreement entered into by the United States, Mexico, and Canada on December 17, 1992.

(b) POWERS.—In carrying out subsection (a), the Authority may—

(1) hold such hearings, sit and act at such times and places, take such testimony, receive such evidence, and print or otherwise reproduce and distribute a description of the proceedings of, and reports on actions by, the Authority as the Authority considers appropriate;

(2) request from any Federal, State, or local agency such information as may be available to or procurable by the agency that may be of use to the Authority in carrying out the duties of the Authority;

(3) maintain an accurate and complete record of all transactions and activities of the Authority, to be available for audit and examination by the Comptroller General of the United States;

(4) adopt, amend, and repeal bylaws and rules governing the conduct of business and the performance of duties of the Authority;

(5) request the head of any Federal agency to detail to the Authority, for a specified period of time, such personnel as the Authority

requires to carry out duties of the Authority, each such detail to be without loss of seniority, pay, or other employee status;

(6) request the head of any State department or agency or local government to detail to the Authority, for a specified period of time, such personnel as the Authority requires to carry out the duties of the Authority, each such detail to be without loss of seniority, pay, or other employee status;

(7) make recommendations to the President regarding—

(A) the expenditure of funds at the Federal, State, and local levels under this Act; and

(B) additional Federal, State, and local legislation that may be necessary to further the purposes of this Act;

(8) provide for coverage of Authority employees in a suitable retirement and employee benefit system by—

(A) making arrangements or entering into contracts with any participating State government; or

(B) otherwise providing retirement and other employee benefit coverage;

(9) accept, use, and dispose of gifts or donations of services or real, personal, tangible, or intangible property;

(10) enter into and perform such contracts, leases, cooperative agreements, or other transactions as are necessary to carry out the duties of the Authority; and

(11) establish and maintain—

(A) a central office, to be located at a site that is not more than 100 miles from the United States-Mexico border; and

(B) at least 1 field office in each of the States of Arizona, California, New Mexico, and Texas, to be located at sites in the region that the Authority determines to be appropriate.

(C) FEDERAL AGENCY COOPERATION.—A Federal agency shall—

(1) cooperate with the Authority; and

(2) provide, on request of the Federal cochairperson, appropriate assistance in carrying out this Act, in accordance with applicable Federal laws (including regulations).

(D) ADMINISTRATIVE EXPENSES.—

(1) IN GENERAL.—

(A) ADMINISTRATIVE EXPENSES.—Subject to paragraph (2), administrative expenses of the Authority shall be paid—

(i) by the Federal Government, in an amount equal to 60 percent of the administrative expenses; and

(ii) by the States in the region that elect to participate in the Authority, in an amount equal to 40 percent of the administrative expenses.

(B) EXPENSES OF FEDERAL CHAIRPERSON.—All expenses of the Federal cochairperson, including expenses of the alternate and staff of the Federal cochairperson, shall be paid by the Federal Government.

(2) STATE SHARE.—

(A) IN GENERAL.—Subject to subparagraph (C), the share of administrative expenses of the Authority to be paid by each State shall be determined by a unanimous vote of the State members of the Authority.

(B) NO FEDERAL PARTICIPATION.—The Federal cochairperson shall not participate or vote in any decision under subparagraph (A).

(C) LIMITATION.—A State shall not pay less than 10 nor more than 40 percent of the share of administrative expenses of the Authority determined under paragraph (1)(A)(ii).

(D) DELINQUENT STATES.—During any period in which a State is more than 1 year delinquent in payment of the State's share of administrative expenses of the Authority under this subsection (as determined by the Secretary)—

(i) no assistance under this Act shall be provided to the State (including assistance to a political subdivision or a resident of the State) for any project not approved as of the

date of the commencement of the delinquency; and

(ii) no member of the Authority from the State shall participate or vote in any action by the Authority.

(E) EFFECT ON ASSISTANCE.—A State's share of administrative expenses of the Authority under this subsection shall not be taken into consideration in determining the amount of assistance provided to the State under title II.

SEC. 103. AUTHORITY PERSONNEL MATTERS.

(A) COMPENSATION OF MEMBERS.—

(1) FEDERAL COCHAIRPERSON.—The Federal cochairperson shall be compensated by the Federal Government at the annual rate of basic pay prescribed for level III of the Executive Schedule in subchapter II of chapter 53 of title 5, United States Code.

(2) ALTERNATE FEDERAL COCHAIRPERSON.—The alternate Federal cochairperson—

(A) shall be compensated by the Federal Government at the annual rate of basic pay prescribed for level V of the Executive Schedule described in paragraph (1); and

(B) when not actively serving as an alternate for the Federal cochairperson, shall perform such functions and duties as are delegated by the Federal cochairperson.

(3) STATE MEMBERS AND ALTERNATES.—

(A) IN GENERAL.—A State shall compensate each member and alternate member representing the State on the Authority at the rate established by State law.

(B) NO ADDITIONAL COMPENSATION.—No State member or alternate member shall receive any salary, or any contribution to or supplementation of salary, from any source other than the State for services provided by the member or alternate member to the Authority.

(b) DETAILED EMPLOYEES.—

(1) IN GENERAL.—No person detailed to serve the Authority under section 102(b)(6) shall receive any salary, or any contribution to or supplementation of salary, for services provided to the Authority from—

(A) any source other than the State, local, or intergovernmental department or agency from which the person was detailed; or

(B) the Authority.

(2) VIOLATION.—Any person that violates this subsection shall be fined not more than \$5,000, imprisoned not more than 1 year, or both.

(c) ADDITIONAL PERSONNEL.—

(1) COMPENSATION.—

(A) IN GENERAL.—The Authority may appoint and fix the compensation of an executive director and such other personnel as are necessary to enable the Authority to carry out the duties of the Authority.

(B) EXCEPTION.—Compensation under subparagraph (A) shall not exceed the maximum rate of basic pay established for the Senior Executive Service under section 5382 of title 5, United States Code, including any applicable locality-based comparability payment that may be authorized under section 5304(h)(2)(C) of that title.

(2) EXECUTIVE DIRECTOR.—The executive director—

(A) shall be a Federal employee; and

(B) shall be responsible for—

(i) carrying out the administrative duties of the Authority;

(ii) directing the Authority staff; and

(iii) such other duties as the Authority may assign.

(d) CONFLICTS OF INTEREST.—

(1) IN GENERAL.—Except as provided under paragraph (2), no State member, State alternate, officer, employee, or detailee of the Authority shall participate personally and substantially as a member, alternate, officer, employee, or detailee of the Authority, through decision, approval, disapproval, rec-

ommendation, the rendering of advice, investigation, or otherwise, in any proceeding, application, request for a ruling or other determination, contract, claim, controversy, or other matter in which the member, alternate, officer, employee, or detailee has a financial interest.

(2) DISCLOSURE.—Paragraph (1) shall not apply if the State member, State alternate, officer, employee, or detailee—

(A) immediately advises the Authority of the nature and circumstances of the proceeding, application, request for a ruling or other determination, contract, claim, controversy, or other particular matter presenting a potential conflict of interest;

(B) makes full disclosure of the financial interest; and

(C) before the proceeding concerning the matter presenting the conflict of interest, receives a written determination by the Authority that the interest is not so substantial as to be likely to affect the integrity of the services that the Authority may expect from the State member, State alternate, officer, employee, or detailee.

(3) VIOLATION.—Any person that violates this subsection shall be fined not more than \$10,000, imprisoned not more than 2 years, or both.

(e) VALIDITY OF CONTRACTS, LOANS, AND GRANTS.—The Authority may declare void any contract, loan, or grant of or by the Authority in relation to which the Authority determines that there has been a violation of subsection (b), subsection (d), or any of sections 202 through 209 of title 18, United States Code.

(f) APPLICABLE LABOR STANDARDS.—

(1) IN GENERAL.—All laborers and mechanics employed by contractors or subcontractors in the construction, alteration, or repair, including painting and decorating, of projects, buildings, and works funded by the United States under this Act, shall be paid wages at not less than the prevailing wages on similar construction in the locality as determined by the Secretary of Labor in accordance with the Act of March 3, 1931 (40 U.S.C. 276a et seq.).

(2) AUTHORITY.—With respect to the determination of wages under paragraph (1), the Secretary of Labor shall have the authority and functions set forth in Reorganization Plan No. 14 of 1950 (64 Stat. 1267) and section 2 of the Act of June 13, 1934 (40 U.S.C. 276c).

TITLE II—GRANTS AND DEVELOPMENT PLANNING

SEC. 201. INFRASTRUCTURE DEVELOPMENT AND IMPROVEMENT.

The Authority may approve grants to States, local governments, and public and nonprofit organizations in the region for projects, approved in accordance with section 302, to develop and improve the transportation, water and wastewater, public health, and telecommunications infrastructure of the region.

SEC. 202. TECHNOLOGY DEVELOPMENT.

The Authority may approve grants to small businesses, universities, national laboratories, and nonprofit organizations in the region to research, develop, and demonstrate technology that addresses—

- (1) water quality;
- (2) water quantity;
- (3) pollution;
- (4) transportation;
- (5) energy consumption;
- (6) public health;
- (7) border and port security; and

(8) any other related matter that stimulates job creation or enhances economic development, as determined by the Authority.

SEC. 203. COMMUNITY DEVELOPMENT AND ENTREPRENEURSHIP.

The Authority may approve grants to States, local governments, and public or

nonprofit entities for projects, approved in accordance with section 302—

(1) to create dynamic local economies by—
(A) recruiting businesses to the region; and
(B) increasing and expanding international trade to other countries;

(2) to foster entrepreneurship by—
(A) supporting the advancement of, and providing entrepreneurial training and education for, youths, students, and businesspersons;

(B) improving access to debt and equity capital by facilitating the establishment of development venture capital funds and other appropriate means;

(C) providing aid to communities in identifying, developing, and implementing development strategies for various sectors of the economy; and

(D)(i) developing a working network of business incubators; and

(ii) supporting entities that provide business incubator services.

(3) to promote civic responsibility and leadership through activities that include—

(A) the identification and training of emerging leaders;

(B) the encouragement of citizen participation; and

(C) the provision of assistance for strategic planning and organization development.

SEC. 204. EDUCATION AND WORKFORCE DEVELOPMENT.

The Authority, in coordination with State and local workforce development boards, may approve grants to States, local governments, and public or nonprofit entities for projects, approved in accordance with section 302—

(1) to assist the region in obtaining the job training, employment-related education, and business development (with an emphasis on entrepreneurship) that are needed to build and maintain strong local economies; and

(2) to supplement in-plant training programs offered by State and local governments to attract new businesses to the region.

SEC. 205. FUNDING.

(a) IN GENERAL.—Funds for grants under sections 201 through 204 may be provided—

(1) entirely from appropriations to carry out this Act;

(2) in combination with funds available under another Federal grant program or other Federal program; or

(3) in combination with funds from any other source, including—

(A) State and local governments, nonprofit organizations, and the private sector in the United States;

(B) the federal and local government of, and private sector in, Mexico; and

(C) the North American Development Bank.

(b) PRIORITY OF FUNDING.—The Authority shall award funding to each State in the region for activities in accordance with an order of priority to be determined by the State.

(c) BINATIONAL PROJECTS.—

(1) PROHIBITION ON PROVISION OF FUNDING TO NON-UNITED STATES ENTITIES.—The Authority shall not award funding to any entity that is not incorporated in the United States.

(2) FUNDING OF BINATIONAL PROJECTS.—The Authority may award funding to a project in which an entity that is incorporated outside the United States participates if, for any fiscal year, the entity matches with an equal amount, in cash or in-kind, the assistance received under this Act for the fiscal year.

SEC. 206. SUPPLEMENTS TO FEDERAL GRANT PROGRAMS.

(a) FINDING.—Congress finds that certain States and local communities of the region, including local development districts, may

be unable to take maximum advantage of Federal grant programs for which the States and communities are eligible because—

(1) they lack the economic resources to provide the required matching share; or

(2) there are insufficient funds available under the Federal law authorizing the Federal grant program to meet pressing needs of the region.

(b) FEDERAL GRANT PROGRAM FUNDING.—Notwithstanding any provision of law limiting the Federal share, the areas eligible for assistance, or the authorizations of appropriations, under any Federal grant program, and in accordance with subsection (c), the Authority, with the approval of the Federal cochairperson and with respect to a project to be carried out in the region, may—

(1) increase the Federal share of the costs of a project under any Federal grant program to not more than 90 percent (except as provided in section 209(b)); and

(2) use amounts made available to carry out this Act to pay all or a portion of the increased Federal share.

(c) CERTIFICATIONS.—

(1) IN GENERAL.—In the case of any project for which all or any portion of the basic Federal share of the costs of the project is proposed to be paid under this section, no Federal contribution shall be made until the Federal official administering the Federal law that authorizes the Federal grant program certifies that the project—

(A) meets (except as provided in subsection (b)) the applicable requirements of the applicable Federal grant program; and

(B) could be approved for Federal contribution under the Federal grant program if funds were available under the law for the project.

(2) CERTIFICATION BY AUTHORITY.—

(A) IN GENERAL.—The certifications and determinations required to be made by the Authority for approval of projects under this Act in accordance with section 302—

(i) shall be controlling; and

(ii) shall be accepted by the Federal agencies.

(B) ACCEPTANCE BY FEDERAL COCHAIRPERSON.—In the case of any project described in paragraph (1), any finding, report, certification, or documentation required to be submitted with respect to the project to the head of the department, agency, or instrumentality of the Federal Government responsible for the administration of the Federal grant program under which the project is carried out shall be accepted by the Federal cochairperson.

SEC. 207. DEMONSTRATION PROJECTS.

(a) IN GENERAL.—For each fiscal year, the Authority may approve not more than 10 demonstration projects to carry out activities described in sections 201 through 204, of which not more than 3 shall be carried out in any 1 State.

(b) REQUIREMENTS.—A demonstration project carried out under this section shall—

(1) be carried out on a multistate or multicounty basis; and

(2) be developed in accordance with the regional development plan prepared under section 210(d).

SEC. 208. LOCAL DEVELOPMENT DISTRICTS; CERTIFICATION AND ADMINISTRATIVE EXPENSES.

(a) GRANTS TO LOCAL DEVELOPMENT DISTRICTS.—

(1) IN GENERAL.—The Authority may make grants to local development districts to pay the administrative expenses of the local development districts.

(2) CONDITIONS FOR GRANTS.—

(A) MAXIMUM AMOUNT.—The amount of any grant awarded under paragraph (1) shall not exceed 80 percent of the administrative ex-

penses of the local development district receiving the grant.

(B) MAXIMUM PERIOD.—No grant described in paragraph (1) shall be awarded for a period greater than 3 years to a State agency certified as a local development district.

(C) LOCAL SHARE.—The contributions of a local development district for administrative expenses may be in cash or in kind, fairly evaluated, including space, equipment, and services.

(b) DUTIES OF LOCAL DEVELOPMENT DISTRICTS.—A local development district shall—

(1) operate as a lead organization serving multicounty areas in the region at the local level; and

(2) serve as a liaison between State and local governments, nonprofit organizations (including community-based groups and educational institutions), the business community, and citizens that—

(A) are involved in multijurisdictional planning;

(B) provide technical assistance to local jurisdictions and potential grantees; and

(C) provide leadership and civic development assistance.

SEC. 209. DISTRESSED COUNTIES AND AREAS AND ECONOMICALLY STRONG COUNTIES.

(a) DESIGNATIONS.—At the initial meeting of the Authority and annually thereafter, the Authority, in accordance with such criteria as the Authority may establish, shall designate—

(1) distressed counties;

(2) economically strong counties;

(3) attainment counties;

(4) competitive counties; and

(5) isolated areas of distress.

(b) DISTRESSED COUNTIES.—

(1) IN GENERAL.—For each fiscal year, the Authority shall allocate at least 40 percent of the amounts made available under section 306 for programs and projects designed to serve the needs of distressed counties and isolated areas of distress in the region.

(2) FUNDING LIMITATIONS.—The funding limitations under section 206(b) shall not apply to a project to provide transportation or basic public services to residents of 1 or more distressed counties or isolated areas of distress in the region.

(c) ECONOMICALLY STRONG COUNTIES.—

(1) ATTAINMENT COUNTIES.—Except as provided in paragraph (3), the Authority shall not provide funds for a project located in a county designated as an attainment county under subsection (a)(2)(A).

(2) COMPETITIVE COUNTIES.—Except as provided in paragraph (3), the Authority shall not provide more than 30 percent of the total cost of any project carried out in a county designated as a competitive county under subsection (a)(2)(B).

(3) EXCEPTIONS.—

(A) IN GENERAL.—The funding prohibition under paragraph (1) and the funding limitation under paragraph (2) shall not apply to grants to fund the administrative expenses of local development districts under section 208(a).

(B) MULTICOUNTY PROJECTS.—If the Authority determines that a project could bring significant benefits to areas of the region outside an attainment or competitive county, the Authority may waive the application of the funding prohibition under paragraph (1) and the funding limitation under paragraph (2) to—

(i) a multicounty project that includes participation by an attainment or competitive county; or

(ii) any other type of project.

(4) ISOLATED AREAS OF DISTRESS.—For a designation of an isolated area of distress for assistance to be effective, the designation shall be supported—

(A) by the most recent Federal data available; or

(B) if no recent Federal data are available, by the most recent data available through the government of the State in which the isolated area of distress is located.

SEC. 210. DEVELOPMENT PLANNING PROCESS.

(a) STATE DEVELOPMENT PLAN.—In accordance with policies established by the Authority, each State member shall submit an annual development plan for the area of the region represented by the State member to assist the Authority in determining funding priorities under section 205(b).

(b) CONSULTATION WITH INTERESTED PARTIES.—In carrying out the development planning process (including the selection of programs and projects for assistance), a State shall—

(1) consult with—

- (A) local development districts; and
- (B) local units of government;

(2) take into consideration the goals, objectives, priorities, and recommendations of the entities described in paragraph (1); and

(3) solicit input on and take into consideration the potential impact of the State development plan on the binational region.

(c) PUBLIC PARTICIPATION.—

(1) IN GENERAL.—The Authority and applicable State and local development districts shall encourage and assist, to the maximum extent practicable, public participation in the development, revision, and implementation of all plans and programs under this Act.

(2) REGULATIONS.—The Authority shall develop guidelines for providing public participation described in paragraph (1), including public hearings.

(d) REGIONAL DEVELOPMENT PLAN.—The Authority shall prepare an annual regional development plan that—

(1) is based on State development plans submitted under subsection (a);

(2) takes into account—

(A) the input of the private sector, academia, and nongovernmental organizations; and

(B) the potential impact of the regional development plan on the binational region;

(3) establishes 5-year goals for the development of the region;

(4) identifies and recommends to the States—

(A) potential multistate or multicounty projects that further the goals for the region; and

(B) potential development projects for the binational region; and

(5) identifies and recommends to the Authority for funding demonstration projects under section 207.

TITLE III—ADMINISTRATION

SEC. 301. PROGRAM DEVELOPMENT CRITERIA.

(a) IN GENERAL.—In considering programs and projects to be provided assistance under this Act, and in establishing a priority ranking of the requests for assistance provided to the Authority, the Authority shall follow procedures that ensure, to the maximum extent practicable, consideration of—

(1) the relationship of the project or class of projects to overall regional development;

(2) the per capita income and poverty and unemployment rates in an area;

(3) the financial resources available to the applicants for assistance seeking to carry out the project, with emphasis on ensuring that projects are adequately financed to maximize the probability of successful economic development;

(4) the socioeconomic importance of the project or class of projects in relation to other projects or classes of projects that may be in competition for the same funds;

(5) the prospects that the project for which assistance is sought will improve, on a con-

tinuing rather than a temporary basis, the opportunities for employment, the average level of income, or the economic development of the area to be served by the project; and

(6) the extent to which the project design provides for detailed outcome measurements by which grant expenditures and the results of the expenditures may be evaluated.

(b) NO RELOCATION ASSISTANCE.—No financial assistance authorized by this Act shall be used to assist a person or entity in relocating from 1 area to another, except that financial assistance may be used as otherwise authorized by this Act to attract businesses from outside the region to the region.

(c) MAINTENANCE OF EFFORT.—Funds may be provided for a program or project in a State under this Act only if the Authority determines that the level of Federal or State financial assistance provided under a law other than this Act, for the same type of program or project in the same area of the State within the region, will not be reduced as a result of funds made available by this Act.

SEC. 302. APPROVAL OF DEVELOPMENT PLANS AND PROJECTS.

(a) IN GENERAL.—A State or regional development plan or any multistate subregional plan that is proposed for development under this Act shall be reviewed by the Authority.

(b) EVALUATION BY STATE MEMBER.—An application for a grant or any other assistance for a project under this Act shall be made through and evaluated for approval by the State member of the Authority representing the applicant.

(c) CERTIFICATION.—An application for a grant or other assistance for a project shall be approved only on certification by the State member that the application for the project—

(1) describes ways in which the project complies with any applicable State development plan;

(2) meets applicable criteria under section 301;

(3) provides adequate assurance that the proposed project will be properly administered, operated, and maintained; and

(4) otherwise meets the requirements of this Act.

(d) VOTES FOR DECISIONS.—On certification by a State member of the Authority of an application for a grant or other assistance for a specific project under this section, an affirmative vote of the Authority under section 101(d) shall be required for approval of the application.

SEC. 303. CONSENT OF STATES.

Nothing in this Act requires any State to engage in or accept any program under this Act without the consent of the State.

SEC. 304. RECORDS.

(a) RECORDS OF THE AUTHORITY.—

(1) IN GENERAL.—The Authority shall maintain accurate and complete records of all transactions and activities of the Authority.

(2) AVAILABILITY.—All records of the Authority shall be available for audit and examination by the Comptroller General of the United States (including authorized representatives of the Comptroller General).

(b) RECORDS OF RECIPIENTS OF FEDERAL ASSISTANCE.—

(1) IN GENERAL.—A recipient of Federal funds under this Act shall, as required by the Authority, maintain accurate and complete records of transactions and activities financed with Federal funds and report to the Authority on the transactions and activities.

(2) AVAILABILITY.—All records required under paragraph (1) shall be available for audit by the Comptroller General of the United States and the Authority (including authorized representatives of the Comptroller General and the Authority).

(c) ANNUAL AUDIT.—The Comptroller General of the United States shall audit the activities, transactions, and records of the Authority on an annual basis.

SEC. 305. ANNUAL REPORT.

(a) IN GENERAL.—Not later than 180 days after the end of each fiscal year, the Authority shall submit to the President and to Congress a report describing the activities carried out under this Act.

(b) CONTENTS.—

(1) IN GENERAL.—The report shall include—

(A) an evaluation of the progress of the Authority—

(i) in meeting the goals set forth in the regional development plan and the State development plans; and

(ii) in working with other Federal agencies and the border programs administered by the Federal agencies;

(B) examples of notable projects in each State;

(C) a description of all demonstration projects funded under section 306(b) during the fiscal year preceding submission of the report; and

(D) any policy recommendations approved by the Authority.

(2) INITIAL REPORT.—In addition to the contents specified in paragraph (1), the initial report submitted under this section shall include—

(A) a determination as to whether the creation of a loan fund to be administered by the Authority is necessary; and

(B) if the Authority determines that a loan fund is necessary—

(i) a request for the authority to establish a loan fund; and

(ii) a description of the eligibility criteria and performance requirements for the loans.

SEC. 306. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated to the Authority to carry out this Act, to remain available until expended—

(1) \$50,000,000 for fiscal year 2003;

(2) \$75,000,000 for fiscal year 2004;

(3) \$90,000,000 for fiscal year 2005; and

(4) \$92,000,000 for fiscal year 2006.

(b) DEMONSTRATION PROJECTS.—Of the funds made available under subsection (a), \$5,000,000 for each fiscal year shall be available to the Authority to carry out section 207.

SEC. 307. TERMINATION OF AUTHORITY.

The authority provided by this Act terminates effective October 1, 2006.

By Mr. KERRY (for himself, Mr. FRIST, Mr. BIDEN, Mr. HELMS, Mr. DASCHLE, Mr. LEAHY, Mr. FEINGOLD, Mr. DODD, Mr. HAGEL, Mrs. BOXER, Mr. SARBANES, Mr. SMITH of Oregon, Mr. DEWINE, and Mr. WELLSTONE):

S. 2525. A bill to amend the Foreign Assistance Act of 1961 to increase assistance for foreign countries seriously affected by HIV/AIDS, tuberculosis, and malaria, and for other purposes; to the Committee on Foreign Relations.

Mr. KERRY. Mr. President, today I am introducing legislation along with Senators FRIST, BIDEN, HELMS, DASCHLE and others that offers our Nation's most comprehensive response to date to the global HIV/AIDS crisis. It authorizes \$4.7 billion over the next two years for U.S. contributions to the Global Fund to Fight AIDS, Tuberculosis and Malaria and for a dramatic expansion of bilateral U.S. programs

administered by the US Agency for International Development, USAID.

