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Senate

The Senate met at 9:30 a.m. and was called to order by the Honorable DEBBIE STABENOW, a Senator from the State of Michigan.

PRAYER

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

Dear God, You have ordained that there is one decision we must make every day. It is the most crucial decision in the midst of all the other decisions we will be called to make. We hear Elijah's challenge, "Choose for yourselves this day whom you will serve."—Joshua 24:15b.

You have given us the freedom to choose whom we will serve today. We want to renew our decision to serve You as the only Lord of our lives. We know that without this decisive intentionality, we will drift into secondary loyalties. You entrust Your strength, gifts of leadership, and vision to those who start each day with a fresh decision to do everything for Your glory and according to Your specific guidance. In the quiet of this moment we make our decision to worship You with our work. You alone are our Lord and Saviour. Amen.

PLEDGE OF ALLEGIANCE

The Honorable DEBBIE STABENOW 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 23, 2002.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable DEBBIE STABENOW, a Senator from the State of Michigan, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Ms. STABENOW thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The Senator from Nevada is recognized.

MEASURE PLACED ON THE CALENDAR—S. 2538

Mr. REID. Madam President, it is my understanding S. 2538 is at the desk and is due for its second reading.

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. REID. Madam President, I ask that it be read for the second time, and I then object to any further proceedings at this time.

The ACTING PRESIDENT pro tempore. The clerk will read the bill for the second time.

The legislative clerk read as follows:

A bill (S. 2538) to amend the Fair Standards Act of 1938 to provide for an increase in the Federal minimum wage.

The ACTING PRESIDENT pro tempore. Objection having been heard, the bill will be placed on the calendar.

The Senator from Nevada.

APPRECIATION TO SENATOR STABENOW

Mr. REID. Madam President, before I make a brief announcement of what we are going to be doing today, I want to say that I personally appreciate what you, the Presiding Officer, have done for the people of the State of Nevada, bringing to their attention the prob-

lems we have with drug costs and the importance of having a Medicare benefit.

I think your attention has brought to Nevada a new awareness that we have to do something. Congress has to do something. And we have people, as a result of your statements and the work you have generated, calling my office asking what we are going to do about it. So I personally appreciate what you have done in that regard.

SCHEDULE

Mr. REID. Madam President, you are going to announce shortly that we will be in a period of morning business until 10:30 this morning with the time equally divided. At 10:30, we are going to resume consideration of the trade act. All time will run out on the trade bill at around 6 o'clock this evening.

I indicate to all Senators, we now have a finite list of amendments that will be voted on if the Senators want votes on those amendments. It is about nine amendments, as I recall. We are going to try to work out a timely order to handle those. If we do not, then, no matter what happens, we finish at 6 o'clock anyway, and there will be a final vote on this bill, unless something untoward occurs. So there is still a lot of work to do.

The leader has indicated not only does he want to complete work on this trade bill, but there is bioterrorism legislation. The House did not move the supplemental yesterday. They quit at about 10 o'clock last night without having brought up a single amendment. So they are going to work their way through that today.

The order that has been entered in the House does not allow many amendments, so they can probably move the bill fairly quickly, as I understand it. Whether it will get here in time for us to do anything is something we just have to wait and see. Senator BYRD also would like to finish that before we leave.

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



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S4741

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 therein for up to 10 minutes each.

Under the previous order, the first half of the time shall be under the control of the Republican leader or his designee. Under the previous order, the time until 10:30 shall be under the control of the Democratic leader or his designee.

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

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

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mrs. CLINTON). Without objection, it is so ordered.

PRESCRIPTION DRUGS

Mr. DASCHLE. Madam President, I commend the distinguished Senator from Michigan for coming to the Chamber, and I know she is prepared to talk about an issue that is of great importance to our caucus. She has shown remarkable leadership in addressing the issue of prescription drugs. I very much wish to participate in a colloquy with her on that matter in a moment.

SUPPLEMENTAL APPROPRIATIONS LEGISLATION

Mr. DASCHLE. Madam President, I wish to address another issue. Today we are going to be completing our work on the trade adjustment assistance legislation, the trade promotion authority bill, as well as the Andean Trade Preference Act. My expectation is we will finish that work by sometime mid-afternoon.

It was then my intention to bring up the Senate version of the appropriations supplemental that has just been reported out of the Appropriations Committee. I have had a number of conversations with Senator BYRD about the need to address this matter expeditiously.

The bill includes \$14 billion for defense, as we continue to wage our war on terror; there is \$1.8 billion in contingency defense funds that are directly connected with our efforts at homeland defense; an additional \$3.3 billion, substantially more than what the House has committed for other needs in

homeland defense; plus \$5.5 billion for the recovery efforts in New York.

This is a very important bill. It was our hope, our expectation that we would be able to complete our work on this bill prior to the time we recess.

I am told now that our Republican colleagues are going to object to moving that bill. I find that especially disconcerting given the comments made a couple of weeks ago by the House majority leader, who criticized me and Senator BYRD for the inaction in what he called the Democratic-controlled Senate in its unwillingness to take up what he termed to be the war supplemental prior to the Memorial Day break. He said he is discouraged; that, in his view, this should not be an acceptable state of affairs.

The package he indicated included some critical matters relating to our efforts in carrying out the war on terror and responding to the needs of New York. He said he not only was not optimistic, but he said there was a dearth of leadership in the Senate. If there is a dearth of leadership, perhaps we can see some leadership shown on both sides in addressing that dearth.

I am prepared to offer a unanimous consent request today to take up a bill and complete it before we leave. I do not see any reason why we cannot do it. It passed unanimously out of the committee. There is no question we send exactly the wrong message if our Republican colleagues object to taking up this bill. There is a very disconcerting message that sends to New York, to those who are concerned about homeland defense, especially with the new warnings that are emanating from the Departments of Government, as well as from our effort in the war in Afghanistan.

On April 22, President Bush said:

I ask the Congress to pass the supplemental that we have submitted as quickly as possible. It's emergency funding for defense and homeland security and economic security, and we need to get it done by Memorial Day. It's time the Congress passed the supplemental.

Those are words from the President himself. I hope he will pick up the phone from wherever he is in Europe and call the leadership and tell those who are blocking this legislation that he wants it done just as badly today as when he articulated his views on this issue a few weeks ago.

There is no reason we cannot take it up. There is no reason we have to delay until after we get back. There is no reason we cannot make the most of this week. We can get this done. If it can pass out of the committee unanimously, it can pass on the floor overwhelmingly. We need to address it.

Madam President, I put my colleagues on notice that we will have a discussion about this later in the day. I was not made aware of the opposition on the part of our Republican colleagues until this morning, but I will say we will press to complete our work.

We will try to respond to the request of the President of the United States

that we get it done before Memorial Day. We will address the criticism of the House majority leader who complains of a dearth of leadership. Let's show leadership on both sides of the aisle. Let's show a commitment to the people of New York, to the people in Afghanistan, to our effort at addressing the needs of homeland defense more effectively than we would be were we to say: No, we will wait; no, somehow, it is not that important; no, we want to go home before we get this job done.

There is no reason to go home until we have gotten this job done, and we are going to press it all day long if we need to, to see if that is possible.

PRESCRIPTION DRUGS

Mr. DASCHLE. Madam President, again I thank my colleague from Michigan. As all of my colleagues know, this is an issue on which she made a commitment to her people before she got elected. She reminds me every day of that commitment and her absolute determination to address this issue soon.

I was in Maine a couple of days ago and was reminded again of what an emotional issue it is for seniors who have no other recourse but to go to Canada to get help, who pay bills and have to decide whether it is drugs or groceries, drugs or rent, drugs or car payments, drugs or fuel.

That kind of a decision in this day and age for people vulnerable as they are economically and in so many other ways is a matter that simply cannot rest until we have addressed it.

I thank the Senator from Michigan for her willingness to keep coming to the floor and reminding us of how important it is to keep organizing and effectively pressing for action in the Senate.