There can be no question that the AIDS pandemic has truly reached a crisis point, not only for the 40 million people infected worldwide, but also for the communities in which they live. The pandemic strikes at the foundations of societies, devastating families, undermining economies, and weakening a broad range of institutions by taking the lives of educators, health care providers, police, military personnel, and civil servants. These forces cripple the potential for long-term economic development and jeopardize political and social stability in Sub-Saharan Africa, the most-severely affected region, and increasingly in all corners of the world.

Although 95 percent of people infected with HIV live in developing countries, this crisis ultimately affects us all. Here in the United States, we cannot afford to ignore the fact that instability anywhere threatens security everywhere. While this is certainly not a new reality, it became painfully evident on September 11 of last year that the fate of our people is inextricably bound to the lives of those living thousands of miles across the globe. We are called by moral duty and by our national interest to forcefully combat the further spread of HIV/AIDS. Only the United States has the capacity to lead and enhance the effectiveness of the international community's response. Clearly we have not done enough to address this crisis. The need for strong action has never been so urgent or so great.

AIDS has become the fourth-highest cause of death globally, already claiming the lives of 22 million people. More than three-quarters of these deaths, more than 17 million, have been in Sub-Saharan Africa, where AIDS is now the leading cause of death. Last year alone, AIDS killed 2.3 million African people, and experts project that the disease will eventually take the lives of one in four adults throughout that region. Because of AIDS, Botswana, Zimbabwe, and South Africa are already experiencing negative population growth, and life expectancy for children born in some parts of the continent has dropped as low as 35 years. Of the estimated 40 million people now living with HIV globally, 28.1 million are in Sub-Saharan Africa. This number includes 3.4 million people who were infected last year alone.

Other parts of the world are going down the same path as Africa. The Caribbean is now the second most affected region, with 2.3 percent of adults infected with HIV. Eastern Europe, especially the Russian Federation, is experiencing the world's fastest-growing epidemic, mainly from injection drug use. In Asia and the Pacific region, 7.1 million people are infected with HIV or living with AIDS. Although national prevalence rates in most countries throughout that region are relatively low, localized epidemics have broken

out in many areas, and there is a serious threat of major outbreaks of the virus in China, India, and a number of other countries.

More than 20 years after the first cases were reported, basic knowledge about HIV/AIDS remains disturbingly low. Half of all teenage girls in Sub-Saharan Africa still do not know that healthy-looking people can have HIV. In Mozambique, 74 percent of young women and 62 percent of young men aged 15 to 19 cannot name a single method of protecting themselves against HIV/AIDS. Worldwide, nine out of ten HIV infected individuals are unaware they are infected.

The AIDS crisis is affecting females at an increasing rate. In 1997, 41 percent of adults living with HIV/AIDS were women. By 2000, that proportion had increased to 47 percent. Biologically, the risk of becoming infected with HIV during unprotected intercourse is greater for women than for men, and gender inequalities in social and economic status and access to medical care increase women's vulnerability. This gender imbalance is even stronger for younger females, in some countries, the rate of new infections among girls is as much as 5 to 6 times higher than among boys.

Although girls are hardest-hit, the HIV/AIDS crisis takes a disproportionate toll on young people in general. Nearly one-third of the 40 million people currently living with HIV are between the ages of 15 and 24, and half of all new infections occur in this age group. Mother-to-child transmission is responsible for the vast majority of infections among children under the age of 15. Without preventive measures, 35 percent of infants born to HIV-positive mothers contract the virus. Even those who are not infected in this manner can confront tremendous difficulties, more than 13 million children under age 15 have already lost their mothers or both parents to AIDS, and this number is expected to more than double by the end of the decade. Children orphaned by AIDS are susceptible to extreme poverty, malnutrition, psychological distress, and a long list of other hardships. Many of these orphans turn to crime in order to survive.

HIV/AIDS can undermine the economic security of individual families, communities, and even entire nations. The disease weakens the productivity and longevity of the labor force across a broad array of economic sectors, reducing the potential for immediate and long-term economic growth. In some countries, AIDS is reversing progress brought by decades of economic development efforts. But the ripple effects of this pandemic go far beyond the economic realm, touching virtually all aspects of life in the countries that are hardest-hit. HIV/AIDS strikes at the most mobile and educated members of society, many of whom are responsible for governance, health care, education, and security.

Earlier this month, the World Bank reported that AIDS is spreading so rap-

idly in parts of Africa that it is killing teachers faster than countries can train them. At the same time, HIV-infected children and those orphaned by AIDS must often leave school. These trends have combined to create an education crisis. Africa is also confronting a mounting security crisis with ramifications for the broader international community. According to UNAIDS, many military forces in Sub-Saharan Africa face infection rates as high as five times that of the civilian population. These military forces are losing their capacity to preserve stability within their own borders and to engage in regional peacekeeping and conflict prevention efforts. This pattern is likely to compound the problem of failing states throughout Africa.

My words have barely begun to chronicle the extent to which this pandemic has spread, the devastation it has wrought, and the myriad threats it poses to distant countries and to our own. We are facing the world's worst health crisis since the bubonic plague and it is not "someone else's problem." It is humanity's problem.

It is up to us to respond. American leadership is needed as never before. The United States can not afford to sit on the sidelines or tinker at the edges of a global pandemic. Only the United States is in a position to lead the effort with other governments and private sector partners to beat this pandemic and only the United States has the resources to make a difference. History is going to judge how we react to this crisis and we want history to judge us well.

There is so much we can do—if we commit ourselves to the effort. We have learned that we can change behavior through prevention and education programs, especially if those programs make treatment available for those already sick. We can stop the transmission of the HIV virus from mother-to-child through the use of the drug nevirapine. And we can reduce the growing number of "AIDS orphans" if we start adding voluntary counseling, testing and treatment of parents and care-givers to children—in other words adding a Plus to the MTCT, mother-to-child transmission, programs.

That is the goal of this legislation. It will provide clear American leadership, helping to harness resources here at home and around the globe for research and development to eradicate these deadly diseases. It will inject unprecedented amounts of capital in effective prevention and treatment programs and direct resources to the people on the ground fighting these diseases.

The legislation that we are introducing today represents the first effort ever to create a comprehensive long term strategy for American leadership in responding to this global pandemic. If passed into law, this bill would represent the largest single monetary commitment ever made by the United States to deal with AIDS pandemic. It would double U.S. spending on global

AIDS from roughly \$1 billion this year to more than \$2 billion per year over the next two years. But equally important, it would require the U.S. government to develop a comprehensive, detailed five-year plan to significantly reduce the spread of HIV/AIDS around the world and meet the targets set by the international community at the June 2001 United Nations Special Session on HIV/AIDS.

This legislation authorizes \$1 billion in this fiscal year and \$1.2 billion in the next for US contributions to the Global Fund to Fight AIDS, Tuberculosis and Malaria—the international community's new combined effort to increase resources against this pandemic. It authorizes more than \$800 million this year and \$900 million next year for an expansion of existing USAID programs and creation of new programs to increase our efforts not only in the areas of prevention and education but also in the equally important areas of care and prevention. It provides significant new funding levels for programs to combat tuberculosis and malaria—serious infectious diseases which, together with HIV/AIDS, killed 5.7 million people last year.

The fight against HIV/AIDS has started to produce results in some countries. Cambodia and Thailand, driven by strong political leadership and public commitment, have developed successful prevention programs. HIV prevalence among pregnant women in Cambodia dropped by almost a third between 1997 and 2000. In Uganda, rates of HIV infection among adults continue to fall, largely because President Yoweri Museveni has pursued an aggressive education campaign to make people in his country aware of ways they can protect themselves from this disease. President Museveni has displayed courage in his willingness to break through cultural boundaries to discuss the AIDS crisis openly and realistically.

Leadership within the countries that are most severely-affected by HIV/AIDS is absolutely indispensable. Our legislation seeks to encourage that leadership by offering the possibility of obtaining greater resources to be used for health programs through a new round of international negotiations to further reduce the debt of many of these countries. Ultimately the fight against AIDS requires a broad partnership between the governments of those countries severely affected, governments like ours in a position to provide assistance, and the private sector which can bring not only resources but scientific and medical knowledge and expertise to bear.

Various organizations in the private sector have already contributed a great deal to the struggle against HIV/AIDS. Philanthropies like the Bill & Melinda Gates Foundation have donated hundreds of millions of dollars to purchase drugs, improve health delivery systems, and bolster prevention campaigns, among other means of support.

Pharmaceutical companies such as Merck and Pfizer have also offered a number of life-extending therapies to the developing world at no cost or at a very discounted rate.

These contributions and these public/private sector partnerships are critical to the success of our effort. The bill that we are introducing makes it clear that these kinds of partnerships should be strengthened and expanded. And for the first time, it also sets out a voluntary code of conduct for American businesses who have operations in countries affected by the AIDS pandemic to follow, not unlike the Sullivan Code of Conduct that many American firms followed during the days of apartheid in South Africa.

The global HIV/AIDS crisis is a matter of money, for words alone will not beat back the greatest challenge the world has ever witnessed to the very survival of a continent, Africa, and an ever growing number of other areas. But it is more than that, this is a question of leadership, not fate; of willpower, not capacity. The question before us is not whether we can win this fight, but whether we will choose to, whether 'here on earth,' as President Kennedy said, we are going to make "God's work truly our own."

I believe we will. That is why there is such a broad coalition supporting this effort. That is why my friend and colleague Senator KENNEDY, chairman of the HELP Committee, is working in concert with us to produce a bill that will authorize another \$500 million for the CDC and other HHS agencies to help fight this epidemic. And that is why Democrats and Republicans together are going to demonstrate the full measure of America's ability to respond to enormous tragedy with enormous strength.

STATEMENTS ON SUBMITTED RESOLUTIONS—MAY 14, 2002

SENATE RESOLUTION 267—EX- PRESSING THE SENSE OF THE SENATE REGARDING THE POL- ICY OF THE UNITED STATES AT THE 54TH ANNUAL MEETING OF THE INTERNATIONAL WHALING COMMISSION

Mr. KERRY (for himself, Ms. SNOWE, Mr. HOLLINGS, Mr. MCCAIN, Mr. LIEBERMAN, Mr. WYDEN, Mr. AKAKA, Mr. REED, Mr. TORRICELLI, Mr. FITZGERALD, Ms. COLLINS, Mr. LUGAR, Mrs. BOXER, and Mr. KENNEDY) submitted the following resolution, which was referred to the Committee on Foreign Relations:

(The resolution can be found in the RECORD of May 14, 2002, on page S4333.)

Ms. SNOWE. Mr. President, the resolution that Senator KERRY and I are submitting is very timely and important. As we work here in the Senate today, representatives of nations from around the globe are preparing for the 54th annual Meeting of the Inter-

national Whaling Commission to be held in Japan, May 20–24, 2002. At this meeting, the IWC will determine the fate of the world's whales through consideration of proposals to end the current global moratorium on commercial whaling. The adoption of any such proposals by the IWC would mark a major setback in whale conservation. It is imperative that the United States remain firm in its opposition to any proposals to resume commercial whaling and that we, as a Nation, continue to speak out passionately against this practice.

It is also time to close one of the loopholes used by nations to continue to whale without regard to the moratorium or established whale sanctuaries. The practice of unnecessary lethal scientific whaling is outdated and the value of the data of such research has been called into question by an international array of scientists who study the same population dynamics questions as those who harvest whales in the name of science. This same whale meat is then processed and sold in the marketplace. These sentiments have been echoed by the Scientific Committee of the IWC which has repeatedly passed resolutions calling for the cessation of lethal scientific whaling, particularly that occurring in designated whale sanctuaries. They have offered to work with all interested parties to design research protocols that will not require scientists to harm or kill whales.

Last year, Japan expanded their scientific whaling program over the IWC's objections. The resolution that we are offering expresses the Sense of the Senate that the United States should continue to remain firmly opposed to any resumption of commercial whaling and oppose, at the upcoming IWC meeting, the non-necessary lethal taking of whales for scientific purposes.

Commercial whaling has been prohibited for many species for more than sixty years. In 1982, the continued decline of commercially targeted stocks led the IWC to declare a global moratorium on all commercial whaling which went into effect in 1986. The United States was a leader in the effort to establish the moratorium, and since then we have consistently provided a strong voice against commercial whaling and have worked to uphold the moratorium. This resolution reaffirms the United States' strong support for a ban on commercial whaling at a time when our negotiations at the IWC most need that support. Norway, Japan, and other countries have made it clear that they intend to push for the elimination of the moratorium, and for a return to the days when whales were retreated as commodities.

The resolution would reiterate the U.S. objection to activities being conducted under reservations to the IWC's moratorium. The resolution would also oppose the proposal to allow a non-member country to join the Convention with a reservation that would allow it to commercially whale. The

resolution would also oppose all efforts made at the Convention on International Trade in Endangered Species, CITES, to reopen international trade in whale meat or to downlist any whale population. In addition, the IWC, as well as individual nations including the United States, has established whale sanctuaries that would prevent whaling in specified areas even if the moratorium were to be lifted. Despite these efforts to give whale stocks a chance to rebuild, the number of whales harvested has increased in recent years, tripling since the implementation of the global moratorium in 1986. This is a dangerous trend that does not show signs of stopping.

Domestically, we work very hard to protect whales in U.S. waters, particularly those considered threatened or endangered. One own laws and regulations are designed to give whales one of the highest standards of protection in the world, and as a result, our own citizens are subject to rules designed to protect against even the accidental taking of whales. Commercial whaling is, of course, strictly prohibited. Given what is asked of our citizens to protect against even accidental injury to whales here in the United States, it would be grossly unfair if we retreated in any way from our position opposing commercial, intentional whaling by other countries. Whales migrate throughout the world's oceans, and as we protect whales in our own waters, so should we act to protect them internationally.

Whales are among the most intelligent animals on Earth, and they play an important role in the marine ecosystem. Yet, there is still much about them that we do not know. Resuming the intentional harvest of whales is irresponsible, and it could have ecological consequences that we cannot predict. Therefore, it is premature to even consider easing conservation measures.

The right policy is to protect whales across the globe, and to oppose the resumption of commercial whaling. I urge my colleagues to support swift passage of this resolution.

Mr. LIEBERMAN. Mr. President, I rise today to voice my strong support for the resolution expressing the sense of the Senate regarding the policy of the United States at the 54th Annual Meeting of the International Whaling Commission. This resolution affirms and renews our long-standing commitment to end the practice of commercial whale-hunting, as well as the killing of whales for profit under the false rubric of "scientific whaling." It constitutes a powerful statement to the rest of the world that we have not, and will not, grow complacent in fighting to preserve the existence of these remarkable beings.

Our present action draws urgency from the fact that the single most important safety net for ensuring the survival of whale species is under threat of unraveling. When the International Whaling Commission, IWC, voted to es-

tablish a global moratorium on commercial whaling in 1982, the decision represented a profound acknowledgment on the part of the international community of its abysmal and repeated failure to manage whale stocks in a responsible manner. Such was the egregiousness of our collective whaling legacy that nothing short of a complete ban on commercial whaling was determined to save these creatures away from the path to extinction.

Sadly, the thirty years since the enactment of the moratorium have only served to vindicate the wisdom of the IWC's landmark decision. One needs only look to the history of duplicitous efforts undertaken to skirt the strictures of the moratorium to see this. Most blatant among these efforts has been the practice by certain countries to exploit the exemption for scientific whaling in order to hunt whales for ostensibly scientific, but essentially commercial, purposes. This disingenuous behavior directly contradicts the purpose and spirit, if not the letter, of the moratorium. Regrettably, the lack of regard shown by these nations for obligations that were assumed freely and voluntarily does not inspire one with faith that they would act any more responsibly should the door to commercial whaling ever be opened.

Less apparent, but no less discouraging, is the unwillingness by some nations to vigorously monitor and prosecute the illegal trading of whale meat. Whether the absence of rigorous policing measures is the result of conscious intent or uninformed negligence, the outcome is the same. Unscrupulous operators are provided with incentives to disregard the law and afforded with the knowledge that they may do so with impunity. The lax enforcement of existing laws calls into further doubt the international community's prospective will and capacity to enforce quotas on catches if commercial whaling were resumed.

In light of the evidence refuting the notion that a uniform commitment to act responsibly and in accordance with international mandates currently exists or would crystallize in the foreseeable future, it would be a grave and reckless mistake for the moratorium to be lifted now. This is why we must endeavor to shore up support for the moratorium prior to the IWC's 54th Annual Meeting, and to prevent the entry of any nation that seeks to have a voting voice in the IWC without agreeing to abide by the decisions of that same body.

I note with particular concern Iceland's pending application to rejoin the IWC with a reservation that would leave it with complete discretion in choosing whether or not to engage in commercial whaling. It is well-established that Iceland's motivation in rejoining is to expand the voting block for revoking the moratorium. In applying with the reservation, however, Iceland aims to have all the privileges of membership free and clear of any concomitant burdens and responsibilities.

But no nation should be allowed to have its cake and eat it too. It would be fundamentally unfair to the other IWC members to give Iceland a role in defining the limits of their behavior when Iceland itself would not have to play by the same rules. More importantly, Iceland's admission would establish a dangerous precedent whereby other nations would be encouraged to circumvent international treaties by withdrawing from them and then rejoining with specific reservations against onerous obligations.

In view of our concerns over the deleterious consequences of Iceland's reentry, nineteen of my Senate colleagues and I previously sent a bipartisan letter to Secretary of State Colin Powell urging him to assume a leadership role in opposing Iceland's application. The time is ripe, however, for us to make a more public and formal declaration of our position, and to provide our Administration with the encouragement and support it needs to take bold action at the next IWC meeting and the next conference of the Parties to the Convention on International Trade in Endangered Species. I ask you to join in registering our strong opinion on this important and worthwhile cause.

SENATE RESOLUTION 268—DESIGNATING MAY 20, 2002, AS A DAY FOR AMERICANS TO RECOGNIZE THE IMPORTANCE OF TEACHING CHILDREN ABOUT CURRENT EVENTS IN AN ACCESSIBLE WAY TO THEIR DEVELOPMENT AS BOTH STUDENTS AND CITIZENS

Mr. DODD (for himself and Mr. LIEBERMAN) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 268

Whereas, since its founding in 1902, the Weekly Reader has reported current events in a manner that is accessible to children, thereby helping millions of children learn to read, which is an indispensable foundation for success in school and in life;

Whereas the Weekly Reader's accessible style has helped children understand many of the important events that have shaped the world during the past 100 years, including World War I, the Great Depression, World War II, the Civil Rights movement, Vietnam, the first Moon landing, the collapse of the Soviet Union, and the tragic events of September 11, 2001;

Whereas a citizenry well informed about national and international current events is critical to a strong democracy;

Whereas the Weekly Reader is read by nearly 11,000,000 children each week in every State, and in more than 90 percent of the school districts in the United States; and

Whereas on May 20, 2002, children around the country will join the Weekly Reader in celebrating its 100th birthday: Now, therefore, be it

Resolved, That the Senate—

(1) designates May 20, 2002, as a day for Americans to recognize the importance of teaching children about current events in an accessible way to their development as both students and citizens; and

(2) requests that the President issue a proclamation calling upon the people of the

United States to observe that day with appropriate activities.

STATEMENTS ON SUBMITTED RESOLUTIONS—MAY 15, 2002

SENATE RESOLUTION 270—DESIGNATING THE WEEK OF OCTOBER 13, 2002, THROUGH OCTOBER 19, 2002, AS “NATIONAL CYSTIC FIBROSIS AWARENESS WEEK”

Mr. CAMPBELL (for himself, Mr. DeWINE, and Mr. KERRY) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 270

Whereas cystic fibrosis is one of the most common fatal genetic diseases in the United States and there is no known cure;

Whereas cystic fibrosis, characterized by digestive disorders and chronic lung infections, is a fatal lung disease;

Whereas a total of more than 10,000,000 Americans are unknowing carriers of cystic fibrosis;

Whereas one out of every 3,900 babies in the United States is born with cystic fibrosis;

Whereas approximately 30,000 people in the United States, many of whom are children, have cystic fibrosis;

Whereas the average life expectancy of an individual with cystic fibrosis is 32 years;

Whereas prompt, aggressive treatment of the symptoms of cystic fibrosis can extend the lives of those who have this disease;

Whereas recent advances in cystic fibrosis research have produced promising leads in gene, protein, and drug therapies; and

Whereas education can help inform the public of the symptoms of cystic fibrosis, which will assist in early diagnoses, and increase knowledge and understanding of this disease: Now, therefore, be it

Resolved, That the Senate—

(1) designates the week of October 13, 2002, through October 19, 2002, as “National Cystic Fibrosis Awareness Week”;

(2) commits to increasing the quality of life for individuals with cystic fibrosis by promoting public knowledge and understanding in a manner that will result in earlier diagnoses, more fund raising efforts for research, and increased levels of support for those with cystic fibrosis and their families; and

(3) requests the President to issue a proclamation calling on the people of the United States to observe the week with appropriate ceremonies and activities.

Mr. CAMPBELL. Mr. President, today I am submitting a resolution recognizing October 13, 2002, through October 19, 2002, as National Cystic Fibrosis Awareness Week. I am pleased to be joined by my colleagues Senators DeWINE and KERRY in submitting this resolution. We are hopeful that greater awareness of cystic fibrosis, CF, will lead to a cure.

Cystic fibrosis is one of the most common fatal genetic diseases in the United States and there is no known cure. It affects approximately 30,000 children and adults in the United States. There are about 1,000 new cases of CF diagnosed each year. While most of these individuals are diagnosed by the age of three, others are not recognized as having CF until they are age

18 years, or older. Today, the life expectancy for someone with CF is 32 years. I believe we must do what we can to change these statistics.

While there is no cure, early detection and prompt treatment can significantly improve and extend the lives of those with CF. My home State of Colorado was one of the first States to require CF screening for newborns. Happily, more States are now performing this simple test.

And, since the discovery of the defective CF gene in 1989, CF research has greatly accelerated. I am proud that Colorado is home to the University of Colorado Health Sciences Center and Children's Hospital, both of which are actively involved in CF research and care. Children's Hospital is one of eight innovative Therapeutics Development Centers performing cutting edge clinical research to develop new treatments for CF.

Currently, the CF Foundation oversees more than 25 CF clinical trials. In addition, small pilot trials are carried out in the 115 Cystic Fibrosis Foundation-accredited care centers across the United States. And, organizations such as the Cystic Fibrosis Research, Inc. also sponsor studies for treatment of the disease. Efforts such as these throughout the nation are providing a greater quality of life for those who have CF. I applaud these efforts.

While I am encouraged by the CF research in Colorado and elsewhere, more needs to be done. I believe we can increase the quality of life for individuals with Cystic Fibrosis by promoting public knowledge and understanding of the disease in a manner that will result in earlier diagnoses, more fund raising efforts for research, and increased levels of support for those who have CF and their families.

Therefore, I urge my colleagues to act on this resolution so we can move another step closer to eradicating this disease.

SENATE CONCURRENT RESOLUTION 111—EXPRESSING THE SENSE OF CONGRESS THAT HARRIET TUBMAN SHOULD HAVE BEEN PAID A PENSION FOR HER SERVICE AS A NURSE AND SCOUT IN THE UNITED STATES ARMY DURING THE CIVIL WAR

Mrs. CLINTON submitted the following concurrent resolution; which was referred to the Committee on Armed Services:

S. CON. RES. 111

Whereas during the Civil War Harriet Tubman reported to General David Hunter at Hilton Head, South Carolina, with a letter from Governor John Andrews of Massachusetts allowing her to serve in the Union Army;

Whereas Harriet Tubman served at Hilton Head as a nurse, scout, spy, and cook;

Whereas in the spring of 1865, Harriet Tubman worked at the Freedman's hospital in Fortress Monroe, Virginia;

Whereas Harriet Tubman's last husband, Nelson Davis, served in the United States

Colored Infantry under Captain James S. Thompson, beginning on September 25, 1863, and was discharged on November 10, 1865;

Whereas Harriet Tubman received a pension as the spouse of a deceased veteran;

Whereas Harriet Tubman requested a pension for her own service in the Union Army during the Civil War, but never received one;

Whereas a bill that passed the House of Representatives in 1897 during the 55th Congress (H.R. 4982) would have required that Harriet Tubman be placed on the pension roll of the United States for her service as a nurse in the United States Army and paid a pension at the rate of \$25 each month;

Whereas some females who served in the military during the Civil War received a pension for their service, including Sarah Emma Edmonds Seelye and Albert Cashier, each of whom posed as a male; and

Whereas Harriet Tubman died of pneumonia on March 10, 1913, and was buried at Fort Hill Cemetery in Auburn, New York, with military honors: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That—

(1) Congress recognizes that Harriet Tubman served as a nurse and scout in the United States Army during the Civil War; and

(2) it is the sense of Congress that Harriet Tubman should have been paid a pension at the rate of \$25 each month for her service in the United States Army.

AMENDMENTS SUBMITTED AND PROPOSED

SA 3415. Mr. TORRICELLI (for himself and Ms. MIKULSKI) submitted an amendment intended to be proposed to amendment SA 3401 proposed by Mr. BAUCUS (for himself and Mr. GRASSLEY) to the bill (H.R. 3009) to extend the Andean Trade Preference Act, to grant additional trade benefits under that Act, and for other purposes; which was ordered to lie on the table.

SA 3416. Mr. WELLSTONE proposed an amendment to amendment SA 3401 proposed by Mr. BAUCUS (for himself and Mr. GRASSLEY) to the bill (H.R. 3009) supra.

SA 3417. Mr. EDWARDS (for himself, Mr. HOLLINGS, Mr. MILLER, Mr. CLELAND, Mrs. LINCOLN, Ms. CANTWELL, and Mr. ALLEN) proposed an amendment to amendment SA 3401 proposed by Mr. BAUCUS (for himself and Mr. GRASSLEY) to the bill (H.R. 3009) supra.

SA 3418. Mrs. HUTCHISON submitted an amendment intended to be proposed to amendment SA 3401 proposed by Mr. BAUCUS (for himself and Mr. GRASSLEY) to the bill (H.R. 3009) supra; which was ordered to lie on the table.

SA 3419. Mr. LIEBERMAN (for himself, Mr. DODD, Ms. MIKULSKI, and Mr. KENNEDY) proposed an amendment to amendment SA 3401 proposed by Mr. BAUCUS (for himself and Mr. GRASSLEY) to the bill (H.R. 3009) supra.

SA 3420. Mr. LEVIN (for himself and Mr. VOINOVICH) submitted an amendment intended to be proposed to amendment SA 3401 proposed by Mr. BAUCUS (for himself and Mr. GRASSLEY) to the bill (H.R. 3009) supra; which was ordered to lie on the table.

SA 3421. Ms. CANTWELL submitted an amendment intended to be proposed by her to the bill H.R. 3009, supra; which was ordered to lie on the table.

SA 3422. Mr. DURBIN (for himself, Mr. DORGAN, and Mr. WELLSTONE) proposed an amendment to amendment SA 3401 proposed by Mr. BAUCUS (for himself and Mr. GRASSLEY) to the bill (H.R. 3009) supra.

SA 3423. Mr. ALLEN submitted an amendment intended to be proposed to amendment SA 3401 proposed by Mr. BAUCUS (for himself and Mr. GRASSLEY) to the bill (H.R. 3009) supra; which was ordered to lie on the table.

SA 3424. Mrs. FEINSTEIN submitted an amendment intended to be proposed to amendment SA 3401 proposed by Mr. BAUCUS (for himself and Mr. GRASSLEY) to the bill (H.R. 3009) supra; which was ordered to lie on the table.

SA 3425. Mrs. FEINSTEIN submitted an amendment intended to be proposed to amendment SA 3401 proposed by Mr. BAUCUS (for himself and Mr. GRASSLEY) to the bill (H.R. 3009) supra; which was ordered to lie on the table.

SA 3426. Mr. LEVIN (for himself and Ms. STABENOW) submitted an amendment intended to be proposed to amendment SA 3401 proposed by Mr. BAUCUS (for himself and Mr. GRASSLEY) to the bill (H.R. 3009) supra; which was ordered to lie on the table.

SA 3427. Mr. GREGG proposed an amendment to amendment SA 3401 proposed by Mr. BAUCUS (for himself and Mr. GRASSLEY) to the bill (H.R. 3009) supra.

TEXT OF AMENDMENTS

SA 3415. Mr. TORRICELLI (for himself and Ms. MIKULSKI) submitted an amendment intended to be proposed to amendment SA 3401 proposed by Mr. BAUCUS (for himself and Mr. GRASSLEY) to the bill (H.R. 3009) to extend the Andean Trade Preference Act, to grant additional trade benefits under that Act, and for other purposes; which was ordered to lie on the table; as follows:

On page 244, beginning on line 19, strike all through page 246, line 15, and insert the following:

(A) to ensure that a party to a trade agreement with the United States does not fail to effectively enforce its environmental or labor laws;

(B) to ensure that parties to a trade agreement reaffirm their obligations as members of the ILO and their commitments under the ILO Declaration of Fundamental Principles and Rights at Work and its Follow-up;

(C) to ensure that the parties to a trade agreement ensure that their laws provide for labor standards consistent with the ILO Declaration of Fundamental Principles and Rights at Work and the internationally recognized labor rights set forth in section 13(2) and constantly improve those standards in that light;

(D) to ensure that parties to a trade agreement do not weaken, reduce, waive, or otherwise derogate from, or offer to waive or derogate from, their labor laws as an encouragement for trade;

(E) to create a general exception from the obligations of a trade agreement for—

(i) Government measures taken pursuant to a recommendation of the ILO under Article 33 of the ILO Constitution; and

(ii) Government measures relating to goods or services produced in violation of any of the ILO core labor standards, including freedom of association and the effective recognition of the right to collective bargaining (as defined by ILO Conventions 87 and 98); the elimination of all forms of forced or compulsory labor (as defined by ILO Conventions 29 and 105); the effective abolition of child labor (as defined by ILO Conventions 138 and 182); and the elimination of discrimination in respect of employment and occupation (as defined by ILO Conventions 100 and 111); and

(F) to ensure that—

(i) all labor provisions of a trade agreement are fully enforceable, including recourse to trade sanctions;

(ii) the same enforcement mechanisms and penalties are available for the commercial provisions of an agreement and for the labor provisions of the agreement; and

(iii) trade unions from all countries that are party to a dispute over the labor provisions of the agreement can participate in the dispute process;

(G) to strengthen the capacity of United States trading partners to promote respect for core labor standards (as defined in section 13(2));

(H) to strengthen the capacity of United States trading partners to protect the environment through the promotion of sustainable development;

(I) to reduce or eliminate government practices or policies that unduly threaten sustainable development;

(J) to seek market access, through the elimination of tariffs and nontariff barriers, for United States environmental technologies, goods, and services; and

(K) to ensure that labor, environmental, health, or safety policies and practices of the parties to trade agreements with the United States do not arbitrarily or unjustifiably discriminate against United States exports or serve as disguised barriers to trade.

SA 3416. Mr. WELLSTONE proposed an amendment to amendment SA 3401 proposed by Mr. BAUCUS (for himself and Mr. GRASSLEY) to the bill (H.R. 3009) to extend the Andean Trade Preference Act, to grant additional trade benefits under that Act, and for other purposes; as follows:

Section 2102(c) is amended by striking paragraph (5) and inserting the following new paragraph:

“(5) review the impact of future trade agreements on the United States employment, modeled after Executive Order 13141, taking into account the impact on job security, the level of compensation of new jobs and existing jobs, the displacement of employment, and the regional distribution of employment, utilizing experience from previous trade agreements and alternative models of employment analysis, report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate on such review, and make that report available to the public;”.

SA 3417. Mr. EDWARDS (for himself, Mr. HOLLINGS, Mr. MILLER, Mr. CLELAND, Mrs. LINCOLN, Ms. CANTWELL, and Mr. ALLEN) proposed an amendment to amendment SA 3401 proposed by Mr. BAUCUS (for himself and Mr. GRASSLEY) to the bill (H.R. 3009) to extend the Andean Trade Preference Act, to grant additional trade benefits under that Act, and for other purposes; as follows:

Chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.), as amended by section 111, is amended by inserting after section 240 the following:

“SEC. 240A. JOB TRAINING PROGRAMS.

“(a) GRANT PROGRAM AUTHORIZED.—The Secretary is authorized to award grants to community colleges (as defined in section 202 of the Tech-Prep Education Act (20 U.S.C. 2371)) on a competitive basis to establish job training programs for adversely affected workers.

“(b) APPLICATION.—

“(1) SUBMISSION.—To receive a grant under this section, a community college shall submit an application to the Secretary at such time and in such manner as the Secretary shall require.

“(2) CONTENTS.—The application submitted under paragraph (1) shall provide a description of—

“(A) the population to be served with grant funds received under this section;

“(B) how grant funds received under this section will be expended; and

“(C) the job training programs that will be established with grant funds received under this section, including a description of how such programs relate to workforce needs in the area where the community college is located.

“(c) ELIGIBILITY.—To be eligible to receive a grant under this section, a community college shall be located in an eligible community (as defined in section 271).

“(d) DECISION ON APPLICATIONS.—Not later than 30 days after submission of an application under subsection (b), the Secretary shall approve or disapprove the application.

“(e) USE OF FUNDS.—A community college that receives a grant under this section shall use the grant funds to establish job training programs for adversely affected workers.

On page 55, insert between lines 2 and 3 the following:

“(D) ADDITIONAL WEEKS FOR REMEDIAL EDUCATION.—Notwithstanding any other provision of this section, in order to assist an adversely affected worker to complete training approved for the worker under section 240, if the program is a program of remedial education in accordance with regulations prescribed by the Secretary, payments may be made as trade adjustment allowances for up to 26 additional weeks in the 26-week period that follows the last week of entitlement to trade adjustment allowances otherwise payable under this chapter.”.

At the end of section 2102(b), insert the following:

(15) TEXTILE NEGOTIATIONS.—

(A) IN GENERAL.—The principal negotiating objectives of the United States with respect to trade in textiles and apparel articles is to obtain competitive opportunities for United States exports of textiles and apparel in foreign markets substantially equivalent to the competitive opportunities afforded foreign exports in United States markets and to achieve fairer and more open conditions of trade in textiles and apparel by—

(i) reducing to levels that are the same as, or lower than, those in the United States, or eliminating, by a date certain, tariffs or other charges that decrease market opportunities for United States exports of textiles and apparel;

(ii) eliminating by a date certain non-tariff barriers that decrease market opportunities for United States textile and apparel articles;

(iii) reducing or eliminating subsidies that decrease market opportunities for United States exports or unfairly distort textile and apparel markets to the detriment of the United States;

(iv) developing, strengthening, and clarifying rules to eliminate practices that unfairly decrease United States market access opportunities or distort textile and apparel markets to the detriment of the United States;

(v) taking into account whether a party to the negotiations has failed to adhere to the provisions of already existing trade agreements with the United States or has circumvented obligations under those agreements;

(vi) taking into account whether a product is subject to market distortions by reason of a failure of a major producing country to adhere to the provisions of already existing trade agreements with the United States or by the circumvention by that country of its obligations under those agreements;

(vii) otherwise ensuring that countries that accede to the World Trade Organization have made meaningful market liberalization commitments in textiles and apparel; and

(viii) taking into account the impact that agreements covering textiles and apparel

trade to which the United States is already a party are having on the United States textile and apparel industry.

(B) SCOPE OF OBJECTIVE.—The negotiating objectives set forth in subparagraph (A) apply with respect to trade in textile and apparel articles to be addressed in any trade agreement entered into under section 2103 (a) or (b), including any trade agreement entered under section 2103 (a) or (b) that provides for accession to a trade agreement to which the United States is already a party.

SA 3418. Mrs. HUTCHISON submitted an amendment intended to be proposed to amendment SA 3401 proposed by Mr. BAUCUS (for himself and Mr. GRASSLEY) to the bill (H.R. 3009) to extend the Andean Trade Preference Act, to grant additional trade benefits under that Act, and for other purposes; which was ordered to lie on the table; as follows:

Section 204(b)(5)(B) of the Andean Trade Preference Act, as amended by section 3102, is amended by adding the following new clause:

“(viii) The extent to which the country has taken steps to support the efforts of the United States to combat terrorism.”

SA 3419. Mr. LIEBERMAN (for himself, Mr. DODD, Ms. MILKULSKI, and Mr. KENNEDY) proposed an amendment to amendment SA 3401 proposed by Mr. BAUCUS (for himself and Mr. GRASSLEY) to the bill (H.R. 3009) to extend the Andean Trade Preference Act, to grant additional trade benefits under that Act, and for other purposes; as follows:

On page 245, line 14, beginning with “and”, strike all through “protection” on line 18.

SA 3420. Mr. LEVIN (for himself and Mr. VOINOVICH) submitted an amendment intended to be proposed to amendment SA 3401 proposed by Mr. BAUCUS (for himself and Mr. GRASSLEY) to the bill (H.R. 3009) to extend the Andean Trade Preference Act, to grant additional trade benefits under that Act, and for other purposes; which was ordered to lie on the table; as follows:

At the end of section 2102(b), insert the following:

(15) MARKET ACCESS FOR MOTOR VEHICLES AND VEHICLE PARTS.—In the case of any trade agreement, whether or not the agreement is subject to the provisions of section 2103, the principal negotiating objectives of the United States with respect to automotive trade is to increase market access for United States motor vehicles and vehicle parts in foreign markets, especially in Japan and Korea. The United States should seek to obtain for United States motor vehicle and vehicle parts manufacturers the same level of sales opportunities in foreign markets that foreign motor vehicle and vehicle parts manufacturers enjoy in the United States and should—

(A) remove structural impediments in foreign markets to United States motor vehicle and motor vehicle parts exports and seek measurable criteria for evaluating progress, including annual government-to-government consultations to remove impediments to progress;

(B) negotiate market opening agreements with any member country of the Organization for Economic Cooperation and Development (OECD) that maintains in its domestic markets a level of passenger vehicle imports of less than 10 percent which is well below the average import rate of OECD countries;

(C) negotiate agreements that contain measurable goals, including—

(i) measurements of market share for United States-made motor vehicles and vehicle parts and United States sourcing of engines and transmissions; and

(ii) a substantial and progressive reduction in the bilateral motor vehicle parts trade imbalance resulting from those structural barriers;

(D) seek commitments from foreign auto makers to provide updated business plans for purchases of foreign-made vehicle parts;

(E) commit to greater transparency in quasi-regulatory activities assigned to trade associations;

(F) allow United States companies to participate in trade association activities during the development of policy and regulation; and

(G) require a semiannual report on the progress being made to increase market access for United States motor vehicles and vehicle parts.

SA 3421. Ms. CANTWELL submitted an amendment intended to be proposed by her to the bill H.R. 3009, to extend the Andean Trade Preference Act, to grant additional trade benefits under that Act, and for other purposes; which was ordered to lie on the table; as follows:

At the end of the amendment, insert the following:

SEC. —. TRADE REMEDY FOR CANADIAN WHEAT.

(a) SHORT TITLE.—This section may be cited as the “Agricultural Trade Fairness Act of 2002”.

(b) FINDINGS.—Congress finds the following:

(1) The Government of Canada grants the Canadian Wheat Board special monopoly rights and privileges which disadvantage United States wheat farmers and undermine the integrity of the trading system.

(2) The Canadian Wheat Board is able to take sales from United States farmers, because it—

(A) is insulated from commercial risks;

(B) benefits from subsidies;

(C) has a protected domestic market and special privileges; and

(D) has competitive advantages due to its monopoly control over a guaranteed supply of wheat.

(3) The Canadian Wheat Board is insulated from commercial risk because the Canadian Government guarantees its financial operations, including its borrowing, credit sales to foreign buyers, and initial payments to farmers.

(4) The Canadian Wheat Board benefits from subsidies and special privileges, such as government-owned railcars, government-guaranteed debt, and below market borrowing costs.

(5) The Canadian Wheat Board has a competitive advantage due to its monopoly control over a guaranteed supply of wheat that Canadian farmers are required to sell to the Board, and monopoly control to export western Canadian wheat which allows the Canadian Wheat Board to enter into forward contracts without incurring commercial risks.

(6) Canada’s burdensome regulatory scheme controls the varieties of wheat that can be marketed and restricts imports of United States wheat.

(7) The wheat trade problem with Canada is long-standing and affects the entire United States wheat industry by depressing prices and displacing sales of United States wheat domestically and in foreign markets.

(8) The acts, policies, and practices of the Government of Canada and the Canadian

Wheat Board are unreasonable and burden or restrict United States wheat commerce.

(9) Since entering into the Canada-United States Free Trade Agreement, United States wheat producers have been continuously threatened by the unfair practices of the Canadian Wheat Board.

(10) The United States Department of Agriculture figures confirm that—

(A) United States wheat farmers have lost domestic market share to Canadian Wheat Board imports consistently since the implementation of the Canada-United States Free Trade Agreement;

(B) the price of wheat has dropped sharply since the 1996 peak;

(C) although almost half of the United States wheat crop is exported, United States wheat exports have shown little increase since 1996 and 1997; and

(D) the number of farms growing wheat in the United States continues to decline.

(11) United States wheat producers are faced with low prices as a result of the Canadian Wheat Board’s unfair pricing in domestic and third country markets. United States wheat producers have experienced a steep decline in farm income, have increasing carry-over stock, face indebtedness, and have been forced to rely on Government support.

(c) RESPONSE TO UNFAIR TRADE PRACTICES BY CANADIAN WHEAT BOARD.—Since the United States Trade Representative made a positive finding that the practices of the Canadian Wheat Board involved subsidies, protected domestic market, and special benefits and privileges that disadvantage United States wheat farmers and infringe on the integrity of a competitive trading system, the President shall implement the finding and shall—

(1) initiate a dispute settlement case against the Canadian Wheat Board in the World Trade Organization;

(2) initiate action under title VII of the Tariff Act of 1930 with respect to countervailing duty and antidumping petitions against Canada;

(3) in the newly launched round of the World Trade Organization, pursue permanent reform of the Canadian Wheat Board through the development of new disciplines and rules on State trading enterprises that export agricultural goods which include—

(A) ending exclusive export rights to ensure private sector competition in markets controlled by single desk exports;

(B) establishing World Trade Organization requirements for identifying acquisition costs, export pricing, and other sales information for single desk exporters; and

(C) eliminating the use of Government funds or guarantees to support or ensure the financial viability of single desk exporters; and

(4) the Secretary of Agriculture shall target not less than \$100,000,000 from the Export Enhancement Program (title III of the Agricultural Trade Act of 1978 (7 U.S.C. 5651 et seq.)) to offset the unfair practices of the Canadian Wheat Board in foreign and domestic markets where United States wheat producers have suffered lost markets due to the Canadian Wheat Board’s predatory pricing practices.

SA 3422. Mr. DURBIN (for himself, Mr. DORGAN, and Mr. WELLSTONE) proposed an amendment to amendment SA 3401 proposed by Mr. BAUCUS (for himself and Mr. GRASSLEY) to the bill (H.R. 3009) to extend the Andean Trade Preference Act, to grant additional trade benefits under that Act, and for other purposes; as follows:

Title XXI of division B is amended by striking section 2101 and all that follows

through section 2113, and inserting the following:

SEC. 2101. SHORT TITLE.

This title may be cited as the "Comprehensive Trade Negotiating Authority Act of 2002".

SEC. 2102. NEGOTIATING OBJECTIVES.

(a) **OVERALL TRADE NEGOTIATING OBJECTIVES.**—The overall trade negotiating objectives of the United States for agreements subject to the provisions of section 2104 are the following:

(1) To obtain clear and specific commitments from trading partners of the United States to fulfill existing international trade obligations according to existing schedules.

(2) To obtain more open, equitable, and reciprocal market access for United States agricultural products, manufactured and other nonagricultural products, and services.

(3) To obtain the reduction or elimination of barriers to trade, including barriers that result from failure of governments to publish laws, rules, policies, practices, and administrative and judicial decisions.

(4) To ensure effective implementation of trade commitments and obligations by strengthening the effective operation of the rule of law by trading partners of the United States.

(5) To oppose any attempts to weaken in any respect the trade remedy laws of the United States.

(6) To increase public access to international, regional, and bilateral trade organizations in which the United States is a member by developing such organizations and their underlying agreements in ways that make the resources of such organizations more accessible to, and their decision-making processes more open to participation by, workers, farmers, businesses, and non-governmental organizations.

(7) To ensure that the dispute settlement mechanisms in multilateral, regional, and bilateral agreements lead to prompt and full compliance.

(8) To ensure that the benefits of trade extend broadly and fully to all segments of society.

(9) To pursue market access initiatives that benefit the world's least-developed countries.

(10) To ensure that trade rules take into account the special needs of least-developed countries.

(11) To promote enforcement of internationally recognized core labor standards by trading partners of the United States.

(12) To promote the ongoing improvement of environmental protections.

(13) To promote the compatibility of trade rules with national environmental, health, and safety standards and with multilateral environmental agreements.

(14) To identify and pursue those areas of trade liberalization, such as trade in environmental technologies, that also promote protection of the environment.

(15) To ensure that existing and new rules of the WTO and of regional and bilateral trade agreements support sustainable development, protection of endangered species, and reduction of air and water pollution.

(16) To ensure that existing and new rules of the WTO and of regional and bilateral agreements are written, interpreted, and applied in such a way as to facilitate the growth of electronic commerce.

(b) **PRINCIPAL NEGOTIATING OBJECTIVES UNDER THE WTO.**—The principal negotiating objectives of the United States under the auspices of the WTO are the following:

(1) **RECIPROCAL TRADE IN AGRICULTURE.**—The principal negotiating objective of the United States with respect to agriculture is to obtain competitive opportunities for

United States exports of agricultural commodities in foreign markets equal to the competitive opportunities afforded foreign exports in United States markets and to achieve fairer and more open conditions of trade in bulk, specialty crop, and value-added commodities by doing the following:

(A) Reducing or eliminating, by a date certain, tariffs or other charges that decrease market opportunities for United States exports, giving priority to those products that are subject to significantly higher tariffs or subsidy regimes of major producing countries and providing reasonable adjustment periods for import sensitive products of the United States, in close consultation with the Congress.

(B) Eliminating disparities between applied and bound tariffs by reducing bound tariff levels.

(C) Enhancing the transparency of tariff regimes.

(D) Tightening disciplines governing the administration of tariff rate quotas.

(E) Eliminating export subsidies.

(F) Eliminating or reducing trade distorting domestic subsidies.

(G) When negotiating reduction or elimination of export subsidies or trade distorting domestic subsidies with countries that maintain higher levels of such subsidies than the United States, obtaining reductions from other countries to United States subsidy levels before agreeing to reduce or eliminate United States subsidies.

(H) Preserving United States market development programs, including agriculture export credit programs that allow the United States to compete with other foreign export promotion efforts.

(I) Maintaining bona fide food aid programs.

(J) Allowing the preservation of programs that support family farms and rural communities but do not distort trade.

(K) Eliminating state trading enterprises, or, at a minimum, adopting rigorous disciplines that ensure transparency in the operations of such enterprises, including price transparency, competition, and the end of discriminatory policies and practices, including policies and practices supporting cross-subsidization, price discrimination, and price undercutting in export markets.

(L) Eliminating practices that adversely affect trade in perishable or seasonal products, while improving import relief mechanisms to recognize the unique characteristics of perishable and seasonal agriculture. Before commencing negotiations with respect to agriculture, the Trade Representative, in consultation with the Congress, shall seek to develop a position on the treatment of perishable and seasonal food products to be employed in the negotiations in order to develop an international consensus on the treatment of such products in antidumping, countervailing duty, and safeguard actions and in any other relevant area.

(M) Taking into account whether a party to the negotiations has failed to adhere to the provisions of already existing trade agreements with the United States or has circumvented obligations under those agreements.

(N) Taking into account whether a product is subject to market distortions by reason of a failure of a major producing country to adhere to the provisions of already existing trade agreements with the United States or by the circumvention by that country of its obligations under those agreements.

(O) Taking into account the impact that agreements covering agriculture to which the United States is a party, including NAFTA, have had on the agricultural sector in the United States.

(P) Ensuring that countries that accede to the WTO have made meaningful market liberalization commitments in agriculture.

(Q) Treating the negotiation of all issues as a single undertaking, with implementation of early agreements in particular sectors contingent on an acceptable final package of agreements on all issues.

(2) **TRADE IN SERVICES.**—The principal negotiating objective of the United States with respect to trade in services is to further reduce or eliminate barriers to, or other distortions of, international trade in services by doing the following:

(A) Pursuing agreement by WTO members to extend their commitments under the General Agreement on Trade in Services (in this section also referred to as "GATS") to—

(i) achieve maximum liberalization of market access in all modes of supply, including by removing restrictions on the legal form of an investment or on the right to own all or a majority share of a service supplier, subject to national security exceptions;

(ii) remove regulatory and other barriers that deny national treatment, or unreasonably restrict the establishment or operations of service suppliers in foreign markets;

(iii) reduce or eliminate any adverse effects of existing government measures on trade in services;

(iv) eliminate additional barriers to trade in services, including restrictions on access to services distribution networks and information systems, unreasonable or discriminatory licensing requirements, the administration of cartels or toleration of anticompetitive activity, unreasonable delegation of regulatory powers to private entities, and similar government acts, measures, or policies affecting the sale, offering for sale, purchase, distribution, or use of services that have the effect of restricting access of services and service suppliers to a foreign market; and

(v) grandfather existing concessions and liberalization commitments.

(B) Strengthening requirements under GATS to ensure that regulation of services and service suppliers in all respects, including by rulemaking, license-granting, standards-setting, and through judicial, administrative, and arbitral proceedings, is conducted in a transparent, reasonable, objective, and impartial manner and is otherwise consistent with principles of due process.