I know she wishes to make her statement at this time, and so I yield the floor.

The PRESIDING OFFICER. The Senator from Michigan.

Ms. STABENOW. I thank our Senate majority leader. If we did not have his leadership, we would not have the opportunity to be talking about specific proposals for a comprehensive Medicare prescription drug benefit or opening the doors to Canada or in other ways lowering prices for families, seniors, businesses, workers. The entire economy is affected by this issue, and we would not be in a position to do that without the leadership of Senator DASCHLE.

I thank him for that and also say that this week, as we are celebrating the leadership of another colleague, it would not be possible without Senator Jim Jeffords. I commend him. As our majority leader talked about going to Canada, Senator JEFFORDS has been at the forefront of breaking down those barriers so we could open the border.

I find it ironic we are debating an open trade bill, fast track, so we can have more trade and yet the only thing we cannot trade with Canada is prescription drugs made in the United States and subsidized by American taxpayers. Yet if they go to Canada and the prices are dropped in half, we cannot benefit from that.

Senator JIM JEFFORDS has been a leader. I am very proud to be joining with him on a bill with Senator DORGAN and many others. I once again commend Senator JEFFORDS for his courage in so many ways in stepping forward on matters that directly affect people every day. It is no less true on this question of prescription drugs.

It is true, as our Senate majority leader said, people are choosing every day between food and medicine, paying the light bill, and being able to pay the rent. I have been inviting people from Michigan to come to my Web site and be a part of something we are calling the Prescription Drug People's Lobby. People have said to me, Why do you call it that? Well, it is very simple. We looked up the numbers, and today there are six drug company lobbyists for every one Member of the Senate. Their voice is heard, and they spend every day doing everything to, unfortunately, stop us from lowering prices. They do wonderful work. We celebrate American-made ingenuity that creates these new drugs from which we can benefit, but if they are not affordable, then they are not available. It is as simple as that.

We have to address the question of prices and updating Medicare to cover prescription drugs. So I have formed something called the Prescription Drug People's Lobby in Michigan. I have colleagues doing the same. I know Senator Jean Carnahan is doing this. Senator DURBIN and others are joining in this whole effort to invite people to share their stories to make their voices heard.

I am very pleased today to share one of those stories from Mrs. Malissa Askin. I share a story that reflects exactly what our Democratic leader, our majority leader, was indicating. Mrs. Malissa Askin, from Romulus, MI, e-mailed me 2 days ago and asked that I share her story. I appreciate that she is allowing me to do this. She starts out by saying:

I guess my story is no different from the many Americans, when it comes to deciding if I can afford food to live, or medications. It boils down to a choice these days (what can I afford to keep myself alive?), once I pay my bills.

Then she goes on to say:

I am 68 years old. My husband is deceased and I have no family. I have had a heart bypass, both arteries in my neck cleaned out and now in April I was operated on for cancer, not to mention other surgeries. I am supposed to be on nine medications. However, at the price of these meds, I can only afford three. I do not know what will happen with me by not being able to be on the meds I cannot afford, but it makes me wonder what I am living for. I feel like nobody cares.

Well, Mrs. Askin, people do care. We care. I care. Our Senate majority leader cares.

Mr. DASCHLE. Will the Senator yield?

Ms. STABENOW. Yes, I will yield.

Mr. DASCHLE. I thank the Senator for her poignant story and for again reminding us of the human face behind this issue. Those faces come so effectively to mind when one reads the words and listens to the extraordinarily difficult, agonizing decisions these older Americans have to make as they make their choices, as the Senator has indicated.

Has the Senator ever thought of the irony we find in our country today where those people most vulnerable, those people who need prescription drugs the most, are the very ones who have no access to prescription drugs through the health plan to which they subscribe?

Those of us who are younger, those of us who have private health plans today, have plans to which we can subscribe that have all kinds of prescription drug coverage available to us. I can go to a drugstore and have many of my drugs paid for, if I would ever find the need, but my mother cannot. She is part of Medicare. My relatives and my constituents cannot if they are in Medicare because they are in a program that has never adopted a prescription drug benefit program, in spite of the need that has been clearly demonstrated given the trends in health care delivery out of hospitals and into the more outpatient treatment care that is provided today.

I know the Senator from Michigan hears the same stories—

Ms. STABENOW. Absolutely.

Mr. DASCHLE. About the ironic state of circumstances we face. I wonder if she could comment on that.

Ms. STABENOW. I could not agree more. In 1965, we set up the promise of health care for those over age 65 and those who are disabled through Medicare, a wonderful American success story. Yet because it has not been updated to cover prescriptions, it no longer covers the way health care is provided today.

My mother as well, my aunt, my uncle, my other relatives who have had health care coverage when working, now find themselves in a situation where they cannot really get what they need because most of what they need is outpatient prescription drug coverage. I know that is why we are working so hard in the Senate to bring the sense of urgency that Mrs. Askin feels to pass a comprehensive prescription drug benefit, not one like, unfortunately, our colleagues on the other side in the House have been proposing, which for most people would give less than 20 percent coverage and cut our hospitals and create more costs for home health care in the process. That plan is not good enough.

What we are talking about is something that would allow us to provide

comprehensive prescription drug coverage without adding costs for home health or cutting our hospitals that have already been cut but looking at something comprehensively.

When we look at Mrs. Askin, the bottom line for her is if she were to do what she needs to do to remain healthy, it would be a monthly bill of \$938. How can someone do that? How can someone do that and live?

Mr. DASCHLE. The Senator from Michigan points out another irony. We often hear about people voting with their feet. We hear it in another context generally. A lot of times immigrants vote with their feet as they leave their countries to come to a safer place, a place with a better future. I find it ironic—and I am interested in the comments of the Senator from Michigan—that our seniors today appear to be voting with their feet in driving in large buses and caravans to Canada to get health care today. What does that say about the American health care system? What does that say about Medicare? What does that say about their own satisfaction with a system that appears to be so broken, so incapable of providing them the care they need, they have to go to another country to get it in order to afford it?

That, too, is voting with one's feet. I find that whether it is in letters to the Senator, or letters to any of us, or in the expressions of dismay, the current circumstances they face, more and more of our seniors are voting with their feet, going to Canada, to another health care system, to get what they cannot get here.

Could the Senator from Michigan comment on that?

Ms. STABENOW. I would be happy to comment on that situation.

From Michigan, it is a simple 5-minute drive across the bridge from the tunnel from Detroit to Canada; or from Port Huron, or Sault Sainte Marie, a simple 5-minute drive to Canada. We have worked together, on a number of occasions, with the Canadian Medical Society and pharmacists in Canada.

I find it most outrageous that these are American made drugs, the exact same drugs. We took a group of breast cancer patients using tamoxifen, at \$136 a month in Michigan, 5 minutes across the border for the same drug sold for \$15. I am told the companies make a modest profit on the \$15.

There is something wrong, something desperately wrong. I support underwriting basic research. I support the ability to create patents so companies do not have to have competition for their name brands for 15 or 20 years, so they can recover their costs and all the other things we do to help create these wonderful lifesaving drugs. What do we get for it? The highest prices in the world. It is simply not good enough.

Mr. DASCHLE. Again, I compliment the distinguished Senator from Michigan. One day, hopefully in this session of Congress, you and I and all of our

colleagues will be on the floor voting on a bill that will rectify that situation. We should not have to wait through another election. We should not have to wait for any other development. We know the facts. We know the people are going to Canada. We know the people are making these tough choices. We know heartfelt letters such as these are written, pleading for the Congress to respond. The only thing we do not know is how long it will take for the Congress to do what it needs to do; that is, to respond effectively with a comprehensive approach to universal access to good prescription drug coverage with cost containment as part of that coverage. That will happen someday as a result of the leadership shown and the extraordinary persistence of the Senator from Michigan.

I thank the Senator again for that effort.