(C) Continuing to oppose strongly cultural exceptions to obligations under GATS, especially relating to audiovisual services and service providers.

(D) Preventing discrimination against a like service when delivered through electronic means.

(E) Pursuing full market access and national treatment commitments for services sectors essential to supporting electronic commerce.

(F) Broadening and deepening commitments of other countries relating to basic and value added telecommunications, including by—

(i) strengthening obligations and the implementation of obligations to ensure competitive, nondiscriminatory access to public telecommunication networks and services for Internet service providers and other value-added service providers; and

(ii) preventing anticompetitive behavior by major suppliers, including service suppliers that are either government owned or controlled or recently government owned or controlled.

(G) Broadening and deepening commitments of other countries relating to financial services.

(3) **TRADE IN MANUFACTURED AND NON-AGRICULTURAL GOODS.**—The principal negotiating objectives of the United States with respect to trade in manufactured and non-agricultural goods are the following:

(A) To eliminate disparities between applied and bound tariffs by reducing bound tariff levels.

(B) To negotiate an agreement that includes reciprocal commitments to eliminate duties in sectors in which tariffs are currently approaching zero.

(C) To eliminate tariff and nontariff disparities remaining from previous rounds of multilateral trade negotiations that have put United States exports at a competitive disadvantage in world markets, especially tariff and nontariff barriers in foreign countries in those sectors where the United States imposes no significant barriers to imports and where foreign tariff and nontariff barriers are substantial.

(D) To obtain the reduction or elimination of tariffs on value-added products that provide a disproportionate level of protection compared to that provided to raw materials.

(E) To eliminate additional nontariff barriers to trade, including—

(i) anticompetitive restrictions on access to product distribution networks and information systems;

(ii) unreasonable or discriminatory inspection processes;

(iii) the administration of cartels, or the promotion, enabling, or toleration of anti-competitive activity;

(iv) unreasonable delegation of regulatory powers to private entities;

(v) unreasonable or discriminatory licensing requirements; and

(vi) similar government acts, measures, or policies affecting the sale, offering for sale, purchase, transportation, distribution, or use of goods that have the effect of restricting access of goods to a foreign market.

(4) **TRADE IN CIVIL AIRCRAFT.**—The principal negotiating objectives of the United States with respect to civil aircraft are those contained in section 135(c) of the Uruguay Round Agreements Act (19 U.S.C. 3555(c)).

(5) **RULES OF ORIGIN.**—The principal negotiating objective of the United States with respect to rules of origin is to conclude the work program on rules of origin described in Article 9 of the Agreement on Rules of Origin.

(6) **DISPUTE SETTLEMENT.**—The principal negotiating objectives of the United States with respect to dispute settlement are the following:

(A) To improve enforcement of decisions of dispute settlement panels to ensure prompt compliance by foreign governments with their obligations under the WTO.

(B) To strengthen rules that promote cooperation by the governments of WTO members in producing evidence in connection with dispute settlement proceedings, including copies of laws, regulations, and other measures that are the subject of or are directly relevant to the dispute, other than evidence that is classified on the basis of national security, and evidence that is business confidential.

(C) To pursue rules for the management of translation-related issues.

(D) To require that all submissions by governments to dispute settlement panels and the Appellate Body be made available to the public upon submission, providing appropriate exceptions for only that information included in a submission that is classified on the basis of national security or that is business confidential.

(E) To require that meetings of dispute settlement panels and the Appellate Body with parties to a dispute are open to other WTO members and the public and provide for in

camera treatment of only those portions of a proceeding dealing with evidence that is classified on the basis of national security or that is business confidential.

(F) To require that transcripts of proceedings of dispute settlement panels and the Appellate Body be made available to the public promptly, providing appropriate exceptions for only that information included in the transcripts that is classified on the basis of national security or that is business confidential.

(G) To establish rules allowing for the submission of amicus curiae briefs to dispute settlement panels and the Appellate Body, and to require that such briefs be made available to the public, providing appropriate exceptions for only that information included in the briefs which is classified on the basis of national security or that is business confidential.

(H) To strengthen rules protecting against conflicts of interest by members of dispute settlement panels and the Appellate Body, and promoting the selection of such members with the skills and time necessary to decide increasingly complex cases.

(I) To pursue the establishment of formal procedures under which dispute settlement panels, the Appellate Body, and the Dispute Settlement Body seek advice from other fora of competent jurisdiction, such as the International Court of Justice, the ILO, representative bodies established under international environmental agreements, and scientific experts.

(J) To ensure application of the requirement that dispute settlement panels and the Appellate Body apply the standard of review established in Article 17.6 of the Anti-dumping Agreement and clarify that this standard of review should apply to cases under the Agreement on Subsidies and Countervailing Measures and the Agreement on Safeguards.

(7) **SANITARY AND PHYTOSANITARY MEASURES.**—The principal negotiating objectives of the United States with respect to sanitary and phytosanitary measures are the following:

(A) To oppose reopening of the Agreement on the Application of Sanitary and Phytosanitary Measures.

(B) To affirm the compatibility of trade rules with measures to protect human health, animal health, and the phytosanitary situation of each WTO member by doing the following:

(i) Reaffirming that a decision of a WTO member not to adopt an international standard for the basis of a sanitary or phytosanitary measure does not in itself create a presumption of inconsistency with the Agreement on the Application of Sanitary and Phytosanitary Measures, and that the initial burden of proof rests with the complaining party, as set forth in the determination of the Appellate Body in EC Measures Concerning Meat and Meat Products (Hormones), AB-1997-4, WT/DS26/AB/R, January 16, 1998.

(ii) Reaffirming that WTO members may take provisional sanitary or phytosanitary measures where the relevant scientific evidence is insufficient, so long as such measures are based on available pertinent information, and members taking such provisional measures seek to obtain the additional information necessary to complete a risk assessment within a reasonable period of time. For purposes of this clause, a reasonable period of time includes sufficient time to evaluate the potential for adverse effects on human or animal health arising from the presence of additives, contaminants, toxins, or disease-causing organisms in food, beverages, or feedstuffs.

(8) **TECHNICAL BARRIERS TO TRADE.**—The principal negotiating objectives of the United States with respect to technical barriers to trade are the following:

(A) To oppose reopening of the Agreement on Technical Barriers to Trade.

(B) Recognizing the legitimate role of labeling that provides relevant information to consumers, to ensure that labeling regulations and standards do not have the effect of creating an unnecessary obstacle to trade or are used as a disguised barrier to trade by increasing transparency in the preparation, adoption, and application of labeling regulations and standards.

(9) **TRADE-RELATED ASPECTS OF INTELLECTUAL PROPERTY RIGHTS.**—The principal negotiating objectives of the United States with respect to trade-related aspects of intellectual property rights are the following:

(A) To oppose extension of the date by which WTO members that are developing countries must implement their obligations under the Agreement on Trade Related Aspects of Intellectual Property Rights (in this section also referred to as the "TRIPS Agreement"), pursuant to paragraph 2 of Article 65 of that agreement.

(B) To oppose extension of the moratorium on the application of subparagraphs 1(b) and 1(c) of Article XXIII of the GATT 1994 to the settlement of disputes under the TRIPS Agreement, pursuant to paragraph 2 of Article 64 of the TRIPS Agreement.

(C) To oppose any weakening of existing obligations of WTO members under the TRIPS Agreement.

(D) To ensure that standards of protection and enforcement keep pace with technological developments, including ensuring that rightsholders have the legal and technological means to control the use of their works through the Internet and other global communication media, and to prevent the unauthorized use of their works.

(E) To prevent misuse of reference pricing classification systems by developed countries as a way to discriminate against innovative pharmaceutical products and innovative medical devices, without challenging legitimate reference pricing systems not used as a disguised restriction on trade.

(F)(i) To clarify that under Article 31 of the TRIPS Agreement WTO members are able to adopt measures necessary to protect the public health and to respond to situations of national emergency or extreme urgency, including by taking actions that have the effect of increasing access to essential medicines and medical technologies.

(ii) In situations involving infectious diseases, to encourage WTO members that take actions described under clause (i) to also implement policies—

(I) to address the underlying causes necessitating the actions, including, in the case of infectious diseases, encouraging practices that will prevent further transmission and infection;

(II) to take steps to stimulate the development of the infrastructure necessary to deliver adequate health care services, including the essential medicines and medical technologies at issue;

(III) to ensure the safety and efficacy of the essential medicines and medical technologies involved; and

(IV) to make reasonable efforts to address the problems of supply of the essential medicines and medical technologies involved (other than by compulsory licensing), consistent with the obligation set forth in Article 31 of the TRIPS Agreement.

(iii) To encourage members of the Organization for Economic Cooperation and Development and the private sectors in their countries to work with the United Nations, the World Health Organization, and other

relevant international organizations, including humanitarian relief organizations, to assist least-developed and developing countries, in all possible ways, in increasing access to essential medicines and medical technologies including through donations, sales at cost, funding of global medicines trust funds, and developing and implementing prevention efforts and health care infrastructure projects.

(10) **TRANSPARENCY.**—The principal negotiating objectives of the United States with respect to transparency are the following:

(A) To pursue the negotiation of an agreement—

(i) requiring that government laws, rules, and administrative and judicial decisions be published and made available to the public so that governments, businesses, and the public have adequate notice of them;

(ii) requiring adequate notice before new rules are promulgated or existing rules amended;

(iii) encouraging governments to open rulemaking to public comment;

(iv) establishing that any administrative proceeding conducted by the government of any WTO member relating to any of the WTO Agreements and applied to the persons, goods, or services of any other WTO member shall be conducted in a manner that—

(I) gives persons of any other WTO member affected by the proceeding reasonable notice, in accordance with domestic procedures, of when the proceeding is initiated, including a description of the nature of the proceeding, a statement of the legal authority under which the proceeding is initiated, and a general description of any issues in controversy;

(II) gives such persons a reasonable opportunity to present facts and arguments in support of their positions prior to any final administrative action, when time, the nature of the proceeding, and the public interest permit; and

(III) is in accordance with domestic law; and

(v) requiring each WTO member—

(I) to establish or maintain judicial, quasi-judicial, or administrative tribunals (impartial and independent of the office or authority entrusted with administrative enforcement) or procedures for the purpose of the prompt review and, where warranted, correction of final administrative actions regarding matters covered by any of the WTO Agreements;

(II) to ensure that, in such tribunals or procedures, parties to the proceeding are afforded a reasonable opportunity to support or defend their respective positions; and

(III) to ensure that such tribunals or procedures issue decisions based on the evidence and submissions of record or, where required by domestic law, the record compiled by the office or authority entrusted with administrative enforcement.

(B) To pursue a commitment by all WTO members to improve the public's understanding of and access to the WTO and its related agreements by—

(i) encouraging the Secretariat of the WTO to enhance the WTO website by providing improved access to a wider array of WTO documents and information on the trade regimes of, and other relevant information on, WTO members;

(ii) promoting public access to council and committee meetings by ensuring that agendas and meeting minutes continue to be made available to the public;

(iii) ensuring that WTO documents that are most informative of WTO activities are circulated on an unrestricted basis or, if classified, are made available to the public more quickly;

(iv) seeking the institution of regular meetings between WTO officials and rep-

resentatives of nongovernmental organizations, businesses and business groups, labor unions, consumer groups, and other representatives of civil society; and

(v) supporting the creation of a committee within the WTO to oversee implementation of the agreement reached under this paragraph.

(11) **GOVERNMENT PROCUREMENT.**—The principal negotiating objectives of the United States with respect to government procurement are the following:

(A) To seek to expand the membership of the Agreement on Government Procurement.

(B) To seek conclusion of a WTO agreement on transparency in government procurement.

(C) To promote global use of electronic publication of procurement information, including notices of procurement opportunities.

(12) **TRADE REMEDY LAWS.**—The principal negotiating objectives of the United States with respect to trade remedy laws are the following:

(A) To preserve the ability of the United States to enforce vigorously its trade laws, including the antidumping, countervailing duty, and safeguard laws, and, in order to ensure that United States workers, farmers and agricultural producers, and firms can compete fully on fair terms and enjoy the benefits of reciprocal trade concessions, not enter into agreements that lessen in any respect the effectiveness of domestic and international disciplines—

(i) on unfair trade, especially dumping and subsidies, or

(ii) that address import increases or surges, such as under the safeguard remedy.

(B) To eliminate the underlying causes of unfair trade practices and import surges, including closed markets, subsidization, government practices promoting, enabling, or tolerating anticompetitive practices, and other forms of government intervention that generate or sustain excess, uneconomic capacity.

(13) **TRADE AND LABOR MARKET STANDARDS.**—The principal negotiating objectives of the United States with respect to trade and labor market standards are the following:

(A) To achieve a framework of enforceable multilateral rules as soon as practicable that leads to the adoption and enforcement of core, internationally recognized labor standards, including in the WTO and, as appropriate, other international organizations, including the ILO.

(B) To update Article XX of the GATT 1994, and Article XIV of the GATS in relation to core internationally recognized worker rights, including in regard to actions of WTO members taken consistent with and in furtherance of recommendations made by the ILO under Article 33 of the Constitution of the ILO.

(C) To establish promptly a working group on trade and labor issues—

(i) to explore the linkage between international trade and investment and internationally recognized worker rights (as defined in section 502(a)(4) of the Trade Act of 1974), taking into account differences in the level of development among countries;

(ii) to examine the effects on international trade and investment of the systematic denial of those worker rights;

(iii) to consider ways to address such effects; and

(iv) to develop methods to coordinate the work program of the working group with the ILO.

(D) To provide for regular review of adherence to core labor standards in the Trade Policy Review Mechanism established in Annex 3 to the WTO Agreement.

(E) To establish a working relationship between the WTO and the ILO—

(i) to identify opportunities in trade-affected sectors of the economies of WTO members to improve enforcement of internationally recognized core labor standards;

(ii) to provide WTO members with technical and legal assistance in developing and enforcing internationally recognized core labor standards; and

(iii) to provide technical assistance to the WTO to assist with the Trade Policy Review Mechanism.

(14) **TRADE AND THE ENVIRONMENT.**—The principal negotiating objectives of the United States with respect to trade and the environment are the following:

(A) To strengthen the role of the Committee on Trade and Environment of the WTO, including providing that the Committee would—

(i) review and comment on negotiations; and

(ii) review potential effects on the environment of WTO Agreements and future agreements of the WTO on liberalizing trade in natural resource products.

(B) To provide for regular review of adherence to environmental standards in the Trade Policy Review Mechanism of the WTO.

(C) To clarify exceptions under Article XX (b) and (g) of the GATT 1994 to ensure effective protection of human, animal, or plant life or health, and conservation of exhaustible natural resources.

(D) To amend Article XX of the GATT 1994 and Article XIV of the GATS to include an explicit exception for actions taken that are in accordance with those obligations under any multilateral environmental agreement accepted by both parties to a dispute.

(E) To amend Article XIV of the GATS to include an exception for measures relating to the conservation of exhaustible natural resources if such measures are made effective in conjunction with restrictions on domestic production or consumption.

(F) To give priority to trade liberalization measures that promote sustainable development, including eliminating duties on environmental goods, and obtaining commitments on environmental services.

(G) To reduce subsidies in natural resource sectors (including fisheries and forest products) and export subsidies in agriculture.

(H) To improve coordination between the WTO and relevant international environmental organizations in the development of multilaterally accepted principles for sustainable development, including sustainable forestry and fishery practices.

(15) **INSTITUTION BUILDING.**—The principal negotiating objectives of the United States with respect to institution building are the following:

(A) To strengthen institutional mechanisms within the WTO that facilitate dialogue and coordinate activities between nongovernmental organizations and the WTO.

(B) To seek greater transparency of WTO processes and procedures for all WTO members by—

(i) promoting the improvement of internal communication between the Secretariat and all WTO members; and

(ii) establishing points of contact to facilitate communication between WTO members on any matter covered by the WTO Agreements.

(C) To improve coordination between the WTO and other international organizations such as the International Bank for Reconstruction and Development, the International Monetary Fund, the ILO, the Organization for Economic Cooperation and Development, the United Nations Conference on Trade and Development, and the United Nations Environment Program to increase

the effectiveness of technical assistance programs.

(D) To increase the efforts of the WTO, both on its own and through partnerships with other institutions, to provide technical assistance to developing countries, particularly least-developed countries, to promote the rule of law, to assist those countries in complying with their obligations under the World Trade Organization agreements, and to address the full range of challenges arising from implementation of such obligations.

(E) To improve the Trade Policy Review Mechanism of the WTO to cover a wider array of trade-related issues.

(16) **TRADE AND INVESTMENT.**—The principal negotiating objectives of the United States with respect to trade and investment are the following:

(A) To pursue further reduction of trade-distorting investment measures, including—

(i) by pursuing agreement to ensure the free transfer of funds related to investments;

(ii) by pursuing reduction or elimination of the exceptions to the principle of national treatment; and

(iii) by pursuing amendment of the illustrative list annexed to the WTO Agreement on Trade-Related Investment Measures (in this section also referred to as the “TRIMs Agreement”) to include forced technology transfers, performance requirements, minimum investment levels, forced licensing of intellectual property, or other unreasonable barriers to the establishment or operation of investments as measures that are inconsistent with the obligation of national treatment provided for in paragraph 4 of Article III of the GATT 1994 or the obligation of general elimination of quantitative restrictions provided for in paragraph 1 of Article XI of the GATT 1994.

(B) To seek to strengthen the enforceability of and compliance with the TRIMs Agreement.

(17) **ELECTRONIC COMMERCE.**—The principal negotiating objectives of the United States with respect to electronic commerce are the following:

(A) Make permanent and binding the moratorium on customs duties on electronic transmissions declared in the WTO Ministerial Declaration of May 20, 1998.

(B) Ensure that current obligations, rules, disciplines, and commitments under the WTO apply to electronically delivered goods and services.

(C) Ensure that the classification of electronically delivered goods and services ensures the most liberal trade treatment possible.

(D) Ensure that electronically delivered goods and services receive no less favorable treatment under WTO trade rules and commitments than like products delivered in physical form.

(E) Ensure that governments refrain from implementing trade-related measures that impede electronic commerce.

(F) Where legitimate policy objectives require domestic regulations that affect electronic commerce, to obtain commitments that any such regulations are nondiscriminatory, transparent, and promote an open market environment.

(G) Pursue a procompetitive regulatory environment for basic and value-added telecommunications services abroad, so as to facilitate the conduct of electronic commerce.

(H) Focus any future WTO work program on electronic commerce on educating WTO members regarding the benefits of electronic commerce and on facilitating the liberalization of trade barriers in areas that directly impede the conduct of electronic commerce.

(18) **DEVELOPING COUNTRIES.**—The principal negotiating objectives of the United States

with respect to developing countries are the following:

(A) To enter into trade agreements that promote the economic growth of both developing countries and the United States and the mutual expansion of market opportunities.

(B) To ensure appropriate phase-in periods with respect to the obligations of least-developed countries.

(C) To coordinate with the World Bank, the International Monetary Fund, and other international institutions to provide debt relief and other assistance to promote the rule of law and sound and sustainable development.

(D) To accelerate tariff reductions that benefit least-developed countries.

(19) **CURRENT ACCOUNT SURPLUSES.**—The principal negotiating objective of the United States with respect to current account surpluses is to develop rules to address large and persistent global current account imbalances of countries, including imbalances that threaten the stability of the international trading system, by imposing greater responsibility on such countries to undertake policy changes aimed at restoring current account equilibrium, including expedited implementation of trade agreements where feasible and appropriate or by offering debt repayment on concessional terms.

(20) **TRADE AND MONETARY COORDINATION.**—The principal negotiating objective of the United States with respect to trade and monetary coordination is to foster stability in international currency markets and develop mechanisms to assure greater coordination, consistency, and cooperation between international trade and monetary systems and institutions in order to protect against the trade consequences of significant and unanticipated currency movements.

(21) **ACCESS TO HIGH TECHNOLOGY.**—The principal negotiating objectives of the United States with respect to access to high technology are the following:

(A) To obtain the elimination or reduction of foreign barriers to, and of acts, policies, or practices by foreign governments which limit, equitable access by United States persons to foreign-developed technology.

(B) To seek the elimination of tariffs on all information technology products, infrastructure equipment, scientific instruments, and medical equipment.

(C) To pursue the reduction of foreign barriers to high technology products of the United States.

(D) To enforce and promote the Agreement on Technical Barriers to Trade, and ensure that standards, conformity assessments, and technical regulations are not used as obstacles to trade in information technology and communications products.

(E) To require all WTO members to sign the Information Technology Agreement of the WTO, and to expand and update product coverage under that agreement.

(22) **CORRUPTION.**—The principal negotiating objectives of the United States with respect to the use of money or other things of value to influence acts, decisions, or omissions of foreign governments or officials or to secure any improper advantage in a manner affecting trade are the following:

(A) To obtain standards applicable to persons from all countries participating in the applicable trade agreement that are equivalent to, or more restrictive than, the prohibitions applicable to issuers, domestic concerns, and other persons under section 30A of the Securities and Exchange Act of 1934 and sections 104 and 104A of the Foreign Corrupt Practices Act of 1977.

(B) To implement mechanisms to ensure effective enforcement of the standards described in subparagraph (A).

(23) **IMPLEMENTATION OF EXISTING COMMITMENTS AND IMPROVEMENT OF THE WTO AND THE WTO AGREEMENTS.**—The principal negotiating objectives of the United States with respect to implementation of existing commitments under the WTO are the following:

(A) To ensure that all WTO members comply fully with existing obligations under the WTO according to existing commitments and timetables.

(B) To strengthen the ability of the Trade Policy Review Mechanism within the WTO to review implementation by WTO members of commitments under the WTO.

(C) To undertake diplomatic and, as appropriate, dispute settlement efforts to promote compliance with commitments under the WTO.

(D) To extend the coverage of the WTO Agreements to products, sectors, and conditions of trade not adequately covered.

(c) **NEGOTIATING OBJECTIVES FOR THE FTAA.**—The principal negotiating objectives of the United States in seeking a trade agreement establishing a Free Trade Area for the Americas are the following:

(1) **RECIPROCAL TRADE IN AGRICULTURE.**—The principal negotiating objective of the United States with respect to agriculture is to obtain competitive opportunities for United States exports of agricultural commodities in foreign markets equal to the competitive opportunities afforded foreign exports in United States markets and to achieve fairer and more open conditions of trade in bulk, specialty crop, and value-added commodities by doing the following:

(A) Reducing or eliminating, by a date certain, tariffs or other charges that decrease market opportunities for United States exports, giving priority to those products that are subject to significantly higher tariffs or subsidy regimes of major producing countries and providing reasonable adjustment periods for import sensitive products of the United States, in close consultation with Congress.

(B) Eliminating disparities between applied and bound tariffs by reducing bound tariff levels.

(C) Enhancing the transparency of tariff regimes.

(D) Tightening disciplines governing the administration of tariff rate quotas.

(E) Establishing mechanisms to prevent agricultural products from being exported to FTAA members by countries that are not FTAA members with the aid of export subsidies.

(F) Maintaining bona fide food aid programs.

(G) Allowing the preservation of programs that support family farms and rural communities but do not distort trade.

(H) Eliminating state trading enterprises or, at a minimum, adopting rigorous disciplines that ensure transparency in the operations of such enterprises, including price transparency, competition, and the end of discriminatory practices, including policies supporting cross-subsidization, price discrimination, and price undercutting in export markets.

(I) Eliminating technology-based discrimination against agricultural commodities, and ensuring that the rules negotiated do not weaken rights and obligations under the Agreement on the Application of Sanitary and Phytosanitary Measures.

(J) Eliminating practices that adversely affect trade in perishable or seasonal products, while improving import relief mechanisms to recognize the unique characteristics of perishable and seasonal agriculture. Before proceeding with negotiations with respect to agriculture, the Trade Representative, in consultation with the Congress, shall seek to develop a position on the treatment

of perishable and seasonal food products to be employed in the negotiations in order to develop a consensus on the treatment of such products in dumping or safeguard actions and in any other relevant area.

(K) Taking into account whether a party to the negotiations has failed to adhere to the provisions of already existing trade agreements with the United States or has circumvented obligations under those agreements.

(L) Taking into account whether a product is subject to market distortions by reason of a failure of a major producing country to adhere to the provisions of already existing trade agreements with the United States or by the circumvention by that country of its obligations under those agreements.

(M) Taking into account the impact that agreements covering agriculture to which the United States is a party, including NAFTA, have on the United States agricultural industry.

(2) **TRADE IN SERVICES.**—The principal negotiating objective of the United States with respect to trade in services is to achieve, to the maximum extent possible, the elimination of barriers to, or other distortions of, trade in services in all modes of supply and across the broadest range of service sectors by doing the following:

(A) Pursuing agreement to treat negotiation of trade in services in a negative list manner whereby commitments will cover all services and all modes of supply unless particular services or modes of supply are expressly excluded.

(B) Achieving maximum liberalization of market access in all modes of supply, including by removing restrictions on the legal form of an investment or on the right to own all or a majority share of a service supplier, subject to national security exceptions.

(C) Removing regulatory and other barriers that deny national treatment, or unreasonably restrict the establishment or operation of service suppliers in foreign markets.

(D) Eliminating additional barriers to trade in services, including restrictions on access to services distribution networks and information systems, unreasonable or discriminatory licensing requirements, administration of cartels or toleration of anti-competitive activity, unreasonable delegation of regulatory powers to private entities, and similar government acts, measures, or policies affecting the sale, offering for sale, purchase, distribution, or use of services that have the effect of restricting access of services and service suppliers to a foreign market.

(E) Grandfathering existing concessions and liberalization commitments.

(F) Pursuing the strongest possible obligations to ensure that regulation of services and service suppliers in all respects, including by rulemaking, license-granting, standards-setting, and through judicial, administrative, and arbitral proceedings, is conducted in a transparent, reasonable, objective, and impartial manner and is otherwise consistent with principles of due process.

(G) Strongly opposing cultural exceptions to services obligations, especially relating to audiovisual services and service providers.

(H) Preventing discrimination against a like service when delivered through electronic means.

(I) Pursuing full market access and national treatment commitments for services sectors essential to supporting electronic commerce.

(J) Broadening and deepening existing commitments by other countries relating to basic and value-added telecommunications, including by—

(i) strengthening obligations and the implementation of obligations to ensure competitive, nondiscriminatory access to public telecommunication networks and services for Internet service providers and other value-added service providers; and

(ii) preventing anticompetitive behavior by major suppliers, including service suppliers that are either government owned or controlled or recently government owned or controlled.

(K) Broadening and deepening existing commitments of other countries relating to financial services.

(3) **TRADE IN MANUFACTURED AND NON-AGRICULTURAL GOODS.**—The principal negotiating objectives of the United States with respect to trade in manufactured and non-agricultural goods are the following:

(A) To eliminate disparities between applied and bound tariffs by reducing bound tariff levels.

(B) To negotiate an agreement that includes reciprocal commitments to eliminate duties in sectors in which tariffs are currently approaching zero.

(C) To eliminate tariff and nontariff disparities remaining from previous rounds of multilateral trade negotiations that have put United States exports at a competitive disadvantage in world markets, especially tariff and nontariff barriers in foreign countries in those sectors where the United States imposes no significant barriers to imports and where foreign tariff and nontariff barriers are substantial.

(D) To obtain the reduction or elimination of tariffs on value-added products that provide a disproportionate level of protection compared to that provided to raw materials.

(E) To eliminate additional nontariff barriers to trade, including—

(i) anticompetitive restrictions on access to product distribution networks and information systems;

(ii) unreasonable or discriminatory inspection processes;

(iii) the administration of cartels, or the promotion, enabling, or toleration of anti-competitive activity;

(iv) unreasonable delegation of regulatory powers to private entities;

(v) unreasonable or discriminatory licensing requirements; and

(vi) similar government acts, measures, or policies affecting the sale, offering for sale, purchase, transportation, distribution, or use of goods that have the effect of restricting access of goods to a foreign market.

(4) **DISPUTE SETTLEMENT.**—The principal negotiating objectives of the United States with respect to dispute settlement are the following:

(A) To provide for a single effective and expeditious dispute settlement mechanism and set of procedures that applies to all FTAA agreements.

(B) To ensure that dispute settlement mechanisms enable effective enforcement of the rights of the United States, including by providing, in all contexts, for the use of all remedies that are demonstrably effective to promote prompt and full compliance with the decision of a dispute settlement panel.

(C) To provide rules that promote cooperation by the governments of FTAA members in producing evidence in connection with dispute settlement proceedings, including copies of laws, regulations, and other measures that are the subject of or are directly relevant to the dispute, other than evidence that is classified on the basis of national security, and evidence that is business confidential.

(D) To require that all submissions by governments to FTAA dispute panels and any appellate body be made available to the public upon submission, providing appropriate

exceptions for only that information included in a submission that is classified on the basis of national security or that is business confidential.

(E) To require that meetings of FTAA dispute panels and any appellate body with the parties to a dispute are open to other FTAA members and the public and provide for in camera treatment of only those portions of a proceeding dealing with evidence that is classified on the basis of national security or that is business confidential.

(F) To require that transcripts of proceedings of FTAA dispute panels and any appellate body be made available to the public promptly, providing appropriate exceptions for only that information included in the transcripts that is classified on the basis of national security or that is business confidential.

(G) To establish rules allowing for the submission of amicus curiae briefs to FTAA dispute panels and any appellate body, and to require that such briefs be made available to the public, providing appropriate exceptions for only that information included in the briefs that is classified on the basis of national security or that is business confidential.

(H) To pursue rules protecting against conflicts of interest by members of FTAA dispute panels and any appellate body, and promoting the selection of members for such panels and appellate body with the skills and time necessary to decide increasingly complex cases.

(I) To pursue the establishment of formal procedures under which the FTAA dispute panels and any appellate body seek advice from other fora of competent jurisdiction, such as the International Court of Justice, ILO, representative bodies established under international environmental agreements, and scientific experts.

(5) **TRADE-RELATED ASPECTS OF INTELLECTUAL PROPERTY RIGHTS.**—The principal negotiating objectives of the United States with respect to trade-related aspects of intellectual property rights are the following:

(A) To ensure that the provisions of a regional trade agreement governing intellectual property rights that is entered into by the United States reflects a standard of protection similar to that found in United States law.

(B) To provide strong protection for new and emerging technologies and new methods of transmitting and distributing products embodying intellectual property.

(C) To prevent or eliminate discrimination with respect to matters affecting the availability, acquisition, scope, maintenance, use, and enforcement of intellectual property rights.

(D) To ensure that standards of protection and enforcement keep pace with technological developments, including ensuring that rightsholders have the legal and technological means to control the use of their works through the Internet and other global communication media, and to prevent the unauthorized use of their works.

(E) To provide strong enforcement of intellectual property rights, including through accessible, expeditious, and effective civil, administrative, and criminal enforcement mechanisms.

(F) To secure fair, equitable and non-discriminatory market access opportunities for United States persons that rely upon intellectual property protection.

(G) To prevent misuse of reference pricing classification systems by developed countries as a way to discriminate against innovative pharmaceutical products and innovative medical devices, without challenging valid reference pricing systems not used as a disguised restriction on trade.

(H)(i) To ensure that FTAA members are able to adopt measures necessary to protect the public health and to respond to situations of national emergency or extreme urgency, including taking actions that have the effect of increasing access to essential medicines and medical technologies, where such actions are consistent with obligations set forth in Article 31 of the TRIPs Agreement.

(ii) In situations involving infectious diseases, to encourage FTAA members that take actions described under clause (i) to also implement policies—

(I) to address the underlying causes necessitating the actions, including, in the case of infectious diseases, encouraging practices that will prevent further transmission and infection;

(II) to take steps to stimulate the development of the infrastructure necessary to deliver adequate health care services, including the essential medicines and medical technologies at issue;

(III) to ensure the safety and efficacy of the essential medicines and medical technologies involved; and

(IV) to make reasonable efforts to address the problems of supply of the essential medicines and medical technologies involved (other than by compulsory licensing).

(iii) To encourage FTAA members and the private sectors in their countries to work with the United Nations, the World Health Organization, the Inter-American Development Bank, the Organization of American States, and other relevant international organizations, including humanitarian relief organizations, to assist least-developed and developing countries in the region in increasing access to essential medicines and medical technologies through donations, sales at cost, funding or global medicines trust funds, and developing and implementing prevention efforts and health care infrastructure projects.

(6) **TRANSPARENCY.**—The principal negotiating objectives of the United States with respect to transparency are the following:

(A) To pursue the negotiation of an agreement—

(i) requiring that government laws, rules, and administrative and judicial decisions be published and made available to the public so that governments, businesses and the public have adequate notice of them;

(ii) requiring adequate notice before new rules are promulgated or existing rules amended;

(iii) encouraging governments to open rulemaking to public comment;

(iv) establishing that any administrative proceeding by any FTAA member relating to any of the FTAA agreements and applied to the persons, goods, or services of any other FTAA member shall be conducted in a manner that—

(I) gives persons of any other FTAA member affected by the proceeding reasonable notice, in accordance with domestic procedures, of when the proceeding is initiated, including a description of the nature of the proceeding, a statement of the legal authority under which the proceeding is initiated, and a general description of any issues in controversy;

(II) gives such persons a reasonable opportunity to present facts and arguments in support of their positions prior to any final administrative action, when time, the nature of the proceeding, and the public interest permit; and

(III) is in accordance with domestic law; and

(v) requiring each FTAA member—

(I) to establish or maintain judicial, quasi-judicial, or administrative tribunals (impartial and independent of the office or author-

ity entrusted with administrative enforcement) or procedures for the purpose of the prompt review and, where warranted, correction of final administrative actions regarding matters covered by any of the FTAA agreements;

(II) to ensure that, in such tribunals or procedures, parties to the proceeding are afforded a reasonable opportunity to support or defend their respective positions; and

(III) to ensure that such tribunals or procedures issue decisions based on the evidence and submissions of record or, where required by domestic law, the record compiled by the office or authority entrusted with administrative enforcement.

(B) To require the institution of regular meetings between officials of an FTAA secretariat, if established, and representatives of nongovernmental organizations, businesses and business groups, labor unions, consumer groups, and other representatives of civil society.

(C) To continue to maintain, expand, and update an official FTAA website in order to disseminate a wide range of information on the FTAA, including the draft texts of the agreements negotiated pursuant to the FTAA, the final text of such agreements, tariff information, regional trade statistics, and links to websites of FTAA member countries that provide further information on government regulations, procedures, and related matters.

(7) **GOVERNMENT PROCUREMENT.**—The principal negotiating objectives for the United States with respect to government procurement are the following:

(A) To seek the acceptance by all FTAA members of the Agreement on Government Procurement.

(B) To seek conclusion of an agreement on transparency in government procurement.

(C) To promote global use of electronic publication of procurement information, including notices of procurement opportunities.

(8) **TRADE REMEDY LAWS.**—The principal negotiating objectives for the United States with respect to trade remedy laws are the following:

(A) To preserve the ability of the United States to enforce vigorously its trade laws, including the antidumping, countervailing duty, and safeguard laws, and not enter into agreements that lessen in any respect the effectiveness of domestic and international disciplines—

(i) on unfair trade, especially dumping and subsidies, or

(ii) that address import increases or surges, such as under the safeguard remedy, in order to ensure that United States workers, farmers and agricultural producers, and firms can compete fully on fair terms and enjoy the benefits of reciprocal trade concessions.

(B) To eliminate the underlying causes of unfair trade practices and import surges, including closed markets, subsidization, promoting, enabling, or tolerating anticompetitive practices, and other forms of government intervention that generate or sustain excess, uneconomic capacity.

(9) **TRADE AND LABOR MARKET STANDARDS.**—The principal negotiating objectives of the United States with respect to trade and labor market standards are the following:

(A) To include enforceable rules that provide for the adoption and enforcement of the following core labor standards: the right of association, the right to bargain collectively, and prohibitions on employment discrimination, child labor, and slave labor.

(B)(i) To establish as the trigger for invoking the dispute settlement process with respect to the obligations under subparagraph (A)—

(I) an FTAA member's failure to effectively enforce its domestic labor standards through a sustained or recurring course of action or inaction, in a manner affecting trade or investment; or

(II) an FTAA member's waiver or other derogation from its domestic labor standards for the purpose of attracting investment, inhibiting exports by other FTAA members, or otherwise gaining a competitive advantage; and

(ii) to recognize that—

(I) FTAA members retain the right to exercise discretion with respect to investigatory, prosecutorial, regulatory, and compliance matters and to make decisions regarding the allocation of resources to enforcement with respect to other labor matters determined to have higher priorities; and

(II) FTAA members retain the right to establish their own domestic labor standards, and to adopt or modify accordingly labor policies, laws, and regulations, in a manner consistent with the core labor standards identified in subparagraph (A).

(C) To provide for phased-in compliance for least-developed countries comparable to mechanisms utilized in other FTAA agreements.

(D) To create an FTAA work program that—

(i) will provide guidance and technical assistance to FTAA members in supplementing and strengthening their labor laws and regulations, including, in particular, laws and regulations relating to the core labor standards identified in subparagraph (A); and

(ii) includes commitments by FTAA members to provide market access incentives for the least-developed FTAA members to improve adherence to and enforcement of the core labor standards identified in subparagraph (A), and to meet their schedule for phased-in compliance on or ahead of schedule.

(E) To provide for regular review of adherence to core labor standards.

(F) To create exceptions from the obligations under the FTAA agreements for—

(i) products produced by prison labor or slave labor, and products produced by child labor proscribed by Convention 182 of the ILO; and

(ii) actions taken consistent with, and in furtherance of, recommendations made by the ILO.

(10) **TRADE AND THE ENVIRONMENT.**—The principal negotiating objectives of the United States with respect to trade and the environment are the following:

(A) To obtain rules that provide for the enforcement of environmental laws and regulations relating to—

(i) the prevention, abatement, or control of the release, discharge, or emission of pollutants or environmental contaminants;

(ii) the control of environmentally hazardous or toxic chemicals, substances, materials and wastes, and the dissemination of information related thereto; and

(iii) the protection of wild flora or fauna, including endangered species, their habitats, and specially protected natural areas, in the territory of FTAA member countries.

(B)(i) To establish as the trigger for invoking the dispute settlement process—

(I) an FTAA member's failure to effectively enforce such laws and regulations through a sustained or recurring course of action or inaction, in a manner affecting trade or investment; or

(II) an FTAA member's waiver or other derogation from its domestic environmental laws and regulations, for the purpose of attracting investment, inhibiting exports by other FTAA members, or otherwise gaining a competitive advantage; and

(ii) to recognize that—

(I) FTAA members retain the right to exercise discretion with respect to investigatory, prosecutorial, regulatory, and compliance matters and to make decisions regarding the allocation of resources to enforcement with respect to other environmental matters determined to have higher priorities; and

(II) FTAA members retain the right to establish their own levels of domestic environmental protection and environmental development policies and priorities, and to adopt or modify accordingly environmental policies, laws, and regulations.

(C) To provide for phased-in compliance for least-developed countries, comparable to mechanisms utilized in other FTAA agreements.

(D) To create an FTAA work program that—

(i) will provide guidance and technical assistance to FTAA members in supplementing and strengthening their environmental laws and regulations based on—

(I) the standards in existing international agreements that provide adequate protection; or

(II) the standards in the laws of other FTAA members if the standards in international agreements standards are inadequate or do not exist; and

(ii) includes commitments by FTAA members to provide market access incentives for the least-developed FTAA members to strengthen environmental laws and regulations.

(E) To provide for regular review of adherence to environmental laws and regulations.

(F) To create exceptions from obligations under the FTAA agreements for—

(i) measures taken to provide effective protection of human, animal, or plant life or health;

(ii) measures taken to conserve exhaustible natural resources if such measures are made effective in conjunction with restrictions on domestic production or consumption; and

(iii) measures taken that are in accordance with obligations under any multilateral environmental agreement accepted by both parties to a dispute.

(G) To give priority to trade liberalization measures that promote sustainable development, including eliminating duties on environmental goods, and obtaining commitments on environmental services.

(11) INSTITUTION BUILDING.—The principal negotiating objectives of the United States with respect to institution building are the following:

(A) To improve coordination between the FTAA and other international organizations such as the Organization of American States, the ILO, the United Nations Environment Program, and the Inter-American Development Bank to increase the effectiveness of technical assistance programs.

(B) To ensure that the agreements entered into under the FTAA provide for technical assistance to developing and, in particular, least-developed countries that are members of the FTAA to promote the rule of law, enable them to comply with their obligations under the FTAA agreements, and minimize disruptions associated with trade liberalization.

(12) TRADE AND INVESTMENT.—The principal negotiating objectives of the United States with respect to trade and investment are the following:

(A) To reduce or eliminate artificial or trade-distorting barriers to foreign investment by United States persons and, recognizing that United States law on the whole provides a high level of protection for investments, consistent with or greater than the level required by international law, to secure for investors the rights that would be avail-

able under United States law, but no greater rights, by—

(i) ensuring national and most-favored nation treatment for United States investors and investments;

(ii) freeing the transfer of funds relating to investments;

(iii) reducing or eliminating performance requirements, forced technology transfers, and other unreasonable barriers to the establishment and operation of investments;

(iv) establishing standards for expropriation and compensation for expropriation, consistent with United States legal principles and practice, including by clarifying that expropriation does not arise in cases of mere diminution in value;

(v) codifying the clarifications made on July 31, 2001, by the Free Trade Commission established under Article 2001 of the NAFTA with respect to the minimum standard of treatment under Article 1105 of the NAFTA such that—

(I) any provisions included in an investment agreement setting forth a minimum standard of treatment prescribe only that level of treatment required by customary international law; and

(II) a determination that there has been a breach of another provision of the FTAA, or of a separate international agreement, does not establish that there has been a breach of the minimum standard of treatment;

(vi) ensuring, through clarifications, presumptions, exceptions, or other means in the text of the agreement, that the investor protections do not interfere with an FTAA member's exercise of its police powers under its local, State, and national laws (for example legitimate health, safety, environmental, consumer, and employment opportunity laws and regulations), including by a clarification that the standards in an agreement do not require use of the least trade restrictive regulatory alternative;

(vii) providing an exception for actions taken in accordance with obligations under a multilateral environmental agreement agreed to by both countries involved in the dispute;

(viii) providing meaningful procedures for resolving investment disputes;

(ix) ensuring that—

(I) no claim by an investor directly against a state may be brought unless the investor first submits the claim for approval to the home government of the investor;

(II) such approval is granted for each claim which the investor demonstrates is meritorious;

(III) such approval is considered granted if the investor's home government has not acted upon the submission within a defined reasonable period of time; and

(IV) each FTAA member establishes or designates an independent decisionmaker to determine whether the standard for approval has been satisfied; and

(x) providing a standing appellate mechanism to correct erroneous interpretations of law.

(B) To ensure the fullest measure of transparency in the dispute settlement mechanism established, by—

(i) ensuring that all requests for dispute settlement are promptly made public, to the extent consistent with the need to protect information that is classified or business confidential;

(ii) ensuring that—

(I) all proceedings, submissions, findings, and decisions, are promptly made public; and

(II) all hearings are open to the public, to the extent consistent with need to protect information that is classified or business confidential; and

(iii) establishing a mechanism for acceptance of amicus curiae submissions from busi-

nesses, unions, and nongovernmental organizations.

(13) ELECTRONIC COMMERCE.—The principal negotiating objectives of the United States with respect to electronic commerce are the following:

(A) To make permanent and binding on FTAA members the moratorium on customs duties on electronic transmissions declared in the WTO Ministerial Declaration of May 20, 1998.

(B) To ensure that governments refrain from implementing trade-related measures that impede electronic commerce.

(C) To ensure that electronically delivered goods and services receive no less favorable treatment under trade rules and commitments than like products delivered in physical form.

(D) To ensure that the classification of electronically delivered goods and services ensures the most liberal trade treatment possible.

(E) Where legitimate policy objectives require domestic regulations that affect electronic commerce, to obtain commitments that any such regulations are nondiscriminatory, transparent, and promote an open market environment.

(F) To pursue a regulatory environment that encourages competition in basic telecommunications services abroad, so as to facilitate the conduct of electronic commerce.

(14) DEVELOPING COUNTRIES.—The principal negotiating objectives of the United States with respect to developing countries are the following:

(A) To enter into trade agreements that promote the economic growth of both developing countries and the United States and the mutual expansion of market opportunities.

(B) To ensure appropriate phase-in periods with respect to the obligations of least-developed countries.

(C) To coordinate with the Organization of American States, the Inter-American Development Bank, and other regional and international institutions to provide debt relief and other assistance to promote the rule of law and sound and sustainable development.

(D) To accelerate tariff reductions that benefit least-developed countries.

(15) TRADE AND MONETARY COORDINATION.—The principal negotiating objective of the United States with respect to trade and monetary coordination is to foster stability in international currency markets and develop mechanisms to assure greater coordination, consistency, and cooperation between international trade and monetary systems and institutions in order to protect against the trade consequences of significant and unanticipated currency movements.

(16) ACCESS TO HIGH TECHNOLOGY.—The principal negotiating objectives of the United States with respect to access to high technology are the following:

(A) To obtain the elimination or reduction of foreign barriers to, and of acts, policies, or practices by foreign governments that limit, equitable access by United States persons to foreign-developed technology.

(B) To seek the elimination of tariffs on all information technology products, infrastructure equipment, scientific instruments, and medical equipment.

(C) To pursue the reduction of foreign barriers to high technology products of the United States.

(D) To enforce and promote the Agreement on Technical Barriers to Trade, and ensure that standards, conformity assessment, and technical regulations are not used as obstacles to trade in information technology and communications products.

(E) To require all parties to sign the Information Technology Agreement of the WTO

and to expand and update product coverage under such agreement.

(17) **CORRUPTION.**—The principal negotiating objectives of the United States with respect to the use of money or other things of value to influence acts, decisions, or omissions of foreign governments or officials or to secure any improper advantage are—

(A) to obtain standards applicable to persons from all FTAA member countries that are equivalent to, or more restrictive than, the prohibitions applicable to issuers, domestic concerns, and other persons under section 30A of the Securities and Exchange Act of 1934 and sections 104 and 104A of the Foreign Corrupt Practices Act of 1977; and

(B) to implement mechanisms to ensure effective enforcement of the standards described in subparagraph (A).

(d) **BILATERAL AGREEMENTS.**—

(1) **PRINCIPAL NEGOTIATING OBJECTIVES.**—The principal negotiating objectives of the United States in seeking bilateral trade agreements are those objectives set forth in subsection (c), except that in applying such subsection, any references to the FTAA or FTAA member countries shall be deemed to refer to the bilateral agreement, or party to the bilateral agreement, respectively.

(2) **ADHERENCE TO OBLIGATIONS UNDER URUGUAY ROUND AGREEMENTS.**—In determining whether to enter into negotiations with a particular country, the President shall take into account the extent to which that country has implemented, or has accelerated the implementation of, its obligations under the Uruguay Round Agreements.

(e) **DOMESTIC OBJECTIVES.**—In pursuing the negotiating objectives under subsections (a) through (d), United States negotiators shall take into account legitimate United States domestic (including State and local) objectives, including, but not limited to, the protection of health and safety, essential security, environmental, consumer, and employment opportunity interests and the laws and regulations related thereto.

SEC. 2103. CONGRESSIONAL TRADE ADVISERS.

Section 161(a)(1) of the Trade Act of 1974 (19 U.S.C. 2211(a)(1)) is amended to read as follows:

“(1) At the beginning of each regular session of Congress—

“(A) the Speaker of the House of Representatives shall—

“(i) upon the recommendation of the chairman and ranking member of the Committee on Ways and Means, select 5 members (not more than 3 of whom are members of the same political party) of such committee,

“(ii) upon the recommendation of the chairman and ranking member of the Committee on Agriculture, select 2 members (from different political parties) of such committee, and

“(iii) upon the recommendation of the majority leader and minority leader of the House of Representatives, select 2 members of the House of Representatives (from different political parties), and

“(B) the President pro tempore of the Senate shall—

“(i) upon the recommendation of the chairman and ranking member of the Committee on Finance, select 5 members (not more than 3 of whom are members of the same political party) of such committee,

“(ii) upon the recommendation of the chairman and ranking member of the Committee on Agriculture, Nutrition, and Forestry, select 2 members (from different political parties) of such committee, and

“(iii) upon the recommendation of the majority leader and minority leader of the Senate, select 2 members of the Senate (from different political parties), who shall be designated congressional advisers on trade policy and negotiations. They

shall provide advice on the development of trade policy and priorities for the implementation thereof. They shall also be accredited by the United States Trade Representative on behalf of the President as official advisers to the United States delegations to international conferences, meetings, dispute settlement proceedings, and negotiating sessions relating to trade agreements.”.

SEC. 2104. TRADE AGREEMENTS AUTHORITY.

(a) **AGREEMENTS REGARDING TARIFF BARRIERS.**—

(1) **IN GENERAL.**—Whenever the President determines that one or more existing duties or other import restrictions of any foreign country or the United States are unduly burdening and restricting the foreign trade of the United States and that the purposes, policies, and objectives of this title will be promoted thereby, the President—

(A) may enter into trade agreements with foreign countries before—

(i) the date that is 5 years after the date of the enactment of this title, or

(ii) the date that is 7 years after such date of enactment, if fast track procedures are extended under subsection (c), and

(B) may, subject to paragraphs (2) and (3), proclaim—

(i) such modification or continuance of any existing duty,

(ii) such continuance of existing duty-free or excise treatment, or

(iii) such additional duties,

as the President determines to be required or appropriate to carry out any such trade agreement.

The President shall notify the Congress of the President's intention to enter into an agreement under this subsection.