Ms. STABENOW. I am deeply grateful for the comments of the Senate majority leader. His leadership, truly, on so many issues, particularly this issue, touches the lives of so many people every day. I am very grateful to the majority leader for that leadership.

We are focusing on bringing bills to the floor so we can solve the problems addressing what Mrs. Askin from Romulus, MI, has written about. We cannot say: We will wait another year: Mrs. Askin, why don't you wait on medications that you need, wait until next year or the year after or the year after?

This is not like buying a new car or a new pair of tennis shoes or are you going to wait on buying a piece of clothing. This is lifesaving medicine. There has to be a sense of urgency.

Health care has changed. Most of the time we are not admitted into the hospital. Thankfully, medication will allow people to avoid open-heart surgery or allow them to live with dignity at home or allow parents to care for children who are chronically ill or disabled, that allow them to live longer. We welcome these new innovations. It is wonderful.

I am proud that in this country we are in a partnership with investments from all taxpayers to the National Institutes of Health, utilizing the American ingenuity of the companies that go to work. It is wonderful.

Unfortunately, the end result is not wonderful. At the end of this process, the very people who help invest in the process cannot afford these lifesaving medications. Something is wrong. When we get to the end of the process and the health care system we have set up for older Americans who use the majority of medications, or those who are disabled who use the majority of medications, does not recognize these new lifesaving drugs incorporated in part of the health care system called Medicare, there is something wrong.

When we are creating these medications and they are sold to every other country in the world at half the price they are sold to us, there is something wrong.

When we see today these lifesaving medications are treated like any other product and twice as much or 2½ times more is spent on advertising than the research, and we, as taxpayers, pay for that through tax writeoffs, something is wrong. More was spent on Vioxx last year for advertisement than spent by Budweiser on beer, Coca-Cola on Coke, Pepsi-Cola on Pepsi. There is something wrong. It is fine to advertise and promote, but when the companies drive the prices beyond our ability to be able to afford the medications, when this advertising and promotion and sales going on in doctors' offices all over the country each day create a situation where a small business has to drop their insurance for their employees because they cannot afford the premium, it has gone too far.

When manufacturers have to stop providing health care for retirees or lay off people because of rising health care costs, most of which is the cost of their prescription drugs, it has gone too far. I could go on and on with examples of what has been happening.

Right now one of the largest costs, one of the costs driving every part of our economy, is the explosion in the pricing of prescription drugs. We can do better than that. We can open the border to competition for Canada. We can limit the amount we are willing to subsidize in those explosive advertising costs. We can support States in innovative ways. They are looking for ways to bring down prices for their own citizens such as in the State of Maine and the innovations they have incorporated, making sure when patents run out and it is time for the generic, the same formula can be sold without the brand name at pennies on a dollar. Those generic laws work, and we are, in fact, doing that. We have a plan that works. It is now time to put it into action.

In closing, I say to Mrs. Askin that people do care. We are working very hard to get it right. We are working hard so citizens will not have to decide every morning what bill to pay, what food they can afford, or whether or not they can afford their medicine. It is time to get it right. I will work very hard until we get it right so you can know that you can benefit from the wonderful new medications that have been placed on the market to save lives, to extend life, so you can also enjoy all the other wonderful parts of your life without worrying about whether you can afford your medicine.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Ms. STABENOW. 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. HOLLINGS. Madam President, I ask unanimous consent the order for the quorum call be dispensed with.

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

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is now 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.

Reid (for Byrd) amendment No. 3447 (to amendment No. 3401), to amend the provisions relating to the Congressional Oversight Group.

Reid (for Byrd) amendment No. 3448 (to amendment No. 3401), to clarify the procedures for procedural disapproval resolutions.

Reid (for Byrd) amendment No. 3449 (to amendment No. 3401), to clarify the procedures for extension disapproval resolutions.

Reid (for Byrd) amendment No. 3450 (to amendment No. 3401), to limit the application of trade authorities procedures to a single agreement resulting from DOHA.

Reid (for Byrd) amendment No. 3451 (to amendment No. 3401), to address disclosures by publicly traded companies of relationships with certain countries or foreign-owned corporations.

Reid (for Byrd) amendment No. 3452 (to amendment No. 3401), to facilitate the opening of energy markets and promote the exportation of clean energy technologies.

Reid (for Byrd) amendment No. 3453 (to amendment No. 3401), to require that certification of compliance with section 307 of the Tariff Act of 1930 be provided with respect to certain goods imported into the United States.

Reid (for Durbin) amendment No. 3458 (to amendment No. 3401), to establish and implement a steel import notification and monitoring program.

Reid (for Harkin) amendment No. 3459 (to amendment No. 3401), to include the prevention of the worst forms of child labor as one of the principal negotiating objectives of the United States.

Reid (for Corzine) amendment No. 3461 (to amendment No. 3401), to help ensure that trade agreements protect national security, social security, and other significant public services.

Reid (for Corzine) amendment No. 3462 (to amendment No. 3401), to strike the section dealing with border search authority for certain contraband in outbound mail.

Reid (for Hollings) amendment No. 3463 (to amendment No. 3401), to provide for the certification of textile and apparel workers who lose their jobs or who have lost their jobs since the start of 1999 as eligible individuals for purposes of trade adjustment assistance and health insurance benefits, and to amend the Internal Revenue Code of 1986 to prevent corporate expatriation to avoid United States income tax.

Reid (for Hollings) amendment No. 3464 (to amendment No. 3401), to ensure that ISAC committees are representative of the producing sectors of the United States Economy.

Reid (for Hollings) amendment No. 3465 (to amendment No. 3401), to provide that the

benefits provided under any preferential tariff program, excluding the North American Free Trade Agreement, shall not apply to any product of a country that fails to comply within 30 days with a United States Government request for the extradition of an individual for trial in the United States if that individual has been indicted by a Federal grand jury for a crime involving a violation of the Controlled Substances Act.

Reid (for Landrieu) amendment No. 3470 (to amendment No. 3401), to provide trade adjustment assistance benefits to certain maritime workers.

Reid (for Jeffords) amendment No. 3521 (to amendment No. 3401), to authorize appropriations for certain staff of the United States Customs Service.

Wellstone amendment No. 3467 (to amendment No. 3401), to protect human rights and democracy.

Reid (for Hollings) amendment No. 3527 (to amendment No. 3447), to provide for the certification of textile and apparel workers who lose their jobs or who have lost their jobs since the start of 1999 as eligible individuals for purposes of trade adjustment assistance and health insurance benefits.

AMENDMENT NO. 3527

Mr. HOLLINGS. Madam President, I am indebted to the leadership for, last evening, late in the hour, having called up my amendment in the second degree, I think, to the Byrd amendment.

What is the pending question before the Senate?

The PRESIDING OFFICER. The Senator is correct. It is his second-degree amendment.

Mr. HOLLINGS. I thank the distinguished Chair.

Madam President, I am still smiling because I was coming onto the elevator with some books, and the elevator operator said: My Lord, are you going to preach?

I wish I had the talent to preach on this particular score because the real problem confronting our country is economic strength. There is no question in my mind that fast track is about the worst thing that we could possibly adopt. I have yet had the time to really get into a debate. I would not preach, but I would be delighted to get into a debate with respect to, actually, the need for a competitive trade policy, for the rebuilding of our economic strength, and the rebuilding of our manufacturing capacity.

Somehow or other we have lost sight of the greatness of America. We think it is the 6th Fleet and the atom bomb. They do not count anymore in the halls of international and global relations and foreign diplomacy. What counts now is economic strength, that is the real battle and war we are in.

They say: You are going to start a war. We have been in a very viable, competitive, reciprocal free trade, competitive free trade of which Cordell Hull spoke.

What comes to mind, I was at a conference up in Chicago some years ago with Akio Morita, the chairman of the board of Sony. He was speaking about the Third World, the emerging nations. This is some years back. He was counseling the Third World countries that they had to develop a strong manufacturing sector in order to become a nation-state. He was talking along, and then he pointed at me, and then he said:

By the way, Senator, the world power that loses its manufacturing capacity will cease to be a world power.