(2) **LIMITATIONS.**—No proclamation may be made under paragraph (1) that—

(A) reduces any rate of duty (other than a rate of duty that does not exceed 5 percent ad valorem on the date of the enactment of this Act) to a rate of duty which is less than 50 percent of the rate of such duty that applies on such date of enactment; or

(B) increases any rate of duty above the rate that applied on such date of enactment.

(3) **AGGREGATE REDUCTION; EXEMPTION FROM STAGING.**—

(A) **AGGREGATE REDUCTION.**—Except as provided in subparagraph (B), the aggregate reduction in the rate of duty on any article which is in effect on any day pursuant to a trade agreement entered into under paragraph (1) shall not exceed the aggregate reduction which would have been in effect on such day if—

(i) a reduction of 3 percent ad valorem or a reduction of one-tenth of the total reduction, whichever is greater, had taken effect on the effective date of the first reduction proclaimed under paragraph (1) to carry out such agreement with respect to such article; and

(ii) a reduction equal to the amount applicable under clause (i) had taken effect at 1-year intervals after the effective date of such first reduction.

(B) **EXEMPTION FROM STAGING.**—No staging is required under subparagraph (A) with respect to a duty reduction that is proclaimed under paragraph (1) for an article of a kind that is not produced in the United States. The United States International Trade Commission shall advise the President of the identity of articles that may be exempted from staging under this subparagraph.

(4) **ROUNDING.**—If the President determines that such action will simplify the computation of reductions under paragraph (3), the President may round an annual reduction by an amount equal to the lesser of—

(A) the difference between the reduction without regard to this paragraph and the next lower whole number; or

(B) one-half of 1 percent ad valorem.

(5) **OTHER LIMITATIONS.**—A rate of duty reduction that may not be proclaimed by reason of paragraph (2) may take effect only if a provision authorizing such reduction is included within an implementing bill provided for under section 2107 and that bill is enacted into law.

(6) **OTHER TARIFF MODIFICATIONS.**—Notwithstanding paragraphs (1)(B) and (2) through (5), and subject to the consultation and lay-over requirements of section 115 of the Uruguay Round Agreements Act, the President may proclaim the modification of any duty or staged rate reduction of any duty set forth in Schedule XX, as defined in section 2(5) of that Act, if the United States agrees to such modification or staged rate reduction in a negotiation for the reciprocal elimination or harmonization of duties under the auspices of the World Trade Organization or as part of an interim agreement leading to the formation of a regional free-trade area.

(7) **AUTHORITY UNDER URUGUAY ROUND AGREEMENTS ACT NOT AFFECTED.**—Nothing in this subsection shall limit the authority provided to the President under section 111(b) of the Uruguay Round Agreements Act (19 U.S.C. 3521(b)).

(b) **AGREEMENTS REGARDING TARIFF AND NONTARIFF BARRIERS.**—

(1) **IN GENERAL.**—(A) Whenever the President determines that—

(i) one or more existing duties or any other import restriction of any foreign country or the United States or any other barrier to, or other distortion of, international trade unduly burdens or restricts the foreign trade of the United States or adversely affects the United States economy, or

(ii) the imposition of any such barrier or distortion is likely to result in such a burden, restriction, or effect, and that the purposes, policies, and objectives of this title will be promoted thereby, the President may enter into a trade agreement described in subparagraph (B) during the period described in subparagraph (C).

(B) The President may enter into a trade agreement under subparagraph (A) with foreign countries providing for—

(i) the reduction or elimination of a duty, restriction, barrier, or other distortion described in subparagraph (A), or

(ii) the prohibition of, or limitation on the imposition of, such barrier or other distortion.

(C) The President may enter into a trade agreement under this paragraph before—

(i) the date that is 5 years after the date of the enactment of this Act, or

(ii) the date that is 7 years after such date of enactment, if fast track procedures are extended under subsection (c).

(2) **CONDITIONS.**—A trade agreement may be entered into under this subsection only if such agreement substantially achieves the applicable objectives described in section 2102 and the conditions set forth in sections 2105, 2106, and 2107 are met.

(3) **BILLS QUALIFYING FOR FAST TRACK PROCEDURES.**—(A) The provisions of section 151 of the Trade Act of 1974 (in this title referred to as “fast track procedures”) apply to a bill of either House of Congress which contains provisions described in subparagraph (B) to the same extent as such section 151 applies to implementing bills under that section. A bill to which this paragraph applies shall hereafter in this title be referred to as an “implementing bill”.

(B) The provisions referred to in subparagraph (A) are—

(i) a provision approving a trade agreement entered into under this subsection and approving the statement of administrative action, if any, proposed to implement such trade agreement;

(ii) if changes in existing laws or new statutory authority are required to implement such trade agreement, provisions, necessary or appropriate to implement such trade agreement or agreements, either repealing or amending existing laws or providing new statutory authority; and

(iii) provisions to provide trade adjustment assistance to workers, firms, and communities.

(4) **LIMITATIONS ON FAST TRACK PROCEDURES.**—Notwithstanding any other provision of law, the provisions of section 151 of the Trade Act of 1974 (fast track procedures) shall not apply to any provision in an implementing bill that modifies or amends, or requires a modification of, or an amendment to, any law of the United States relating to title VII of the Tariff Act of 1930, title II of the Trade Act of 1974, or any law that provides safeguards from unfair foreign trade practices to United States businesses or workers.

(c) **EXTENSION DISAPPROVAL PROCESS FOR CONGRESSIONAL FAST TRACK PROCEDURES.**—

(1) **IN GENERAL.**—Except as provided in subsection (b)(4) and section 2105(c), 2106(c), and 2107(b)—

(A) the fast track procedures apply to implementing bills submitted with respect to trade agreements entered into under subsection (b) before the date that is 5 years after the date of the enactment of this title; and

(B) the fast track procedures shall be extended to implementing bills submitted with respect to trade agreements entered into under subsection (b) on or after the date specified in subparagraph (A) and before the date that is 7 years after the date of such enactment if (and only if)—

(i) the President requests such extension under paragraph (2); and

(ii) neither House of the Congress adopts an extension disapproval resolution under paragraph (6) before the date specified in subparagraph (A).

(2) **REPORT TO CONGRESS BY THE PRESIDENT.**—If the President is of the opinion that the fast track procedures should be extended to implementing bills to carry out trade agreements under subsection (b), the President shall submit to the Congress, not later than 3 months before the expiration of the 5-year period specified in paragraph (1)(A), a written report that contains a request for such extension, together with—

(A) a description of all trade agreements that have been negotiated under subsection (b) and the anticipated schedule for submitting such agreements to the Congress for approval;

(B) a description of the progress that has been made in negotiations to achieve the purposes, policies, and objectives of this title, and a statement that such progress justifies the continuation of negotiations; and

(C) a statement of the reasons why the extension is needed to complete the negotiations.

(3) **REPORT TO CONGRESS BY THE ADVISORY COMMITTEE.**—The President shall promptly inform the Advisory Committee for Trade Policy and Negotiations established under section 135 of the Trade Act of 1974 (19 U.S.C. 2155) of the President's decision to submit a report to the Congress under paragraph (2). The Advisory Committee shall submit to the Congress as soon as practicable, but not later than 2 months before the expiration of the 5-year period specified in paragraph (1)(A), a written report that contains—

(A) its views regarding the progress that has been made in negotiations to achieve the purposes, policies, and objectives of this title; and

(B) a statement of its views, and the reasons therefor, regarding whether the exten-

sion requested under paragraph (2) should be approved or disapproved.

(4) **REPORT TO CONGRESS BY CONGRESSIONAL TRADE ADVISERS.**—The President shall promptly inform the congressional trade advisers of the President's decision to submit a report to the Congress under paragraph (2). The congressional trade advisers shall submit to the Congress as soon as practicable, but not later than 2 months before the expiration of the 5-year period specified in paragraph (1)(A), a written report that contains—

(A) its views regarding the progress that has been made in negotiations to achieve the purposes, policies, and objectives of this Act; and

(B) a statement of their views, and the reasons therefor, regarding whether the extension requested under paragraph (2) should be approved or disapproved.

(5) **REPORTS MAY BE CLASSIFIED.**—The reports under paragraphs (2) and (3), or any portion of such reports, may be classified to the extent the President determines appropriate, and the report under paragraph (4), or any portion thereof, may be classified.

(6) **EXTENSION DISAPPROVAL RESOLUTIONS.**—(A) For purposes of paragraph (1), the term “extension disapproval resolution” means a resolution of either House of the Congress, the sole matter after the resolving clause of which is as follows: “That the ___ disapproves the request of the President for the extension, under section 2104(c)(1)(B)(i) of the Comprehensive Trade Negotiating Authority Act of 2002, of the fast track procedures under that Act to any implementing bill submitted with respect to any trade agreement entered into under section 2104(b) of that Act after the date that is 5 years after the date of the enactment of that Act.”, with the blank space being filled with the name of the resolving House of the Congress.

(B) Extension disapproval resolutions—

(i) may be introduced in either House of the Congress by any member of such House; and

(ii) shall be referred, in the House of Representatives, to the Committee on Ways and Means and, in addition, to the Committee on Rules.

(C) The provisions of section 152 (d) and (e) of the Trade Act of 1974 (19 U.S.C. 2192 (d) and (e)) (relating to the floor consideration of certain resolutions in the House and Senate) apply to extension disapproval resolutions.

(D) It is not in order for—

(i) the Senate to consider any extension disapproval resolution not reported by the Committee on Finance;

(ii) the House of Representatives to consider any extension disapproval resolution not reported by the Committee on Ways and Means and, in addition, by the Committee on Rules; or

(iii) either House of the Congress to consider an extension disapproval resolution after the date that is 5 years after the date of the enactment of this title.

SEC. 2105. COMMENCEMENT OF NEGOTIATIONS.

(a) **IN GENERAL.**—In order to contribute to the continued economic expansion of the United States and to benefit United States workers, farmers, and businesses, the President shall commence negotiations covering tariff and nontariff barriers affecting any industry, product, or service sector, in cases where the President determines that such negotiations are feasible and timely and would benefit the United States. The President shall commence negotiations—

(1) to expand existing sectoral agreements to countries that are not parties to those agreements; and

(2) to promote growth, open global markets, and raise standards of living in the

United States and other countries and promote sustainable development.

Such sectors include agriculture, commercial services, intellectual property rights, industrial and capital goods, government procurement, information technology products, environmental technology and services, medical equipment and services, civil aircraft, and infrastructure products.

(b) **CONSULTATION REGARDING NEGOTIATING OBJECTIVES.**—With respect to any negotiations for a trade agreement under section 2104(b), the following shall apply:

(1) The President shall, in developing strategies for pursuing negotiating objectives set forth in section 2102 and other relevant negotiating objectives to be pursued in negotiations, consult with—

(A) the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate;

(B) the congressional trade advisers; and

(C) other appropriate committees of Congress.

(2) The President shall assess whether United States tariffs on agricultural products that were bound under the Uruguay Round Agreements are lower than the tariffs bound by the country or countries with which the negotiations will be conducted. In addition, the President shall consider whether the tariff levels bound and applied throughout the world with respect to imports from the United States are higher than United States tariffs and whether the negotiation provides an opportunity to address any such disparity. The President shall consult with the Committee on Ways and Means and the Committee on Agriculture of the House of Representatives and the Committee on Finance and the Committee on Agriculture, Nutrition, and Forestry of the Senate concerning the results of the assessment, whether it is appropriate for the United States to agree to further tariff reductions based on the conclusions reached in the assessment, and how all applicable negotiating objectives will be met.

(c) **NOTICE OF INITIATION; DISAPPROVAL RESOLUTIONS.**—

(1) **NOTICE.**—The President shall—

(A) provide, at least 90 calendar days before initiating the proposed negotiations, written notice to the Congress of the President's intention to enter into the negotiations and set forth therein the date the President intends to initiate such negotiations, the specific negotiating objectives to be pursued in the negotiations, and whether the President intends to seek an agreement or changes to an existing agreement; and

(B) before and after submission of the notice, consult regarding the negotiations with the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives, the congressional trade advisers, and such other committees of the House of Representatives and the Senate as the President deems appropriate.

(2) **RESOLUTIONS DISAPPROVING INITIATION OF NEGOTIATIONS.**—

(A) **INAPPLICABILITY OF FAST TRACK PROCEDURES TO AGREEMENTS OF WHICH CERTAIN NOTICE GIVEN.**—Fast track procedures shall not apply to any implementing bill submitted with respect to a trade agreement entered into under section 2104(b) pursuant to negotiations with 2 or more countries of which notice is given under paragraph (1)(A) if, during the 90-day period referred to in that subsection, each House of Congress agrees to a disapproval resolution described in subparagraph (B) with respect to the negotiations.

(B) **DISAPPROVAL RESOLUTIONS.**—For purposes of this paragraph, the term “disapproval resolution” means a resolution of either House of Congress, the sole matter

after the resolving clause of which is as follows: "That the ___ disapproves the negotiations of which the President notified the Congress on ___, under section 2105(c)(1) of the Comprehensive Trade Negotiating Authority Act of 2002 and, therefore, the fast track procedures under that Act shall not apply to any implementing bill submitted with respect to any trade agreement entered into pursuant to those negotiations.", with the first blank space being filled with the name of the resolving House of Congress, and the second blank space being filled with the appropriate date.

(3) PROCEDURES FOR CONSIDERING RESOLUTIONS.—(A) Disapproval resolutions to which paragraph (2) applies—

(i) in the House of Representatives—

(I) shall be referred to the Committee on Ways and Means and, in addition, to the Committee on Rules; and

(II) may not be amended by either Committee; and

(ii) in the Senate shall be referred to the Committee on Finance.

(B) The provisions of section 152 (c), (d), and (e) of the Trade Act of 1974 (19 U.S.C. 2192 (c), (d), and (e)) (relating to the consideration of certain resolutions in the House and Senate) apply to any disapproval resolution to which paragraph (2) applies. In applying section 152(c)(1) of the Trade Act of 1974, all calendar days shall be counted.

(C) It is not in order for—

(i) the Senate to consider any joint resolution unless it has been reported by the Committee on Finance or the committee has been discharged pursuant to subparagraph (B); or

(ii) the House of Representatives to consider any joint resolution unless it has been reported by the Committee on Ways and Means or the committee has been discharged pursuant to subparagraph (B).

SEC. 2106. CONGRESSIONAL PARTICIPATION DURING NEGOTIATIONS.

(a) CONSULTATIONS WITH CONGRESSIONAL TRADE ADVISERS AND COMMITTEES OF JURISDICTION.—In the course of negotiations conducted under this title, the Trade Representative shall—

(1) consult closely and on a timely basis with, and keep fully apprised of the negotiations, the congressional trade advisers, the Committee on Ways and Means of the House of Representatives, and the Committee on Finance of the Senate;

(2) with respect to any negotiations and agreement relating to agriculture, also consult closely and on a timely basis with, and keep fully apprised of the negotiations, the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate; and

(3) consult closely and on a timely basis with other appropriate committees of Congress.

(b) GUIDELINES FOR CONSULTATIONS.—

(1) GUIDELINES.—The Trade Representative, in consultation with the chairmen and ranking minority members of the Committee on Ways and Means of the House of Representatives, the Committee on Finance of the Senate, and the congressional trade advisers—

(A) shall, within 120 days after the date of the enactment of this title, develop written guidelines to facilitate the useful and timely exchange of information between the Trade Representative, the committees referred to in subsection (a), and the congressional trade advisers; and

(B) may make such revisions to the guidelines as may be necessary from time to time.

(2) CONTENT.—The guidelines developed under paragraph (1) shall provide for, among other things—

(A) regular, detailed briefings of each committee referred to in subsection (a) and the congressional trade advisers regarding negotiating objectives and positions and the status of negotiations, with more frequent briefings as trade negotiations enter the final stages;

(B) access by members of each such committee, the congressional trade advisers, and staff with proper security clearances, to pertinent documents relating to negotiations, including classified materials; and

(C) the closest practicable coordination between the Trade Representative, each such committee, and the congressional trade advisers at all critical periods during negotiations, including at negotiation sites.

(c) DISAPPROVAL RESOLUTIONS WITH RESPECT TO ONGOING NEGOTIATIONS.—

(1) NEGOTIATIONS OF WHICH NOTICE GIVEN.—Fast track procedures shall not apply to any implementing bill submitted with respect to a trade agreement entered into under section 2104(b) pursuant to negotiations of which notice is given under section 2105(c)(1) if, at any time after the end of the 90-day period referred to in section 2105(c)(1), during the 120-day period beginning on the date that one House of Congress agrees to a disapproval resolution described in paragraph (3)(A) disapproving the negotiations, the other House separately agrees to a disapproval resolution described in paragraph (3)(A) disapproving those negotiations. The disapproval resolutions of the two Houses need not be in agreement with respect to disapproving any other negotiations.

(2) PRIOR NEGOTIATIONS.—Fast track procedures shall not apply to any implementing bill submitted with respect to a trade agreement to which section 2108(a) applies if, during the 120-day period beginning on the date that one House of Congress agrees to a disapproval resolution described in paragraph (3)(B) disapproving the negotiations for that agreement, the other House separately agrees to a disapproval resolution described in paragraph (3)(B) disapproving those negotiations. The disapproval resolutions of the two Houses need not be in agreement with respect to disapproving any other negotiations.

(3) DISAPPROVAL RESOLUTIONS.—(A) For purposes of paragraph (1), the term "disapproval resolution" means a resolution of either House of Congress, the sole matter after the resolving clause of which is as follows: "That the ___ disapproves the negotiations of which the President notified the Congress on ___, under section 2105(c)(1) of the Comprehensive Trade Negotiating Authority Act of 2002 and, therefore, the fast track procedures under that Act shall not apply to any implementing bill submitted with respect to any trade agreement entered into pursuant to those negotiations.", with the first blank space being filled with the name of the resolving House of Congress, and the second blank space being filled with the appropriate date or dates (in the case of more than 1 set of negotiations being conducted).

(B) For purposes of paragraph (2), the term "disapproval resolution" means a resolution of either House of Congress, the sole matter after the resolving clause of which is as follows: "That the ___ disapproves the negotiations with respect to ___, and, therefore, the fast track procedures under the Comprehensive Trade Negotiating Authority Act of 2002 shall not apply to any implementing bill submitted with respect to any trade agreement entered into pursuant to those negotiations.", with the first blank space being filled with the name of the resolving House of Congress, and the second blank space being filled with a description of the applicable trade agreement or agreements.

(4) PROCEDURES FOR CONSIDERING RESOLUTIONS.—(A) Any disapproval resolution to which paragraph (1) or (2) applies—

(i) in the House of Representatives—

(I) shall be referred to the Committee on Ways and Means and, in addition, to the Committee on Rules; and

(II) may not be amended by either Committee; and

(ii) in the Senate shall be referred to the Committee on Finance.

(B) The provisions of section 152 (c), (d), and (e) of the Trade Act of 1974 (19 U.S.C. 2192 (c), (d), and (e)) (relating to the consideration of certain resolutions in the House and Senate) apply to any disapproval resolution to which paragraph (1) or (2) applies if—

(i) there are at least 145 cosponsors of the resolution, in the case of a resolution of the House of Representatives, and at least 34 cosponsors of the resolution, in the case of a resolution of the Senate; and

(ii) no resolution that meets the requirements of clause (i) has previously been considered under such provisions of section 152 of the Trade Act of 1974 in that House of Congress during that Congress.

In applying section 152(c)(1) of the Trade Act of 1974, all calendar days shall be counted.

(C) It is not in order for—

(i) the Senate to consider any joint resolution unless it has been reported by the Committee on Finance or the committee has been discharged pursuant to subparagraph (B); or

(ii) the House of Representatives to consider any joint resolution unless it has been reported by the Committee on Ways and Means or the committee has been discharged pursuant to subparagraph (B).

(5) COMPUTATION OF CERTAIN TIME PERIODS.—Each period of time referred to in paragraphs (1) and (2) shall be computed without regard to—

(A) the days on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain or an adjournment of the Congress sine die; and

(B) any Saturday and Sunday, not excluded under subparagraph (A), when either House of Congress is not in session.

(d) ENVIRONMENTAL ASSESSMENT.—

(1) INITIATION OF ASSESSMENT.—Upon the commencement of negotiations for a trade agreement under section 2104(b), the Trade Representative, jointly with the Chair of the Council on Environmental Quality, and in consultation with other appropriate Federal agencies, shall commence an assessment of the effects on the environment of the proposed trade agreement.

(2) CONTENT.—The assessment under paragraph (1) shall include an examination of—

(A) the potential effects of the proposed trade agreement on the environment, natural resources, and public health;

(B) the extent to which the proposed trade agreement may affect the laws, regulations, policies, and international agreements of the United States, including State and local laws, regulations, and policies, relating to the environment, natural resources, and public health;

(C) measures to implement, and alternative approaches to, the proposed trade agreement that would minimize adverse effects and maximize benefits identified under subparagraph (A); and

(D) a detailed summary of the manner in which the results of the assessment were taken into consideration in negotiation of the proposed trade agreement, and in development of measures and alternative means identified under subparagraph (C).

(3) PROCEDURES.—The Trade Representative shall commence the assessment under paragraph (1) by publishing notice thereof, and a request for comments thereon, in the

Federal Register and transmitting notice thereof to the Congress. The notice shall be given as soon as possible after sufficient information exists concerning the scope of the proposed trade agreement, but in no case later than 30 calendar days before the applicable negotiations begin. The notice shall contain—

(A) the principal negotiating objectives of the United States to be pursued in the negotiations;

(B) the elements and topics expected to be under consideration for coverage by the proposed trade agreement;

(C) the countries expected to participate in the agreement; and

(D) the sectors of the United States economy likely to be affected by the agreement.

(4) **CONSULTATIONS WITH CONGRESS.**—The Trade Representative shall submit to the Congress—

(A) within 6 months after the onset of negotiations, a preliminary draft of the environmental assessment conducted under this subsection; and

(B) not later than 90 calendar days before the agreement is signed by the President, the final version of the environmental assessment.

(5) **PARTICIPATION OF OTHER FEDERAL AGENCIES AND DEPARTMENTS.**—(A) In conducting the assessment required under paragraph (1), the Trade Representative and the Chair of the Council on Environmental Quality shall draw upon the knowledge of the departments and agencies with relevant expertise in the subject matter under consideration, including, but not limited to, the Environmental Protection Agency, the Departments of the Interior, Agriculture, Commerce, Energy, State, the Treasury, and Justice, the Agency for International Development, the Council of Economic Advisors, and the International Trade Commission.

(B)(i) The heads of the departments and agencies identified in subparagraph (A), and the heads of other departments and agencies with relevant expertise shall provide such resources as are necessary to conduct the assessment required under this subsection.

(ii) The President, in preparing the budget for the United States Government each year for submission to the Congress, shall include adequate funds for the departments and agencies identified in subparagraph (A), and other departments and agencies with relevant expertise referred to in that subparagraph, to carry out their responsibilities under this subsection.

(6) **CONSULTATIONS WITH THE ADVISORY COMMITTEE.**—(A) Section 135(c)(1) of the Trade Act of 1974 (19 U.S.C. 2155(c)(1)) is amended in the first sentence—

(i) by striking “may establish” and inserting “shall establish”; and

(ii) by inserting “environmental issues,” after “defense”.

(B) In developing measures and alternatives means identified under paragraph (2)(C), the Trade Representative and the Chair of the Council on Environmental Quality shall consult with the environmental general policy advisory committee established pursuant to section 135(c)(1) of the Trade Act of 1974 (19 U.S.C. 2155(c)(1)), as amended by subparagraph (A) of this paragraph.

(7) **PUBLIC PARTICIPATION.**—The Trade Representative shall publish the preliminary and final environmental assessments in the Federal Register. The Trade Representative shall take into account comments received from the public pursuant to notices published under this subsection and shall include in the final assessment a discussion of the public comments reflected in the assessment.

(e) **LABOR REVIEW.**—

(1) **INITIATION OF REVIEW.**—Upon the commencement of negotiations for a trade agreement under section 2104(b), the Trade Representative, jointly with the Secretary of Labor and the Commissioners of the International Trade Commission, and in consultation with other appropriate Federal agencies, shall commence a review of the effects on workers in the United States of the proposed trade agreement.

(2) **CONTENT.**—The review under paragraph (1) shall include an examination of—

(A) the extent to which the proposed trade agreement may affect job creation, worker displacement, wages, and the standard of living for workers in the United States;

(B) the scope and magnitude of the effect of the proposed trade agreement on the flow of workers to and from the United States;

(C) the extent to which the proposed agreement may affect the laws, regulations, policies, and international agreements of the United States relating to labor; and

(D) proposals to mitigate any negative effects of the proposed trade agreement on workers, firms, and communities in the United States, including proposals relating to trade adjustment assistance.