That is what is on my mind this morning. It is not just manufacturing

but, of course, our financial dilemma. There is no question in my mind that we have developed, not a tax-and-spend, but a borrow-and-spend society.

I ask unanimous consent that the debt to the penny be printed in the RECORD.

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

THE DEBT TO THE PENNY

	Amount
Current: 5/21/2002	\$6,019,261,264,823.37
Current Month:	
5/20/2002	6,019,304,226,577.31
5/17/2002	6,019,432,256,973.92
5/16/2002	6,019,475,513,420.98
5/15/2002	6,016,580,911,847.58
5/14/2002	5,990,414,639,076.97
5/13/2002	5,989,198,647,537.89
5/10/2002	5,988,911,662,755.21
5/09/2002	5,978,218,818,210.58
5/08/2002	5,973,205,194,045.55
5/07/2002	5,973,527,635,269.29
5/06/2002	5,969,691,431,266.78
5/03/2002	5,966,885,188,391.86
5/02/2002	5,979,288,646,755.03
5/01/2002	5,974,320,868,797.23
Prior Months:	
4/30/2002	5,984,677,357,213.86
3/29/2002	6,006,031,606,265.38
2/28/2002	6,003,453,016,583.85
1/31/2002	5,937,228,743,476.27
12/31/2001	5,943,438,563,436.13
11/30/2001	5,888,896,887,571.34
10/31/2001	5,815,983,290,402.24
Prior Fiscal Years:	
9/28/2001	5,807,463,412,200.06
9/29/2000	5,674,178,209,886.86
9/30/1999	5,656,270,901,615.43
9/30/1998	5,526,193,008,897.62
9/30/1997	5,413,146,011,397.34
9/30/1996	5,224,810,939,135.73
9/29/1995	4,973,982,900,709.39
9/30/1994	4,692,749,910,013.32
9/30/1993	4,411,488,883,139.38
9/30/1992	4,064,620,655,521.66
9/30/1991	3,665,303,351,697.03
9/28/1990	3,233,313,451,777.25
9/29/1989	2,857,430,960,187.32
9/30/1988	2,602,337,712,041.16
9/30/1987	2,350,276,890,953.00

Source: Bureau of the Public Debt.

THE DEBT TO THE PENNY AND WHO HOLDS IT BEGINNING JANUARY 31, 2001

	Debt held by the public	Intragovernmental holdings	Total
Current: 5/21/2002	\$3,436,649,451,216.50	\$2,582,611,813,606.87	\$6,019,261,264,823
Current Month:			
5/20/2002	3,438,251,573,271.40	2,581,052,653,305.91	6,019,304,226,577
5/17/2002	3,439,271,479,603.89	2,580,160,777,370.03	6,019,432,256,973
5/16/2002	3,442,068,572,294.49	2,577,406,941,126.49	6,019,475,513,420
5/15/2002	3,439,523,397,954.34	2,577,057,513,893.24	6,016,580,911,847
5/14/2002	3,416,285,823,486.91	2,574,128,815,590.06	5,990,414,639,076
5/13/2002	3,415,564,600,264.24	2,573,634,047,273.65	5,989,198,647,537
5/10/2002	3,415,522,879,129.47	2,573,388,783,625.74	5,988,911,662,755
5/09/2002	3,403,885,470,082.53	2,574,333,348,128.05	5,978,218,818,210
5/08/2002	3,397,455,347,494.59	2,575,749,846,550.96	5,973,205,194,045
5/07/2002	3,396,968,024,725.81	2,576,559,610,543.48	5,973,527,635,269
5/06/2002	3,396,126,515,846.99	2,573,564,915,419.79	5,969,691,431,266
5/03/2002	3,395,972,512,085.24	2,570,912,676,306.62	5,966,885,188,391
5/02/2002	3,395,802,045,107.50	2,583,486,601,647.53	5,979,288,646,755
5/01/2002	3,400,773,341,390.14	2,573,547,527,407.09	5,974,320,868,797
Prior Months:			
4/30/2002	3,402,336,886,067.70	2,582,340,471,146.16	5,984,677,357,213
3/29/2002	3,444,137,028,277.33	2,561,894,577,988.05	6,006,031,606,265
2/28/2002	3,442,243,757,040.41	2,561,209,259,543.44	6,003,453,016,583
1/31/2002	3,378,924,426,706.66	2,558,304,316,769.61	5,937,228,743,476
12/31/2001	3,394,398,958,213.60	2,549,039,605,222.53	5,943,438,563,436
11/30/2001	3,404,026,838,038.17	2,484,870,049,533.17	5,888,896,887,571
10/31/2001	3,333,039,379,996.92	2,482,943,910,405.32	5,815,983,290,402
Prior Fiscal Years: 9/28/2001	3,339,310,176,094.74	2,468,153,236,105.32	5,807,463,412,200

THE DEBT TO THE PENNY AND WHO HOLDS IT THROUGH JANUARY 30, 2001

	Debt held by the public	Intragovernmental holdings	Total
Prior Months:			
1/30/2001	\$3,369,903,111,703.32	\$2,370,388,014,843.13	\$5,740,291,126,546
12/29/2000	3,380,398,279,538.38	2,281,817,734,158.99	5,662,216,013,697
11/30/2000	3,417,401,544,006.82	2,292,297,737,420.18	5,709,699,281,427
10/31/2000	3,374,976,727,197.79	2,282,350,804,469.35	5,657,327,531,667
Prior Fiscal Years:			
9/29/2000	3,405,303,490,221.20	2,268,874,719,665.66	5,674,178,209,886
9/30/1999	3,636,104,594,501.81	2,020,166,307,131.62	5,656,270,901,633
9/30/1998	3,733,864,472,163.53	1,792,328,536,734.09	5,526,193,008,897
9/30/1997	3,789,667,546,849.60	1,623,478,464,547.74	5,413,146,011,397

Mr. HOLLINGS. Madam President, they have talked about surpluses, surpluses, surpluses. You will find in Time magazine this week, up on the right-hand side—I don't have my copy—where the deficit for 2001 was in excess of \$500 billion. Let me repeat that. Look in Time magazine. We were talking about surpluses when we were cutting taxes last year. Time magazine alone reported, rather than a surplus we were running these horrendous deficits.

Of course, the fiscal year has just begun. We have yet to distribute a lot of the emergency money. For example, I have been trying like the dickens to get the rail security money to start working on the tunnels going into New York. The money has been appropriated and voted during the emergency, but we are not really serious. We are not really serious about the so-called terrorism war. Here we are already running a \$212 billion deficit and the increase to the debt already this fiscal year was right at almost \$100 billion spent from Social Security trust funds. They are talking about how we could get into it, but this record that I am introducing is very significant because of what I pointed out.

Let me have printed in the RECORD an article by Paul Krugman, "The Great Evasion; Where Have All The Taxes Gone?" I ask unanimous consent it be printed in the RECORD.

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

[From the NY Times, May 14, 2002]

THE GREAT EVASION

WHERE HAVE ALL THE TAXES GONE?

(By Paul Krugman)

Last week Stanley Works, a Connecticut tool company, postponed its plan to evade taxes by incorporating itself in Bermuda. The decision reflected pressure from the White House, which denounced the move as unpatriotic in a time of national emergency.

I am, of course, making that last part up. The shareholders' vote approving Stanley's move was challenged by Connecticut officials; also, the company has been put in the spotlight by David Cay Johnson, The New York Times's invaluable tax reporter. But the Bush administration, always quick to question the patriotism of anyone who gets in its way, has said nothing at all about Stanley Works, and little about the growing number of U.S. corporations declaring themselves foreign for tax purposes.

To be fair, the administration didn't create the loophole Stanley wants to exploit. And it's not enough just to denounce corporations that exploit tax loopholes; the real answer is to deny them the opportunity. Still, the administration's silence is peculiar. What's going on?

The closest we have to an official statement on the issue of companies moving offshore comes from the Treasury Department's chief of tax enforcement: "We may need to rethink some of our international tax rules that were written 30 years ago when our economy was very different and that now may be impeding the ability of U.S. companies to compete internationally."

Unfortunately, that statement misrepresents the issue. For one thing, U.S. companies don't necessarily pay higher taxes than

their foreign counterparts; Germany's corporate tax rate is significantly higher than ours, France's rate is about the same, and Britain's is only marginally lower. Anyway, the Treasury statement makes it sound as if we're losing revenue because U.S.-based companies are moving their headquarters to lower-cost locations, or because they are losing market share to foreign rivals. Neither proposition is true. In fact, we're losing revenue because profitable U.S. companies are using fancy footwork to avoid paying taxes.

By incorporating itself in Bermuda, a U.S.-based corporation can—without moving its headquarters or anything else—shelter its overseas profits from taxation. Better yet, the company can then establish "legal residence" in a low-tax jurisdiction like Barbados, and arrange things so that its U.S. operations are mysteriously unprofitable, while the mail drop in Barbados earns money hand over fist. In other words, this isn't about competition; it's about tax evasion.

The natural answer would seem to be to crack down on the evaders—to find a way to tax companies on the profits they really earn in the U.S. and prevent them from using creative accounting to make the profits appear somewhere else. It's hard, but not impossible.

But here's the key point: Administration officials don't want to help collect the corporate profits tax. Unable to push major corporate tax breaks through Congress, the administration has used whatever leeway it has to offer such breaks without legislation. The Hill, a nonpartisan publication covering Congressional affairs, recently reported on "a series of little-noticed executive orders . . . that will provide corporations with billions of dollars in tax relief without the consent of Congress."

And now the silence on Stanley becomes comprehensible. The administration doesn't want to say outright that it's in favor of tax evasion; but it also doesn't really want to collect the taxes. Better to say nothing at all.

The trouble is that hinting, even by silence, that it's O.K. not to pay taxes is a dangerous game, because it can quickly grow into a major revenue loss. Accountants and tax planners have taken the hint; they now believe that it's safe to push the envelope. Tax receipts this year are falling far short of expectations, even taking the recession into account; my bet is that it will turn out that newly aggressive tax avoidance by corporations (and wealthy individuals) is an important part of the story. And it will get worse next year.

Furthermore, what does it say to the nation when companies that are proud to stay American are punished, while companies that are willing to fly a flag of convenience are rewarded?

If the administration wants to eliminate the corporate profit tax, let's have a real, open debate—starting with an explanation of how the lost revenue will be replaced in a time of severe budget deficits. Meanwhile, let's crack down on tax evasion.

Mr. HOLLINGS. Madam President, you can read there and see where they have not only cut \$1.6 trillion from the revenues and wonder where the deficits come from, but they are insisting at this particular time to make permanent certain tax cuts, an additional \$4 trillion. Of all things, our Commander in Chief, the President, says: And by the way, since we have a war on terrorism, we are going to have to run deficits.

We have paid for every war that we have ever been in. I noted the other day, last Saturday:

Sharon's Finance Ministry has revised the budget to deal with the slump and pay for the military effort, particularly the month-long offensive in the West Bank that ended last week. It includes raising by 1 percentage point the 17 percent value-added tax, levying higher taxes on diesel fuel and cigarettes and making cuts in the country's generous social welfare benefits.

You don't find that back in the United States. Israel is serious about its war.

But no. We continue with the economy. We think it is bouncing back because—why? It is not on account of production, and not on account of investment in the market today, but on account of "Argentina, a land that shopped itself to death."

I ask unanimous consent to have this printed in the RECORD.

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

ARGENTINA, A LAND THAT SHOPPED ITSELF TO DEATH

(By Matthew Parris)

I always knew there was something queer about Argentina.

You do not need to be psychic to pick up a sense that something is wrong with a place. Scores of countries are inhabited by scores of ills, but they muddle through. Argentina felt wrong in a different way. Travelling there was more akin to the experience of visiting a company which, though trading, later turns out to have been a front for quite another operation; or driving down a modern and expensive-looking motorway (as I once did in Cuba) where the sliproads turn out to be dead ends, the bridges across it bridge nothing to nothing, and the crowds of people milling inexplicably round beneath them are found to be desperate hitch-hikers, there being no cars and no petrol.

It just didn't add up. Nor did Argentina.

Arriving at the frontier by bus from Bolivia some years ago after a 20-hour journey over atrocious roads from La Paz, we found that from the border post to the nearest town lay a short stretch of tarmac along which the ten-minute taxi ride cost more than the cost of the whole Bolivian bus journey. In the next town, Juyuy, we paid in Argentine pesos and were given change in crudely printed notes issued by the state government, there being an insufficiency of funds from central government in Buenos Aires.

This seemed like anarchy—some kind of breakdown. So how come, when we reached the next town, Salta, the women were wearing fur and taking toy dogs for walks on leads? I have felt the same "Huh?" about Israel, Morocco and Saudi Arabia.

Like Tintin's little dog, Snowy, one surveys the scene with a question mark suspended above the head. The reasons for puzzlement vary but the sense of disjunction is the same: a circuit board with an unfinished circuit; and Escher print where the perspective disappears up its own staircase; those people Moral Re-Armament who invited you unaccountably to lunch in the 1970s; a telephone kiosk in the desert; Mormons. One observes quizzically yet unable even to frame the question. Years later, when the thing implodes, one says: "I always knew there was something dodgy there; I should have looked into it; I should have said something."

But what? This was at a time when all the wise people said Carlos Menem was doing things right, the peso had linked to the dollar and the entire Spanish banking system was taking a punt with Argentine economic

prospects. To talk of the inherent madness would have appeared, in itself, mad.

Now, at least, there is acceptance that something is wrong. Let me take a stab at saying what. I think the problem with Argentina is shopping.

There is much too much shopping in Argentina, and it has been going on for a long time. Everybody in Buenos Aires seems to be shopping and when they are not shopping they are at yacht clubs, or with their psychoanalysts.

Another favourite pastime is visiting cemeteries, at the most fashionable of which I was astonished to encounter something more resembling a city than a place of burial. Family mausoleums vied with each other for marbled splendour. Some were multistoreyed, and some went down a couple of floors beneath ground. One was said to have a lift. Through the streets of this macabre metropolis women in mink walked miniature poodles in tartan coats.

Where, then, was the money coming from? I saw some breweries, a cement works and a Coca-Cola bottling plant, and there were rumoured to be factories (on strike) in another part of town. There were also a great many waiters, hotels, bars, clubs, and sexily skirted shopgirls selling sickly-sweet pastries and treacly cream. There were window-dressers. And, everywhere, there was shopping.

Well, it's fairly clear—is it not—what was amiss? The country was living way beyond its means. People did know this, on one level at least. They knew what the figures said, and they blamed the Government for not getting the figures right. It was all due, they said, "to corruption"; no doubt somebody, probably the political class, was salting it away. Government needed to be "cleaned up", people said (while boasting about how cleverly they were fiddling their own taxes): but in the meantime much hope was being placed by some, and much disbelief by others, in whatever it was President Menem was doing with the currency.

Those who supported pegging the peso to the dollar thought this would rescue the Argentine economy; those who did not, thought it would wreck the Argentine economy. On one thing, however, there seemed to be wide agreement; getting the currency right would be the basis for economic revival.

To another question, however, little attention was directed. Given that currency is really just a medium of exchange, what of the things—the goods and services—to be exchanged? What were Argentinians making? What were they doing when not shopping? How hard were they working? What were they paying themselves for this work? About such questions I heard less discussion and sensed a lack of focus. This was very different from neighboring Chile, a humbler country where the hustle and buzz of economic activity filled the air.