(3) **PROCEDURES.**—The Trade Representative shall commence the review under paragraph (1) by publishing notice thereof, and a request for comments thereon, in the Federal Register and transmitting notice thereof to the Congress. The notice shall be given not later than 30 calendar days before the applicable negotiations begin. The notice shall contain—

(A) the principal negotiating objectives of the United States to be pursued in the negotiations;

(B) the elements and topics expected to be under consideration for coverage by the proposed trade agreement;

(C) the countries expected to participate in the agreement; and

(D) the sectors of the United States economy likely to be affected by the agreement.

(4) **CONSULTATIONS WITH CONGRESS.**—The Trade Representative shall submit to the Congress—

(A) within 6 months after the onset of negotiations, a preliminary draft of the labor review conducted under this subsection; and

(B) not later than 90 calendar days before the agreement is signed by the President, the final version of the labor review.

(5) **PARTICIPATION OF OTHER DEPARTMENTS AND AGENCIES.**—(A) In conducting the review required under paragraph (1), the Trade Representative, the Secretary of Labor, and the International Trade Commission shall draw upon the knowledge of the departments and agencies with relevant expertise in the subject matter under consideration.

(B)(i) The heads of the departments and agencies referred to in subparagraph (A) shall provide such resources as are necessary to conduct the review required under this subsection.

(ii) The President, in preparing the budget of the United States Government each year for submission to the Congress, shall include adequate funds for the departments and agencies referred to in subparagraph (A) to carry out their responsibilities under this subsection.

(6) **CONSULTATION WITH THE ADVISORY COMMITTEE.**—In developing proposals under paragraph (2)(D), the Trade Representative and the Secretary of Labor shall consult with the labor general policy advisory committee established pursuant to section 135(c)(1) of the Trade Act of 1974 (19 U.S.C. 2155(c)(1)), as amended by subsection (d)(6)(A) of this section.

(7) **PUBLIC PARTICIPATION.**—The Trade Representative shall publish the preliminary and final labor reviews in the Federal Register.

The Trade Representative shall take into account comments received from the public pursuant to notices published under this subsection and shall include in the final review a discussion of the public comments reflected in the review.

(f) **NOTICE OF EFFECT ON UNITED STATES TRADE REMEDIES.**—

(1) **NOTICE.**—In any case in which negotiations being conducted to conclude a trade agreement under section 2104(b) could affect the trade remedy laws of the United States or the rights or obligations of the United States under the Antidumping Agreement, the Agreement on Subsidies and Countervailing Measures, or the Agreement on Safeguards, except insofar as such negotiations are directly and exclusively related to perishable and seasonal agricultural products, the Trade Representative shall, at least 90 calendar days before the President signs the agreement, notify the Congress of the specific language that is the subject of the negotiations and the specific possible impact on existing United States laws and existing United States rights and obligations under those WTO Agreements.

(2) **DEFINITION.**—In this subsection, the term “trade remedy laws of the United States” means section 337 of the Tariff Act of 1930 (19 U.S.C. 1337), title VII of the Tariff Act of 1930 (19 U.S.C. 1671 et seq.), chapter 1 of title II of the Trade Act of 1974 (19 U.S.C. 2251 et seq.), title III of the Trade Act of 1974 (19 U.S.C. 2411 et seq.), section 406 of the Trade Act of 1974 (19 U.S.C. 2436), and chapter 2 of title IV of the Trade Act of 1974 (19 U.S.C. 2451 et seq.).

(g) **REPORT ON INVESTMENT DISPUTE SETTLEMENT MECHANISM.**—If any agreement concluded under section 2104(b) with respect to trade and investment includes a dispute settlement mechanism allowing an investor to bring a claim directly against a country, the President shall submit a report to the Congress, not later than 90 calendar days before the President signs the agreement, explaining in detail the meaning of each standard included in the dispute settlement mechanism, and explaining how the agreement does not interfere with the exercise by a signatory to the agreement of its police powers under its national (including State and local) laws, including legitimate health, safety, environmental, consumer, and employment opportunity laws and regulations.

(h) **CONSULTATION WITH CONGRESS BEFORE AGREEMENTS ENTERED INTO.**—

(1) **CONSULTATION.**—Before entering into any trade agreement under section 2104(b), the President shall consult with—

(A) the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate;

(B) the congressional trade advisers; and

(C) each other committee of the House and the Senate, and each joint committee of the Congress, which has jurisdiction over legislation involving subject matters which would be affected by the trade agreement.

(2) **SCOPE.**—The consultation described in paragraph (1) shall include consultation with respect to—

(A) the nature of the agreement;

(B) how and to what extent the agreement will achieve the applicable purposes, policies, and objectives of this Act; and

(C) the implementation of the agreement under section 2107, including the general effect of the agreement on existing laws.

(i) **ADVISORY COMMITTEE REPORTS.**—The report required under section 135(e)(1) of the Trade Act of 1974 regarding any trade agreement entered into under section 2104(a) or (b) of this title shall be provided to the President, the Congress, and the Trade Representative not later than 30 calendar days after the date on which the President notifies the

Congress under section 2107(a)(1)(A) of the President's intention to enter into the agreement.

(j) ITC ASSESSMENT.—

(1) IN GENERAL.—The President, at least 90 calendar days before the day on which the President enters into a trade agreement under section 2104(b), shall provide the International Trade Commission (referred to in this subsection as “the Commission”) with the details of the agreement as it exists at that time and request the Commission to prepare and submit an assessment of the agreement as described in paragraph (2). Between the time the President makes the request under this paragraph and the time the Commission submits the assessment, the President shall keep the Commission current with respect to the details of the agreement.

(2) ITC ASSESSMENT.—Not later than 90 calendar days after the President enters into the agreement, the Commission shall submit to the President and the Congress a report assessing the likely impact of the agreement on the United States economy as a whole and on specific industry sectors, including the impact the agreement will have on the gross domestic product, exports and imports, aggregate employment and employment opportunities, the production, employment, and competitive position of industries likely to be significantly affected by the agreement, and the interests of United States consumers.

(3) REVIEW OF EMPIRICAL LITERATURE.—In preparing the assessment, the Commission shall review available economic assessments regarding the agreement, including literature regarding any substantially equivalent proposed agreement, and shall provide in its assessment a description of the analyses used and conclusions drawn in such literature, and a discussion of areas of consensus and divergence between the various analyses and conclusions, including those of the Commission regarding the agreement.

(k) RULES OF HOUSE OF REPRESENTATIVES AND SENATE.—Section 2104(c), section 2105(c), and subsection (c) of this section are enacted by the Congress—

(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such are deemed a part of the rules of each House, respectively, and such procedures supersede other rules only to the extent that they are inconsistent with such other rules; and

(2) with the full recognition of the constitutional right of either House to change the rules (so far as relating to the procedures of that House) at any time, in the same manner, and to the same extent as any other rule of that House.

SEC. 2107. IMPLEMENTATION OF TRADE AGREEMENTS.

(a) IN GENERAL.—

(1) NOTIFICATION, SUBMISSION, AND ENACTMENT.—Any agreement entered into under section 2104(b) shall enter into force with respect to the United States if (and only if)—

(A) the President, at least 120 calendar days before the day on which the President enters into the trade agreement, notifies the House of Representatives and the Senate of the President's intention to enter into the agreement, and promptly thereafter publishes notice of such intention in the Federal Register;

(B) the President, at least 90 calendar days before the day on which the President enters into the trade agreement, certifies to the Congress the trade agreement substantially achieves the principal negotiating objectives set forth in section 2102 and those developed under section 2105(b)(1);

(C) within 60 calendar days after entering into the agreement, the President submits to the Congress a description of those changes

to existing laws that the President considers would be required in order to bring the United States into compliance with the agreement;

(D) after entering into the agreement, the President submits to the Congress a copy of the final legal text of the agreement, together with—

(i) a draft of an implementing bill;

(ii) a statement of any administrative action proposed to implement the trade agreement; and

(iii) the supporting information described in paragraph (2); and

(E) the implementing bill is enacted into law.

(2) SUPPORTING INFORMATION.—The supporting information required under paragraph (1)(D)(iii) consists of—

(A) an explanation as to how the implementing bill and proposed administrative action will change or affect existing law; and

(B) a statement—

(i) asserting that the agreement substantially achieves the applicable purposes, policies, and objectives of this Act; and

(ii) setting forth the reasons of the President regarding—

(I) how and to what extent the agreement substantially achieves the applicable purposes, policies, and objectives referred to in clause (i), and why and to what extent the agreement does not achieve other applicable purposes, policies, and objectives;

(II) how the agreement serves the interests of United States commerce; and

(III) why the implementing bill and proposed administrative action is required or appropriate to carry out the agreement;

(iii) describing the efforts made by the President to obtain international exchange rate equilibrium and any effect the agreement may have regarding increased international monetary stability; and

(iv) describing the extent, if any, to which—

(I) each foreign country that is a party to the agreement maintains non-commercial state trading enterprises that may adversely affect, nullify, or impair the benefits to the United States under the agreement; and

(II) the agreement applies to or affects purchases and sales by such enterprises.

(3) RECIPROCAL BENEFITS.—In order to ensure that a foreign country that is not a party to a trade agreement entered into under section 2104(b) does not receive benefits under the agreement unless the country is also subject to the obligations under the agreement, the implementing bill submitted with respect to the agreement shall provide that the benefits and obligations under the agreement apply only to the parties to the agreement, if such application is consistent with the terms of the agreement. The implementing bill may also provide that the benefits and obligations under the agreement do not apply uniformly to all parties to the agreement, if such application is consistent with the terms of the agreement.

(b) LIMITATIONS ON FAST TRACK PROCEDURES; CONCURRENCE BY CONGRESSIONAL TRADE ADVISERS IN PRESIDENT'S CERTIFICATION.—

(1) CONCURRENCE BY CONGRESSIONAL TRADE ADVISERS.—The fast track procedures shall not apply to any implementing bill submitted with respect to a trade agreement of which notice was provided under subsection (a)(1)(A) unless a majority of the congressional trade advisers, by a vote held not later than 30 days after the President submits the certification to Congress under subsection (a)(1)(B) with respect to the trade agreement, concur in the President's certification. The failure of the congressional trade advisers to hold a vote within that 30-day pe-

riod shall be considered to be concurrence in the President's certification.

(2) COMPUTATION OF TIME PERIOD.—The 30-day period referred to in paragraph (1) shall be computed without regard to—

(A) the days on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain or an adjournment of the Congress sine die; and

(B) any Saturday and Sunday, not excluded under subparagraph (A), when either House of Congress is not in session.

SEC. 2108. TREATMENT OF CERTAIN TRADE AGREEMENTS.

(a) CERTAIN AGREEMENTS.—Notwithstanding section 2104(b)(2), if an agreement to which section 2104(b) applies—

(1) is entered into under the auspices of the World Trade Organization regarding the rules of origin work program described in article 9 of the Agreement on Rules of Origin,

(2) is entered into otherwise under the auspices of the World Trade Organization,

(3) is entered into with Chile,

(4) is entered into with Singapore, or

(5) establishes a Free Trade Area for the Americas, and results from negotiations that were commenced before the date of the enactment of this title, subsection (b) shall apply.

(b) TREATMENT OF AGREEMENTS.—In the case of any agreement to which subsection (a) applies—

(1) the applicability of the fast track procedures to implementing bills shall be determined without regard to the requirements of section 2105; and

(2) the President shall consult regarding the negotiations described in subsection (a) with the committees described in section 2105(b)(1) and the congressional trade advisers as soon as feasible after the enactment of this title.

(c) APPLICABILITY OF ENVIRONMENTAL ASSESSMENT.—

(1) URUGUAY ROUND AGREEMENTS AND FTAA.—With respect to agreements identified in paragraphs (2) and (5) of subsection (a)—

(A) the notice required under section 2106(d)(3) shall be given not later than 30 days after the date of the enactment of this Act; and

(B) the preliminary draft of the environmental assessment required under section 2106(d)(4) shall be submitted to the Congress not later than 18 months after such date of enactment.

(2) CHILE AND SINGAPORE.—With respect to agreements identified in paragraphs (3) and (4) of subsection (a), the Trade Representative shall consult with the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate to determine the appropriate time frame for submission to the Congress of an environmental assessment meeting the requirements of section 2106(d)(2).

(3) RULES OF ORIGIN.—The requirements of section 2106(d)(1) shall not apply to an agreement identified in subsection (a)(1).

(d) APPLICABILITY OF LABOR REVIEW.—

(1) URUGUAY ROUND AGREEMENTS AND FTAA.—With respect to agreements identified in paragraphs (2) and (5) of subsection (a)—

(A) the notice required under section 2106(e)(3) shall be given not later than 30 days after the date of the enactment of this title; and

(B) the preliminary draft of the labor review required under section 2106(e)(4) shall be submitted to the Congress not later than 18 months after such date of enactment.

(2) CHILE AND SINGAPORE.—With respect to agreements identified in paragraphs (3) and (4) of subsection (a), the Trade Representative shall consult with the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the

Senate to determine the appropriate time frame for submission to the Congress of an environmental assessment meeting the requirements of section 2106(e)(2).

(3) **RULES OF ORIGIN.**—The requirements of section 2106(e)(1) shall not apply to an agreement identified in subsection (a)(1).

SEC. 2109. ADDITIONAL REPORT AND STUDIES.

(a) **REPORT ON TRADE-RESTRICTIVE PRACTICES.**—Not later than 1 year after the date of the enactment of this title, the President shall transmit to the Congress a report on trade-restrictive practices of foreign countries that are promoted, enabled, or facilitated by governmental or private entities in those countries, or that involve the delegation of regulatory powers to private entities.

(b) **ANNUAL STUDY ON FLUCTUATIONS IN EXCHANGE RATE.**—The Trade Representative shall prepare and submit to the Congress, not later than ____ of each year, a study of how fluctuations in the exchange rate caused by the monetary policies of the trading partners of the United States affect trade.

SEC. 2110. ADDITIONAL IMPLEMENTATION AND ENFORCEMENT REQUIREMENTS.

(a) **IN GENERAL.**—At the time the President submits to the Congress the final text of an agreement pursuant to section 2107(a)(1)(C), the President shall also submit a plan for implementing and enforcing the agreement. The implementation and enforcement plan shall include the following:

(1) **BORDER PERSONNEL REQUIREMENTS.**—A description of additional personnel required at border entry points, including a list of additional customs and agricultural inspectors.

(2) **AGENCY STAFFING REQUIREMENTS.**—A description of additional personnel required by Federal agencies responsible for monitoring, implementing, and enforcing the trade agreement, including personnel required by the Office of the United States Trade Representative, the Department of Commerce, the Department of Agriculture (including additional personnel required to evaluate sanitary and phytosanitary measures in order to obtain market access for United States exports), the Department of the Treasury, the Environmental Protection Agency, the Department of the Interior, the Department of Labor, and such other departments and agencies as may be necessary.

(3) **CUSTOMS INFRASTRUCTURE REQUIREMENTS.**—A description of the additional equipment and facilities needed by the United States Customs Service.

(4) **IMPACT ON STATE AND LOCAL GOVERNMENTS.**—A description of the impact the trade agreement will have on State and local governments as a result of increases in trade.

(5) **COST ANALYSIS.**—An analysis of the costs associated with each of the items listed in paragraphs (1) through (4).

(b) **BUDGET SUBMISSION.**—The President shall include a request for the resources necessary to support the plan described in subsection (a) in the first budget that the President submits to the Congress after the submission of the plan.

SEC. 2111. TECHNICAL AND CONFORMING AMENDMENTS.

(a) **IN GENERAL.**—Title I of the Trade Act of 1974 (19 U.S.C. 2111 et seq.) is amended as follows:

(1) **IMPLEMENTING BILL.**—

(A) Section 151(b)(1) (19 U.S.C. 2191(b)(1)) is amended by striking “section 1103(a)(1) of the Omnibus Trade and Competitiveness Act of 1988, or section 282 of the Uruguay Round Agreements Act” and inserting “section 282 of the Uruguay Round Agreements Act, or section 2107(a)(1) of the Comprehensive Trade Negotiating Authority Act of 2002”.

(B) Section 151(c)(1) (19 U.S.C. 2191(c)(1)) is amended by striking “or section 282 of the

Uruguay Round Agreements Act” and inserting “, section 282 of the Uruguay Round Agreements Act, or section 2107(a)(1) of the Comprehensive Trade Negotiating Authority Act of 2002”.

(2) **ADVICE FROM INTERNATIONAL TRADE COMMISSION.**—Section 131 (19 U.S.C. 2151) is amended—

(A) in subsection (a)—

(i) in paragraph (1), by striking “section 123 of this Act or section 1102 (a) or (c) of the Omnibus Trade and Competitiveness Act of 1988,” and inserting “section 123 of this Act or section 2104(a) or (b) of the Comprehensive Trade Negotiating Authority Act of 2002,”; and

(ii) in paragraph (2), by striking “section 1102 (b) or (c) of the Omnibus Trade and Competitiveness Act of 1988” and inserting “section 2104(b) of the Comprehensive Trade Negotiating Authority Act of 2002”;

(B) in subsection (b), by striking “section 1102(a)(3)(A)” and inserting “section 2104(a)(3)(A) of the Comprehensive Trade Negotiating Authority Act of 2002” before the end period; and

(C) in subsection (c), by striking “section 1102 of the Omnibus Trade and Competitiveness Act of 1988,” and inserting “section 2104 of the Comprehensive Trade Negotiating Authority Act of 2002”.

(3) **HEARINGS AND ADVICE.**—Sections 132, 133(a), and 134(a) (19 U.S.C. 2152, 2153(a), and 2154(a)) are each amended by striking “section 1102 of the Omnibus Trade and Competitiveness Act of 1988,” each place it appears and inserting “section 2104 of the Comprehensive Trade Negotiating Authority Act of 2002”.

(4) **PREREQUISITES FOR OFFERS.**—Section 134(b) (19 U.S.C. 2154(b)) is amended by striking “section 1102 of the Omnibus Trade and Competitiveness Act of 1988” and inserting “section 2104 of the Comprehensive Trade Negotiating Authority Act of 2002”.

(5) **ADVICE FROM PRIVATE AND PUBLIC SECTORS.**—Section 135 (19 U.S.C. 2155) is amended—

(A) in subsection (a)(1)(A), by striking “section 1102 of the Omnibus Trade and Competitiveness Act of 1988” and inserting “section 2104 of the Comprehensive Trade Negotiating Authority Act of 2002”;

(B) in subsection (e)(1)—

(i) by striking “section 1102 of the Omnibus Trade and Competitiveness Act of 1988” each place it appears and inserting “section 2104 of the Comprehensive Trade Negotiating Authority Act of 2002”; and

(ii) by striking “section 1103(a)(1)(A) of such Act of 1988” and inserting “section 2107(a)(1)(A) of the Comprehensive Trade Negotiating Authority Act of 2002”; and

(C) in subsection (e)(2), by striking “section 1101 of the Omnibus Trade and Competitiveness Act of 1988” and inserting “section 2102 of the Comprehensive Trade Negotiating Authority Act of 2002”.

(6) **TRANSMISSION OF AGREEMENTS TO CONGRESS.**—Section 162(a) (19 U.S.C. 2212(a)) is amended by striking “or under section 1102 of the Omnibus Trade and Competitiveness Act of 1988” and inserting “or under section 2104 of the Comprehensive Trade Negotiating Authority Act of 2002”.

(b) **APPLICATION OF CERTAIN PROVISIONS.**—For purposes of applying sections 125, 126, and 127 of the Trade Act of 1974 (19 U.S.C. 2135, 2136(a), and 2137)—

(1) any trade agreement entered into under section 2104 shall be treated as an agreement entered into under section 101 or 102, as appropriate, of the Trade Act of 1974 (19 U.S.C. 2111 or 2112); and

(2) any proclamation or Executive order issued pursuant to a trade agreement entered into under section 2104 shall be treated as a proclamation or Executive order issued

pursuant to a trade agreement entered into under section 102 of the Trade Act of 1974.

SEC. 2112. DEFINITIONS.

In this title:

(1) **AGREEMENTS.**—Any reference to any of the following agreements is a reference to that same agreement referred to in section 101(d) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)):

(A) The Agreement on Agriculture.

(B) The Agreement on the Application of Sanitary and Phytosanitary Measures.

(C) The Agreement on Technical Barriers to Trade.

(D) The Agreement on Trade-Related Investment Measures.

(E) The Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994.

(F) The Agreement on Rules of Origin.

(G) The Agreement on Subsidies and Countervailing Measures.

(H) The Agreement on Safeguards.

(I) The General Agreement on Trade in Services.

(J) The Agreement on Trade-Related Aspects of Intellectual Property Rights.

(K) The Agreement on Government Procurement.

(2) **ANTIDUMPING AGREEMENT.**—The term “Antidumping Agreement” means the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994.

(3) **APPELLATE BODY; DISPUTE SETTLEMENT BODY; DISPUTE SETTLEMENT PANEL; DISPUTE SETTLEMENT UNDERSTANDING.**—The terms “Appellate Body”, “Dispute Settlement Body”, “dispute settlement panel”, and “Dispute Settlement Understanding” have the meanings given those terms in section 121 of the Uruguay Round Agreements Act (35 U.S.C. 3531).

(4) **BUSINESS CONFIDENTIAL.**—Information or evidence is “business confidential” if disclosure of the information or evidence is likely to cause substantial harm to the competitive position of the entity from which the information or evidence would be obtained.

(5) **CONGRESSIONAL TRADE ADVISERS.**—The term “congressional trade advisers” means the congressional advisers for trade policy and negotiations designated under section 161(a)(1) of the Trade Act of 1974 (19 U.S.C. 2211(a)(1)).

(6) **FTAA.**—The term “FTAA” means the Free Trade Area of the Americas or comparable agreement reached between the United States and the countries in the Western Hemisphere.

(7) **FTAA AGREEMENT.**—The term “FTAA agreements” means any agreements entered into to establish or carry out the FTAA.

(8) **FTAA MEMBER; FTAA MEMBER COUNTRY.**—The terms “FTAA member” and “FTAA member country” mean a country that is a member of the FTAA.

(9) **GATT 1994.**—The term “GATT 1994” has the meaning given that term in section 2 of the Uruguay Round Agreements Act (19 U.S.C. 3501).

(10) **ILO.**—The term “ILO” means the International Labor Organization.

(11) **IMPLEMENTING BILL.**—The term “implementing bill” has the meaning given that term in section 151(b)(1) of the Trade Act of 1974 (19 U.S.C. 2191(b)(1)).

(12) **NAFTA.**—The term “NAFTA” means the North American Free Trade Agreement.

(13) **TRADE REPRESENTATIVE.**—The term “Trade Representative” means the United States Trade Representative.

(14) **UNITED STATES PERSON.**—The term “United States person” means—

(A) a United States citizen;

(B) a partnership, corporation, or other legal entity organized under the laws of the United States; and

(C) a partnership, corporation, or other legal entity that is organized under the laws of a foreign country and is controlled by entities described in subparagraph (B) or United States citizens, or both.

(15) URUGUAY ROUND AGREEMENTS.—The term “Uruguay Round Agreements” has the meaning given that term in section 2(7) of the Uruguay Round Agreements Act (19 U.S.C. 3501(7)).

(16) WTO.—The term “WTO” means the organization established pursuant to the WTO Agreement.

(17) WTO AGREEMENT.—The term “WTO Agreement” means the Agreement Establishing the World Trade Organization entered into on April 15, 1994.

SA 3423. Mr. ALLEN submitted an amendment intended to be proposed to amendment SA 3401 proposed by Mr. BAUCUS (for himself and Mr. GRASSLEY) to the bill (H.R. 3009) to extend the Andean Trade Preference Act, to grant additional trade benefits under that Act, and for other purposes; which was ordered to lie on the table; as follows:

Section 204(b) of the Andean Trade Preference Act, as amended by section 3102, is amended in paragraph (5)(B)(vi) by inserting before the period the following: “and the Ministerial Declaration on Trade in Information Technology Products adopted by the WTO at Singapore on December 13, 1996”.

SA 3424. Mrs. FEINSTEIN submitted an amendment intended to be proposed to amendment SA 3401 proposed by Mr. BAUCUS (for himself and Mr. GRASSLEY) to the bill (H.R. 3009) to extend the Andean Trade Preference Act, to grant additional trade benefits under that Act, and for other purposes; which was ordered to lie on the table; as follows:

At the end of Division B, add the following:
SEC. ____ . MODIFICATION TO CELLAR TREATMENT OF NATURAL WINE.

(a) IN GENERAL.—Subsection (a) of section 5382 of the Internal Revenue Code of 1986 (relating to cellar treatment of natural wine) is amended to read as follows:

“(A) PROPER CELLAR TREATMENT.—

“(1) IN GENERAL.—Proper cellar treatment of natural wine constitutes—

“(A) subject to paragraph (2), those practices and procedures in the United States, whether historical or newly developed, of using various methods and materials to stabilize the wine, or the fruit juice from which it is made, so as to produce a finished product acceptable in good commercial practice, and

“(B) subject to paragraph (3), in the case of imported wine, those practices and procedures acceptable to the United States under an international agreement or treaty.