Currency and corruption because the great evasions of political discussion in Argentina. Currency was something somebody else—a politician—had to get right before the economy would work.

Corruption was the reason why, even after many fine minds had applied themselves to Currency, the economy was still refusing to work.

When a political leader has been spat humiliatingly out by the voters we are understandably disinclined to hitch our judgment to his star, but Fernando de la Rúa, President for two years since 1999, does seem to me to have been right. And in the end, the bangers of pots and pans got him.

They will soon be banging their pots and pans outside the house of their latest President, Eduardo Duhalde. Whatever left-wing window-dressing, the 60-year-old Peronist

veterans brings to his appointment, the real need and only solution is austerity, massive spending cuts and an end to featherbedding. As a Peronist he will not find it easy to lead this way. Already the pots and pans beat for fresh elections and the eviction of the entire political class.

Listen to those pots and pans in Argentina. They are a voice, and a powerful one, of democracy. The voice says "let us have our cake and eat it". The voice has shouted down government after government in that country.

Nor do you need to remind me that Argentina has only fitfully enjoyed elected government. It is a great fallacy of post-1945 political science to equate democracy with elected government. Democracy is the crowd, the majority, the mob; the crowd may get its way by electing a government or by sustaining a dictator. Some of history's most notorious populists have been dictators and generals; for most dictators, if they are to survive, must be or become demagogues.

A dictator—as was Juan Peron—is in some senses more at the mercy of his people than an elected government, for his position is inherently precarious and his tenure, however long, will always have a temporary flavour. Nobody rules for ever without the love of the people, but elected governments can on the whole get away with it for longer. A dictator—an Amin, Mussolini, Mugabe, Hitler, Galtieri—needs to work more assiduously to please the crowd, and has a greater power to carry into effect the will of the people, than a prime minister or elected president. When it suited him, Peron and his trade unions had no difficulty in winning elections.

But with elections some constitutions, terms of office, courts and rules of law. These, often thought of as characterizing democracy, are impediments to the will of the people, and intended to be. So are the International Monetary Fund, the Bank of England, the European Central Bank, the Federal Reserve Bank, the World Bank, world trade and "globalisation". They are bulwarks against the mob.

And they, or a fair few of them, will now have to serve as President Duhalde's allies against the Argentine electorate, banging its pots and pans in the face of reality. Lemmings do not always know what is good for them. Lemmings can be democrats, too.

Mr. HOLLINGS. Madam President, "Argentina, a land that shopped itself to death."

We have gone from the socialistic United Kingdom system of tax and spend and to the Argentina system of borrowing, spending and shopping to death. There it is.

It is very interesting. When I talk of the financial dilemma we are in with a \$400 billion trade deficit and we are going to run a nearly \$400 billion fiscal deficit—I want to be here on September 30 and see where we are measuring up by September 30. We have an election in November. By October, we will have the figures. It will be nearly a \$400 billion deficit. There isn't any question in my mind.

So you have the fiscal weakness—the enfeeblement, more or less—of the economy on the one hand and the productivity on the other hand of not making anything anymore.

I was very interested. That is why I brought this book to the Senate this morning. The favorite book in Washington today is Theodore Rex about Teddy Roosevelt. You will find the eco-

nomie strength of the country on page 20.

More than half of the world's cotton, corn, copper and oil flowed from the American cornucopia, and at least one-third of all the world's steel, iron, silver and gold.

Can you imagine that? Here we just had to put in some restrictions on the import of steel. It is not more or less trade. It is more about McNamara and the World Bank. He went running around the world with the World Bank saying: Wait a minute. In order to become a nation state, you have to have the weapon of agriculture and the weapons of war. You have to have a 2-percent steel plant.

I worked with a fellow named Willy Korpf when he brought to South Carolina, Beaumont, TX, down in Brazil, Saudi Arabia—he was building them in China a few years ago when he crashed in the Alps coming to his home.

I dedicated his plant across the Rhine across from Strasbourg, France, and Kehl, Germany.

But that 2-percent plant all around the world is an overproduction of steel.

While they argue about steel—I have it in my backyard with NuCor, which doesn't have any legacy problems. It is the most productive steel plant in the entire world. Yet we are importing steel at less than cost on the dock right in front of the Customs house where I have my office in Charleston, SC, to furnish steel all over the Southeast from Brazil. That is the kind of situation we are in.

After 100 years, Teddy Roosevelt—yes. Hamilton, Jefferson, Madison—the Forefathers—were all protectionists. Here it is. They had it. This is what we have as a result of it.

More than half the world's cotton, corn, copper, and oil flowed from the American cornucopia, and at least one third of all steel, iron, silver, and gold. . . . The excellence of her manufactured products guaranteed her dominance of world markets. Current advertisements in British magazines gave the impression that the typical Englishman woke to the ring of an Ingersoll alarm, shaved with a Gillette razor, combed his hair with Vaseline tonic, buttoned his Arrow shirt, hurried downstairs for Quaker Oats, California figs, and Maxwell House coffee, commuted in a Westinghouse tram (body by Fisher), rose to his office in an Otis elevator, and worked all day with his Waterman pen under the efficient glare of Edison lightbulbs. "It only remains," one Fleet Street wag suggested, "for [us] to take American coal to Newcastle." Behind the joke lay real concern: the United States was already supplying beer to Germany, pottery to Bohemia, and oranges to Valencia.

We had a vote yesterday on a 50-percent tariff on importing oranges, and they are still bringing them in from Brazil.

Further:

As a result of this billowing surge in productivity, Wall Street was awash with foreign capital. Carnegie calculated that America could afford to buy the entire United Kingdom, and settle Britain's national debt in the bargain. For the first time in history,

transatlantic money currents were thrusting more powerfully westward than east. Even the Bank of England had begun to borrow money on Wall Street. New York City seemed destined to replace London as the world's financial center.

Wall Street is on its backside. Why? Because of the enfeeblement of the economy as we think of our strength.

I emphasize that the security of the United States is like a three-legged stool. You have the one leg for the values as a nation, you have the second leg as the military strength, and your third leg as your economic strength.

On values, we have the respect of the world for standing for individual freedom and democracy. There is no question whatsoever with respect to our military power. And with respect to our economic power, it has become fractured as a result of the conduct after World War II for the last 50 years, which worked. No one complains about the Marshall plan and the treating of foreign trade as foreign aid.

But this is what has happened as a result. It has to stop.

Two-thirds of the clothing we wear is imported; 88.5 percent of the shoes on the floor in the Senate are imported; over half of electric motors and portable electric hand tools; 71.8 percent of our aircraft engines and our gas turbines are imported; over a third of our motor vehicles are imported; over half of the office machines; 95.5 percent of consumer electronics—we hardly make those anymore—70 percent of the televisions; 86.7 percent of radio and television broadcasting equipment; over half of the photographic cameras, 80.8 percent; 82.8 percent of the luggage; 70.3 percent of the bicycles; and 84.8 percent of the toys.

I hear constantly, "high tech, high tech." Senator, you don't understand. We are going away from the smoke-stack industries and we are going high tech.

Look here. Over half of the semiconductors are imported—we are not producing the semiconductors that we consume. We are importing the majority of what we consume, and the same thing is true with computers.

We have a deficit in the balance of trade.

I ask unanimous consent to have the list printed in the RECORD.

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

Product	Trade deficit (millions)	Percentage of imports
Pneumatic tires and tubes	- 2,286	31.8
Apparel	- 56,225	57.6
Footwear	- 14,192	88.5
Steel mill products	- 10,114	21.3
Air-conditioning equipment/parts	- 449	23.0
Household Appliances	- 2,441	31.5
Wrapping, packaging, can-sealing	- 442	26.2
Textile Machinery	- 562	58.3
Electric motors and generators etc.	- 2,746	29.8
Electrical transformers, static converters	- 3,404	51.8
Portable electric handtools	- 808	36.5
Electric lamps and portable electric lights	- 682	39.7
Aircraft engines and gas turbines	4,072	71.8
Internal combustion piston engines	- 1,724	24.8
Motor vehicles	- 106,727	35.6
Office machines	- 766	50.7
Consumer electronics	- 19,005	95.5
Television receivers and video monitors	- 6,549	69.2

Product	Trade deficit (millions)	Percentage of imports
Radio and television broadcasting equip.	- 4,576	86.7
Semiconductors and integrated circuits	- 2,619	51.2
Computers, peripherals and parts	- 45,085	56.5
Optical goods, including ophthalmic goods	- 1,887	56.5
Photographic cameras and equipment	- 3,499	46.8
Watches and clocks	- 3,006	80.8
Luggage	- 2,489	82.8
Bicycles and certain parts	- 1,113	70.3
Toys	- 7,930	84.8

Mr. HOLLINGS. Madam President, you get an idea of America going out of business, but more than anything else, we ought to look at Saturday's business section of the Washington Post.

In contrast to Teddy Roosevelt, and the beginning of the last century, let us define where we are today. An article is entitled "Buying American? Maybe Not."

I ask unanimous consent to have that printed in the RECORD.

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

[From the Washington Post, May 18, 2002]

BUYING AMERICAN? MAYBE NOT
MANY U.S. BRANDS EUROPEAN-OWNED
(By T.R. Reid)

Let's imagine a typical American couple—we'll call them Bill and Betty Yankee—using a long weekend for an all-American vacation.

Bill, an engineer at Niagara Mohawk Power Corp., in Upstate New York, and Betty, a clerk at Casual Corner, take their Jeep down to the Amoco station for a fill-up, pop a Dave Matthews album into the cassette player and head west. They drive all day, except for a quick lunch at Burger King, and stop for the night at a Holiday Inn outside Pittsburgh. In their room, Bill smokes a couple of Lucky Strikes and watches "A Beautiful Mind" on pay-per-view, while Betty curls up with a bottle of Snapple and the new Philip Roth novel she just received from the Literary Guild.

The next day, they get some cash at a Mellon Bank ATM, fill the tank at a Shell station and drive all the way to Chicago. There they meet their daughter Barb, a copywriter at the Leo Burnett advertising agency, who proudly shows her parents the ad she has written for Taster's Choice coffee. Barb's husband, Bob, a reporter for the Chicago Sun-Times, is delighted with the Brooks Brothers necktie his in-laws brought him.

It all sounds thoroughly American. However, just about every product and service that the Yankee family bought or used on this trip came from European-owned companies.

The family Jeep is made by Germany's DaimlerChrysler. The Amoco station belongs to the British oil company BP and the Shell station to Royal Dutch Shell, an Anglo-Dutch combination.

Burger King is owned by Britain's beverage giant Diageo, Holiday Inn by the big British hotel firm Six Continents. Mellon Bank is a subsidiary of the Royal Bank of Scotland. The Oscar-winning movie "A Beautiful Mind" was released by Universal Studios, a subsidiary of the French media colossus Vivendi Universal, which is also a major operator of pay-per-view television in the United States. Philip Roth's publisher, Houghton Mifflin, is another Vivendi subsidiary. The Literary Guild is part of the global empire of the German publishing giant Bertelsmann. Lucky Strikes are made by London-based British American Tobacco. Snapple is owned by Britain's Cadbury Schweppes. Taster's Choice coffee belongs to Nestle SA of Switzerland.

It's fitting, in a way, that the Yankee family is constantly buying from European companies, because all four of the Yankees—like millions of other Americans today—are employed by European-owned firms. Niagara Mohawk is one of several American power utilities owned by Britain's National Grid. Both Brooks Brothers and the 1,000-store Casual Corner chain are part of an Italian conglomerate, Retail Brand Alliance. The Leo Burnett agency belongs to a French group, Publicis. Even a product as localized as the Chicago Sun-Times is owned by a company that is owned by the London media magnate Conrad Black.

"We live in a globalized world, and the products Americans use now can be owned by companies almost everywhere," notes John Palmer, a director of the European Policy Centre, a Brussels-based think tank. "Since we've seen the rise of some very powerful European multinationals in the recent past, it's only natural that these companies would extend their reach to the U.S."

The seemingly endless web of European connections woven through corporate America today reflects a surge of investment from Britain, France, Germany, the Netherlands, Italy, Ireland, Scandinavia and other parts of Western Europe over the past decade. The long U.S. economic boom of the '90s drew hundreds of billions of dollars from European investors into American companies, according to the European-American Business Council, an advocacy group based in Washington. Europe is by far the top source of foreign direct investment in the United States.

European investors say the flow of money across the Atlantic is a tribute to the strength and the promise of the U.S. economy.

"Why invest in the U.S.A.? It's simple," says Sir Ian Prosser, chairman of Six Continents PLC, the hotel firm with headquarters in London. "It's a great economy, and it produces great returns. Beyond that, the U.S. is so competitive that we know the things we learn operating there will help us in all our other markets around the world."

Money flows the other way, too. Through names like McDonald's, Starbucks or the Gap, U.S. investment is evident in virtually every European city. But similarly, the American presence is not restricted to American labels. Such famous European car brands as Volvo, Jaguar, Aston Martin and Land Rover are all owned by Ford Motor Co.

Even so, the United States is a net gainer, by hundreds of billions of dollars, from the back-and-forth investment. In 2000, according to Commerce Department figures, U.S. direct investment in Europe reached \$650 billion; European investment in the United States was almost \$900 billion. In economic terms, the big U.S. surplus in direct investment helps pay for the big U.S. deficit in international trade.

The European-American Business Council says that Europeans are the top foreign investors in 44 states, with Texas and California receiving the most funds. In Maryland, 60 percent, or \$6.8 billion, of foreign investment money has come from Europe. Virginia has \$14.7 billion in European investments, representing 68 percent of total foreign investment.

Some 3.9 million Americans work directly for European-owned companies, the council says.

The result of this transatlantic tidal wave of investment is that many of the products that seem most familiar to American consumers now come from European companies.

Even the word "America" in the brand name doesn't imply American ownership anymore. The American Heritage Dictionary is another Vivendi property. RCA Records, once part of the Radio Corporation of America, belongs to Bertelsmann. There may be

nothing more American than apple pie, but Mott's apple pie filling, along with Mott's apple juice and apple sauce, are British-owned.

Europeans have also put major amounts of money into American financial companies. In addition to Mellon Bank, Royal Bank of Scotland owns more than 15 other U.S. banking institutions. The respected investment bank once known as First Boston is now Credit Suisse First Boston, a unit of Zurich-based Credit Suisse Group.

In Baltimore, fast-growing Allfirst Bank is a subsidiary of Allied Irish Banks of Dublin, and the city's traditional brokerage house, Alex. Brown, belongs to Deutsche Bank.

Just over a decade ago, when Japanese companies were pouring large sums into U.S. businesses and real estate, the investment sparked fear and anger among many Americans. There was a concern that Tokyo was snatching up America's corporate jewels. When Sony purchased Columbia Pictures, for example, Newsweek's cover featured the Statue of Liberty dressed in a kimono and the headline "Japan Invades Hollywood."

But the new wave of European investment has spawned almost no adverse reaction among Americans. Perhaps Americans are proud that foreign investors want to put their money into the U.S. economy. Perhaps there is a growing public awareness of the process of globalization, with multinational companies buying and selling subsidiaries all over the world. Perhaps Americans just don't know how much of their daily commerce is done with European-owned firms. Or could it be that Americans don't mind if blue-eyed Christians from Europe buy their companies but are less comfortable when Asians do?

Since the U.S. government, industry and financial markets all welcome the influx of funds, there's probably not much relief available for any Americans who are worried about the wave of European ownership. The only thing to do, really, is head out to a bar and drown your worries with a classic American drink like a "seven and seven."