“(2) RECOGNITION OF CONTINUING TREATMENT.—For purposes of paragraph (1)(A), where a particular treatment has been used in customary commercial practice in the United States, it shall continue to be recognized as a proper cellar treatment in the absence of regulations prescribed by the Secretary finding such treatment not to be proper cellar treatment within the meaning of this subsection.

“(3) CERTIFICATION OF PRACTICES AND PROCEDURES FOR IMPORTED WINE.—

“(A) IN GENERAL.—In the case of imported wine which does not meet the requirements set forth in paragraph (1)(B), the Secretary shall accept the practices and procedures

used to produce such wine, if, at the time of importation—

“(i) the importer provides the Secretary with a certification from the government of the producing country, accompanied by an affirmed laboratory analysis, that the practices and procedures used to produce the wine constitute proper cellar treatment under paragraph (1), or

“(ii) in the case of an importer that owns or controls or that has an affiliate that owns or controls a winery operating under a basic permit issued by the Secretary, the importer certifies that the practices and procedures used to produce the wine constitute proper cellar treatment under paragraph (1).

“(B) AFFILIATE DEFINED.—For purposes of this paragraph, the term ‘affiliate’ has the meaning given such term by section 117(a)(4) of the Federal Alcohol Administration Act (27 U.S.C. 211(a)(4)) and includes a winery’s parent or subsidiary or any other entity in which the winery’s parent or subsidiary has an ownership interest.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on January 1, 2004.

SA 3425. Mrs. FEINSTEIN submitted an amendment intended to be proposed to amendment SA 3401 proposed by Mr. BAUCUS (for himself and Mr. GRASSLEY) to the bill (H.R. 3009) to extend the Andean Trade Preference Act, to grant additional trade benefits under that Act, and for other purposes; which was ordered to lie on the table; as follows:

Section 2107 is amended by striking paragraph (4) and inserting the following:

(C) 3 at-large members, appointed as follows:

(i) 2 to be appointed by the majority leader, in consultation with the chairman of the Committee on Finance; and

(ii) 1 to be appointed by the minority leader, in consultation with the ranking member of the Committee on Finance.

(4) ACCREDITATION.—Each member of the Congressional Oversight Group described in paragraphs (2)(A), (3)(A), and (3)(C) shall be accredited by the United States Trade Representative on behalf of the President as official advisers to the United States delegation in negotiations for any trade agreement to which this title applies. Each member of the Congressional Oversight Group described in paragraphs (2)(B) and (3)(B) shall be accredited by the United States Trade Representative on behalf of the President as official advisers to the United States delegation in the negotiations by reason of which the member is in the Congressional Oversight Group. The Congressional Oversight Group shall consult with and provide advice to the Trade Representative regarding the formulation of specific objectives, negotiating strategies and positions, the development of the applicable trade agreement, and compliance and enforcement of the negotiated commitments under the trade agreement.

SA 3426. Mr. LEVIN (for himself and Ms. STABENOW) submitted an amendment intended to be proposed to amendment SA 3401 proposed by Mr. BAUCUS (for himself and Mr. GRASSLEY) to the bill (H.R. 3009) to extend the Andean Trade Preference Act, to grant additional trade benefits under that Act, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ____ . PILOT PROJECT FOR INTERNATIONAL CUSTOMS ZONE FOR UNITED STATES-CANADA.

(a) FINDINGS.—Congress makes the following findings:

(1) The increased security and safety concerns that developed in the aftermath of the terrorist attacks in the United States on September 11, 2001, need to be addressed.

(2) One concern that has come to light is the vulnerability of the international bridges and tunnels along the United States-Canada Border.

(3) It is necessary to ensure that potentially dangerous vehicles are inspected prior to crossing those bridges and tunnels, however, currently, these vehicles are not inspected until after they have crossed into the United States.

(4) Establishing a joint inspection site would address these concerns by inspecting vehicles before they gained access to the infrastructure of international bridges and tunnels leading into the United States.

(b) JOINT PILOT PROGRAM.—

(1) IN GENERAL.—The Commissioner of Customs, in consultation with the Canadian Customs Service, shall seek to establish a pilot program for an international customs zone for the joint inspection of vehicles at the United States-Canada Border.

(2) ELEMENTS OF THE PROGRAM.—Pursuant to section 629(a) of the Tariff Act of 1930, the Commissioner shall endeavor to—

(A) locate the pilot program in an area with a bridge or tunnel that has a high traffic volume, significant commercial activity, and has experienced backups and delays since September 11, 2001;

(B) ensure that to conduct and facilitate joint inspections, United States Customs officers are stationed on the Canadian side of the zone and that Canadian customs officers are stationed on the United States side of the zone;

(C) ensure that United States Customs officers stationed on the Canadian side of the zone are vested with the fullest authority provided under section 629(b) of the Tariff Act of 1930 as permitted by Canada; and

(D) encourage appropriate officials of the United States to permit Canadian customs officers stationed on the United States side of the zone to exercise the fullest authority authorized under section 629(e) of such Act as permitted by Canada.

(3) PILOT EVALUATION REPORT.—The Commissioner shall prepare and submit a report evaluating the pilot program to the appropriate committees by September 30, 2003.

(4) DEFINITION.—In this subsection, the term “appropriate committees” means the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives.

(c) ADDITIONAL REQUIREMENTS.—In carrying out the pilot program, the Commissioner—

(1) shall seek to involve the utilization of joint customs inspection facilities, inspection and commercial transaction technologies, and personnel, consistent with the agreements that are developed and implemented between the United States Customs Service and the Canadian Customs Service; and

(2) shall ensure that the program is carried out with special sensitivity to sovereignty issues affecting both countries and is consistent with Canadian laws and customs.

SA 3427. Mr. GREGG proposed an amendment to amendment SA 3401 proposed by Mr. BAUCUS (for himself and Mr. GRASSLEY) to the bill (H.R. 3009) to extend the Andean Trade Preference Act, to grant additional trade benefits

under that Act, and for other purposes; as follows:

Strike section 243(b) of the Trade Act of 1974 as added by section 111.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to hold a business meeting during the session of the Senate on Wednesday, May 15, at 9:30 a.m. in SD-366. The purpose of the business meeting is to consider pending calendar business.

Agenda item No. 1—S. 1768, a bill to authorize the Secretary of the Interior to implement the Calfed Bay-Delta Program.

Agenda item No. 2—Nomination of Guy F. Caruso to be the Administrator of the Energy Information Administration, Department of Energy.

Following the disposition of these agenda items, the committee may turn to the consideration of any additional items on the enclosed agenda cleared for action.

Item No.	Date placed on agenda	Page
1. S. 1768—To authorize the Secretary of the Interior to implement the Calfed Bay-Delta Program	5-10-02	5
2. Nomination of Guy F. Caruso to be Administrator, Energy Information Agency, Department of Energy	5-10-02	6
3. S. 281—To authorize the design and construction of a temporary education center at the Vietnam Veterans Memorial	7-27-01	7
4. S. 454—To provide permanent funding for the Bureau of Land Management Payment in Lieu of Taxes program and for other purposes	5-10-02	8
5. S. 639—To extend the deadline for commencement of construction of certain hydroelectric projects in the State of West Virginia	12-7-01	9
6. S. 691—To direct the Secretary of Agriculture to convey certain land in the Lake Tahoe Basin Management Unit, Nevada, to the Secretary of the Interior, in trust for the Washoe Indian tribe of Nevada and California	12-7-01	10
7. S. 1010—To extend the deadline for commencement of construction of a hydroelectric project in the State of North Carolina	12-7-01	11
8. S. 1028—To direct the Secretary of the Interior to convey certain parcels of land acquired for the Blunt Reservoir and Pierre Canal features of the initial stage of the Oahe Unit, James Division, South Dakota, to the Commission of Schools and Public Lands and the Department of Game, Fish, and Parks migrating lost wildlife habitat, on the condition that the current preferential leaseholders shall have an option to purchase the parcels from the Commission, and for other purposes	5-10-02	12
9. S. 1069—To amend the National Trails System Act to clarify Federal authority relating to land acquisition from willing sellers for the majority of the trails in the system, and for other purposes	5-10-02	13
10. S. 1139—To direct the Secretary of Agriculture to convey certain land to Lander County, Nevada, and the Secretary of the Interior to convey certain land to Eureka County, Nevada, for continued use as cemeteries	5-10-02	14
11. S. 1175—To modify the boundary of Vicksburg National Military Park to include the property known as Pemberton's Headquarters, and for other purposes	12-7-01	15
12. S. 1227—To authorize the Secretary of the Interior to conduct a study of the suitability and feasibility of establishing the Niagara Falls National Heritage Area in the State of New York, and for other purposes	12-7-01	16
13. S. 1240—To provide for the acquisition of land and construction of an interagency administrative and visitor facility at the entrance to American Fork Canyon, Utah, and for other purposes	12-7-01	17
14. S. 1325—To ratify an agreement between the Aleut Corporation and the United States of America to exchange land rights received under the Alaska Native Claims Settlement Act for certain land interests on Adak Island, and for other purposes	5-10-02	18
15. S. 1451—To provide for the conveyance of certain public land in Clark County, Nevada, for use as a shooting range	12-7-010	19

Item No.	Date placed on agenda	Page
16. S. 1649—To amend the Omnibus Parks and Public Lands Management Act of 1996 to increase the authorization of appropriations for the Vancouver National Historic Reserve and for the preservation of Vancouver Barracks	5-10-02	20
17. S. 1843—To extend certain hydro-electric licenses in the State of Alaska	5-10-02	21
18. S. 1852—To extend the deadline for commencement of construction of a hydroelectric project in the State of Wyoming	5-10-02	22
19. S. 1894—To direct the Secretary of the Interior to conduct a special resource study to determine the national significance of the Miami Circle site in the State of Florida as well as the suitability and feasibility of its inclusion in the National Park System as part of the Biscayne National Park, and for other purposes	5-10-02	23
20. S. 1907—To direct the Secretary of the Interior to convey certain land to the City of Haines, Oregon	5-10-02	24
21. S. 1946—To amend the National Trails System Act to designate the Old Spanish Trail as a National Historic Trail	5-10-02	25
22. H.R. 37—To amend the National Trails System Act to update the feasibility and suitability studies of 4 national historic trails and provide for possible additions to such trails	5-10-02	26
23. H.R. 223—To amend the Clear Creek County, Colorado, Public Lands Transfer Act of 1993 to provide additional time for Clear Creek County to dispose of certain lands transferred to the county under the Act	12-7-01	27
24. H.R. 308—To establish the Guam War Claims Review Commission	12-7-01	28
25. H.R. 309—To provide for the determination of withholding tax rates under the Guam income tax	12-7-01	29
26. H.R. 601—To redesignate certain lands with the Craters of the Moon National Monument, and for other purposes	12-7-01	30
27. H.R. 640—To adjust the boundaries of Santa Monica Mountains National Recreation Area, and for other purposes	7-27-01	31
28. H.R. 1384—To amend the National Trails System Act to designate the route in Arizona and New Mexico which the Navajo and Mescalero Apache Indian tribes were forced to walk in 1863 and 1864, for study for potential addition to the National Trails System	5-10-02	32
29. H.R. 1456—To expand the boundary of the Booker T. Washington National Monument, and for other purposes	5-10-02	33
30. H.R. 1576—To designate the James Peak Wilderness and Protection Area in the Arapaho and Roosevelt National Forests in the State of Colorado, and for other purposes	5-10-02	34
31. H.R. 2234—To revise the boundary of the Tumacacori National Historical Park in the State of Arizona	5-10-02	35
32. H.R. 2440—To rename Wolf Trap Farm Park as "Wolf Trap National Park for the Performing Arts," and for other purposes	5-10-02	36

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to hold a hearing during the session of the Senate on Wednesday, May 15, 2002, at 2:30 p.m. in SH-216. The purpose of the hearing is to examine manipulation in western energy markets during 2000–2001, as revealed recently in documents made available as part of the investigation underway at FERC; actions that were taken to mitigate any market manipulation or failures; and further actions that should be taken now and in the future.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be authorized to meet on Wednesday, May 15, 2002 at 10 a.m. to conduct a hearing to discuss transportation planning. The hearing will be held in SD-406.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet on Wednesday, May 15, 2002 at 9:30 a.m. for the purpose of holding a hearing entitled "Under the Influence: The Binge Drinking Epidemic on College Campuses."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a hearing on "Copyright Royalties: where is the Right Spot On the Dial For Webcasting" on Wednesday, May 15, 2002 in Dirksen Room 226 at 9:30 a.m.

Witness List

Ms. Hilary Rosen, President and Chief Executive Officer, Recording Industry Association of America, Washington, DC; Mr. Jon Potter, Executive Director, The Digital Media Association, Washington, DC; Mr. Bill Rose, VP and General Manager of Webcast Services Arbitron, New York, NY; Mr. Frank Schliemann, Founder, Onion River Radio, Montpelier, VT; Mr. Billy Straus, President, Websound.com, Brattleboro, VT; and Dan Navarro, Artist, American Federation of Television and Radio Artists, New York, NY.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON CONSUMER AFFAIRS

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Subcommittee on Consumer Affairs, be authorized to meet on May 15, 2002, at 9:30 a.m. on Examining Enron: Developments Regarding Electricity Price Manipulation in California.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON HOUSING AND TRANSPORTATION

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Subcommittee on Housing and Transportation of the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Wednesday, May 15, 2002, at 2:30 p.m. to conduct an oversight hearing on "Affordable Housing Production and Working Families."

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. HATCH. I ask unanimous consent that Bruce Artim, a fellow from the Judiciary Committee, and Chris Campbell, on my staff, be granted the privilege of the floor for the remainder of the debate on the trade bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENT

The PRESIDING OFFICER. The Chair, on behalf of the President pro

tempore, pursuant to P.L. 103-227, reappoints the following individuals to the National Skill Standards Board:

Upon the recommendation of the Democratic leader: Tim C. Flynn, of South Dakota, representative of business; and Jerald A. Tunheim, of South Dakota, representative of human resource professionals.

MEASURE READ THE FIRST TIME—H.R. 3694

Mr. REID. Mr. President, I understand H.R. 3694 is at the desk, and I ask for its first reading.

The PRESIDING OFFICER. The clerk will read the bill by title for the first time.

The legislative clerk read as follows:

A bill (H.R. 3694) to provide for highway infrastructure investment at the guaranteed funding level contained in the Transportation Equity Act for the 21st Century.

Mr. REID. Mr. President, I now ask for its second reading but object to my own request.

The PRESIDING OFFICER. The bill will receive its next reading on the next legislative day.

ORDERS FOR THURSDAY, MAY 16, 2002

Mr. REID. Mr. President, I ask unanimous consent that when the Senate completes its business today, it recess until 9 a.m., Thursday, May 16; that following the prayer and pledge, the time for the two leaders be reserved for their use later in the day, and the Senate be in a period of morning business until 10 a.m., with Senators permitted to speak for up to 10 minutes each, with the first half of the time under the control of the majority leader or his designee and the second half of the time under the control of the Republican leader or his designee; that at 10 a.m. the Senate resume consideration of the trade bill under the previous order; further, that the Senate recess from 2 to 3 p.m.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

PROGRAM

Mr. REID. Mr. President, the next rollcall vote will occur at about 11:30 tomorrow morning, and that will be in relation to the Gregg amendment.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS CONSENT AGREEMENT—H.R. 3009

Mr. REID. Mr. President, I ask unanimous consent that the next Demo-

cratic amendment, following the Reed of Rhode Island amendment, be a Levin amendment, regarding auto trade.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS

Mr. REID. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent the Senate stand in recess under the previous order following the remarks of Senator TORRICELLI, who should be here shortly.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. TORRICELLI. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ISRAEL

Mr. TORRICELLI. Mr. President, throughout all of my adult life, I have traveled frequently to Israel. I have had the honor of knowing almost all of Israel's principal leaders. As many Americans though I am of the Christian faith, I have always felt a strong identity with the struggle of the Jewish people and the survival of the Jewish State.

I believe the American relationship with Israel is complex: Our sense that Israel represents the edges of Western civilization; the identity of a struggling people simply desiring to survive; the sense of humanity's obligation to the Jewish people who have survived the Holocaust; and, of course, an inevitable American identity with a democracy, a pluralist state that shares our most basic value.

Through this association, I have witnessed Israel in many struggles. Years ago, all Americans marveled at Israel's ability to overcome extraordinary military adversity in the 1967 war facing overwhelming conventional arms against them. In 1973, a similar array of armed forces having entered the very heart of Israel and being turned back was a demonstration of remarkable courage and sacrifice by the Israeli people. In the years that followed, there was the conventional conflict in which Israel's triumph was matched by her ability to stand down mounting strategic armaments from the Syrians, the launching of limited missiles from Lebanon.

In each of these conflicts, courage, determination, guile, and skill allowed Israel to survive. None of these things, however, would have prepared any of us for the conflict in which Israel is now engaged. Previous generations overcoming strategic weapons and conventional weapons and the guerrilla war-

fare of the war of independence are in some ways little preparation for what the current generation of Israelis are experiencing. It is the ultimate test of any Western society. It goes to the heart of the ability of any country to be able to endure when terrorism strikes the center of our cities, destroys our families, interrupts our means of transportation, denies the ability of our economies to function, our democracies to vibrantly engage in debate in the prospect of such terror.

It is a conflict not simply between two sides but two centuries, two concepts of life, two abilities to organize society.

I felt confident in Israel's previous wars, despite the odds, the overwhelming weapons, or the disparity of manpower because courage and intellect would dictate the result. There is no amount of courage, no amount of intellect that can face down a terrorist bombing. This is a different war. It is dangerous.

My concern is amplified by the voices in Asia and Europe that were once so sympathetic to the struggling Jewish State that are now at best silent and often giving comfort to Israel's enemies. Those Europeans which shared American responsibility for the children of the Holocaust somehow have forgotten. Those in Europe who admired the courage of the Israelis in building a democracy are silent. Those Europeans who in every case would reach out to another democratic society with an identification, a brotherhood of pluralist democracies, now seem to fail to find any identity in Israel.

There are so many emotions that this brings forward for Americans. It should thus be said at the outset, if in this struggle Israel and America must stand alone, then Israel and America never stood in better company.

In this struggle, victory will not be by the numbers. We will not be intimidated by the coalitions or silenced by the critics. This is a fight about principle. And the strength of the Jewish cause in Israel may best be defined by its objectives. Jews want to survive in their own homeland. This is not a struggle about conquest or wealth or national pride; it is survival. Jews stay in Israel or they die with their backs to the sea. That is what the struggle is about.

I recognize that many of our European friends, for their own economic or political reasons, may no longer identify with Israel. They may have made their arrangements elsewhere.

History has a short memory. To them, the obligations of the Holocaust or the promise to the Jewish people of their homeland may be a distant memory. Maybe Israel and America will fight alone, but it should not be forgotten that we may fight alone, but this is not our fight alone.

If terrorism succeeds in Israel, who among us would doubt that its next battlefield will be Europe? Certainly no

one in my State of New Jersey doubts that it will be America. We have seen terrorism.

Woodrow Wilson once said that America's two best friends were the Atlantic and the Pacific. They have become very little friends. Terrorism in another part of the world, halfway around the globe, offers no comfort to any American by its distance; it can be here tomorrow.

The fight for Israel's security is the fight for the security of every free nation, whether they are aligned with Israel, whether they wish Israel well. She fights our fight, and her fate is our fate.

There are many obstacles to a peaceful resolution in the Middle East. I believe profoundly that there will never be a military answer to the conflict between the Palestinians and the Israelis. These are two people of some common ancestry who live in a shared land. Both will learn to live together.

As profoundly as I believe in a peace process, I am also convinced that unless the Palestinian Authority understands that terrorism will not succeed, that there is no military answer, and that at all costs Israel will survive, no negotiated settlement is possible.

There are those who may think that their military operations at the moment give them advantage in negotiations. There are others who believe their military operations hold not the promise of the West Bank and Gaza as a Palestinian State, but the destruction of the Jewish State in its entirety. To them, there is not a Palestinian State envisioned in the West Bank and Gaza, but in Haifa and Tel Aviv and Jerusalem.

I have never represented any cause in the Middle East other than a negotiated settlement. I believe profoundly in the peace process as essential to the survival of Israel and in the interest of the Palestinian people, but I refuse to counsel Israel that it should negotiate with people bent on its destruction, or that it is of any value to engage in peace negotiations as long as their adversaries believe that a military victory is possible and Israel's entire destruction conceivable.

It is almost axiomatic to declare that peace negotiations and peace settlements are historically nothing but a reflection of the realities on the battlefield. The reality that Americans and Israelis see is two people in a common land who need their own homelands. That makes peace negotiations by Americans or Israelis not only possible but inevitable. But no nation can negotiate with itself, nor can peace be unilaterally declared.

Unless the Palestinians, and not simply the Palestinian Authority but important elements of the society, recog-

nize that such military outcomes are impossible, only then will peace negotiations be meaningful.

There are those in America who genuinely believe that by pressuring Israel not to respond militarily, not to seek terrorists in their own territory, we are giving good advice to the Israeli Government.

It is a difficult argument to understand in an American context. Who in this Senate would be counseling the U.S. Government, after a terrorist attack, to exercise restraint? Which Member of the Senate would suggest to our own military, if Chicago or Miami or Los Angeles were to fall victim to a terrorist attack, that we should not respond? Which part of the American arsenal would you withhold if it were American cities experiencing bombings, American buses being destroyed, American children losing their limbs?

I dare to say there is not a Member of this Senate who would urge restraint or withhold a single weapon in our arsenal. The Palestinians may believe there is little for them to be grateful for today. Their cities are being destroyed. The Israeli Army has occupied parts of the West Bank. Gaza awaits an invasion. There is something, however, for which they should be grateful. If it were the United States of America that endured these attacks and not Israel, the response they have experienced from the Israeli Army would be a small shadow of the problems that would be visited upon them.

Finally, there are those in the Senate who wonder, with Israelis having to respond with their lives, the Israeli economy in shambles, what is it any American can do? How is it that in this moment of crisis we can exercise true fidelity with Israel in its fight for survival? Our words are important. So is our presence in Israel.

Nothing would demonstrate more our commitment to Israel than Members of Congress, like the American people themselves, being present, exhibiting courage, showing our commitment.

In this Senate, we 100 have a different opportunity. The fight for Israel's survival is not only militarily decided, it is also economically decided. The Clinton administration 18 months ago, after the withdrawal from Lebanon, pledged Israel \$450 million for supplemental assistance. It was to compensate for the withdrawal, to help recreate a security zone in the north of Israel, and for missile defense.

That money was never provided. Regrettably, the Bush administration never even included it in its recommendations for the Congress this year. At a time when Israelis look across the sea to America for confidence of their own survival, broken American promises are not helpful. In-

deed, they are troubling. The first thing this Congress can do is ensure that every commitment is kept, all resources are given. In the current stage of this fight against terrorism, despite all the sacrifices of September 11 and the courage of our soldiers in Afghanistan, at this moment most Americans are not asked to sacrifice with their lives. We have experienced that before. It may come again. At this moment, the sacrifice is Israeli. The least we can do is help them with the means to win this war.

All of us look for the words telegraphed around the world to those who believe that the Jewish state was both created and will die in a single generation, words to put at rest those who are committing their energy and their resources to this war on terrorism against Israel. Here are mine: Israel is forever. As long as there is a United States of America, there will be an Israel. It took 2,000 years for the Jewish people to get home. They have been there for a single generation. They are not leaving. Those in Europe who would counsel or comfort her enemies, those in the Middle East who are bent on her destruction, would do best to accept that reality.

There is land enough for all peoples to decide their own governments and design their own futures. Let there be no question, for those who respect the will and the power of the United States of America, one of those peoples will be Jewish and one of those countries will be Israel.

I yield the floor.

RECESS UNTIL 9 A.M. TOMORROW

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until 9 a.m. tomorrow.

Thereupon, the Senate, at 6:44 p.m., recessed until Thursday, May 16, 2002, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate May 15, 2002:

DEPARTMENT OF STATE

JOHN WILLIAM BLANEY, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF LIBERIA.

DEPARTMENT OF JUSTICE

J.B. VAN HOLLEN, OF WISCONSIN, TO BE UNITED STATES ATTORNEY FOR THE WESTERN DISTRICT OF WISCONSIN FOR THE TERM OF FOUR YEARS, VICE PEGGY A. LAUTENSCHLAGER, RESIGNED.

KEVIN VINCENT RYAN, OF CALIFORNIA, TO BE UNITED STATES ATTORNEY FOR THE NORTHERN DISTRICT OF CALIFORNIA, FOR THE TERM OF FOUR YEARS, VICE ROBERT S. MUELLER III, RESIGNED.

CHARLES E. BEACH, SR., OF IOWA, TO BE UNITED STATES MARSHAL FOR THE SOUTHERN DISTRICT OF IOWA FOR THE TERM OF FOUR YEARS, VICE PHYLLISS JEANETTE HENRY, RESIGNED.