Of course, this might not be a completely satisfying response, because both parts of that familiar cocktail come from British companies today: Seagram's Seven Crown belongs to Diageo, and 7Up is one of the flagship brands of Cadbury Schweppes.

Mr. HOLLINGS. Madam President, I will not read the entire article. It is very interesting.

Let's imagine a typical American couple—we'll call them Bill and Betty Yankee—using a long weekend for an all-American vacation.

Bill, an engineer at Niagara Mohawk Power Corp. in Upstate New York, and Betty, a clerk at Casual Corner, take their Jeep down to the Amoco station for a fill-up, pop a Dave Matthews album into the cassette player and head west. They drive all day, except for a quick lunch at Burger King, and stop for the night at a Holiday Inn outside Pittsburgh. In their room, Bill smokes a couple of Lucky Strikes and watches "A Beautiful Mind" on pay-per-view, while Betty curls up with a bottle of Snapple and the new Philip Roth novel she just received from the Literary Guild.

The next day, they get some cash at a Mellon Bank ATM, fill the tank at a Shell station and drive all the way to Chicago. There they meet their daughter Barb, a copywriter at the Leo Burnett advertising agency, who proudly shows her parents the ad she has written for Taster's Choice coffee. Barb's husband, Bob, a reporter for the Chicago Sun-Times, is delighted with the Brooks Brothers necktie his in-laws brought him.

It all sounds thoroughly American. However, just about every product and service

that the Yankee family bought or used on this trip came from European-owned companies.

The family Jeep is made by Germany's DaimlerChrysler. The Amoco station belongs to the British oil company BP and the Shell station to Royal Dutch Shell, an Anglo-Dutch combination.

Burger King is owned by Britain's beverage giant Diageo, Holiday Inn by the big British hotel firm Six Continents. Mellon Bank is a subsidiary of the Royal Bank of Scotland. The Oscar-winning movie "A Beautiful Mind" was released by Universal Studios, a subsidiary of the French media colossus Vivendi Universal, which is also a major operator of pay-per-view television in the United States. Philip Roth's publisher, Houghton Mifflin, is another Vivendi subsidiary. The Literary Guild is part of the global empire of the German publishing giant Bertelsmann. Lucky Strikes are made by London-based British American Tobacco. Snapple is owned by Britain's Cadbury Schweppes. Taster's Choice coffee belongs to Nestle SA of Switzerland.

It's fitting, in a way, that the Yankee family is constantly buying from European companies, because all four of the Yankees—like millions of other Americans today—are employed by European-owned firms. Niagara Mohawk is one of several American power utilities owned by Britain's National Grid. Both Brooks Brothers and the 1,000-store Casual Corner chain are part of an Italian conglomerate, Retail Brand Alliance. The Leo Burnett agency belongs to a French group, Publicis. Even a product as localized as the Chicago Sun-Times is owned by a company that is owned by the London media magnate Conrad Black.

The entire article is in the RECORD.

It is just ludicrous when you hear this talk about free trade, free trade, and global competition. I don't want to sound like Al Gore, but I know a little bit about global trade. I didn't invent it. But 40 years ago, as a Governor, I went to both Latin America and to Europe to seek industry, and today we have 125 German industries in South Carolina. I have not had much luck recently on carpetbagging New York, but I used to go up there regularly and move everything I could find up there down to South Carolina. But the opportunities now are in Europe and out in the Pacific rim.

I called on Michelin exactly 40 years ago—well, 42, I guess—in late May or June of 1960. We have four Michelin French plants, their North American headquarters.

So don't lecture us, who have lost 53,900 textile jobs, about globalization. The fact is, there is no such thing as free trade. Never has been. Never will be. In the earliest days—

Mr. DORGAN. Will the Senator yield?

Mr. HOLLINGS. I am going to get through my thoughts here, and then I will be glad to yield. But I do not have it on the record, and I want to put this particular subject on the record as I see it and can remember it.

Mr. DORGAN. Mr. President, I just want to ask unanimous consent for something.

I ask unanimous consent that I be recognized following Senator HOLLINGS.

The PRESIDING OFFICER (Mr. CARPER). Without objection, it is so ordered.

Mr. HOLLINGS. Very good. I thank the distinguished Senator.

Mr. President, what happened was, in our earliest days we had just won our freedom when the David Ricardo comparative advantage crowd in the mother country, Britain, corresponded with Alexander Hamilton and said: Now what you ought to do is trade with us what you produce best, and we will trade back with you what we produce best—free trade, free trade, Adam Smith, market forces, and everything else of that kind.

Alexander Hamilton wrote a report on manufacturers. I have a copy of it now. There is one original copy over in the Library of Congress. But in a line, he told the Brits: Bug off. We are not going to remain your colony, importing all the manufactured goods and exporting to you our rice, our cotton, our indigo, our lumber, timber, and iron ore, and so forth.

The second bill that passed this Congress in its history—the first bill being for the Seal of the United States—the second bill in the history of the Congress, that passed on July 4, 1789, was protectionism, a tariff bill of 50 percent on 60 articles. Protectionism was supported throughout the building of America during the 1800s—Lincoln with steel protectionism; protectionist Roosevelt with agricultural support prices, protective quotas and import quotas; Eisenhower in the middle 1950s with oil import quotas, protectionist Eisenhower. Those who built protected.

After all, that is the oath we take, to preserve and protect. We have the FBI to protect us from enemies within, the Army to protect us from enemies without, Social Security to protect us from the ravages of old age, Medicare to protect us from ill health; the clean air, clean water—we have safety rules and everything. The fundamental job of Government is protection.

Here we have the highest standard of living. All these Senators run around on the floor, they want the environment, they want safety, they want parental leave, and they want plant closing notice. Fine. We have them all on the books. But you can go down to Mexico for 58 cents an hour and none of that. And if your competition goes, you are going to have to leave. And that is what has been happening.

But you have these folks on the floor of the Senate who are determined to wreck the economy. There never has been any such thing as free trade, and never will be. Almost like world peace: you strive for it. You strive for it, and it will not happen in my lifetime or your lifetime.

More than anything else, all you have to do is just look at the books published by none other than the Office of the U.S. Trade Representative—"Foreign Trade Barriers." This one in 1992 had 267 pages. They are talking about, oh, the wonderful success of fast

track, fast track; we are going to really bring down trade barriers, increase jobs.

This one is for 2002: "National Trade Estimate Report of Foreign Trade Barriers." This has gone up to 458 pages. It has gone up 200 pages. They are increasing the barriers. They are competing. Reciprocal free trade, reciprocal free trade, said Cordell Hull, to compete. So what happens is, we have the competition of the countries themselves.

Let me explain just what all they do. They begin with import licensing. We do not have that. You have a tough time getting an import license into Japan or even into China or Korea. If you want to import textiles into Korea, you have to have a vote of the Korean textile authority. The ones over there with whom you are competing vote you out. You never get in.

In banking, they talk about free trade, free trade. The day before yesterday, the Japanese lowered the yen. That is market manipulation. So with a lower yen, they can increase their exports. That is not free trade, free market, free market, free trade. They have inspection practices.

Let's put it this way. If you want a 2002 Toyota in France, it is on the dock in Le Havre being inspected, and by January 1, 2003, you can get last year's model, 2002. The same with the CDs and VCRs, they put them up at a place in France. They have all of these inspection practices. They are all tricks of the trade.

We just had a hearing on Enron. The lawyer had a memo there about all the tricks of the trade. They have such things as different snow when you go to sell ski equipment in Japan. And I have a paper company, West Virginia Pulp and Paper. They tried to emulate and mimic and produce cigarette paper. They worked on it for 2 years, got the exact duplicate of it and everything over there, and they still wouldn't let them bring that cigarette paper in. They said it was still different.

What you have in essence is the fundamental practice. That is what has to be emphasized as I try to explain this. We operate in the free market, capitalistic market in the United States on price and quality. Not so in global competition. They couldn't care less about price. They try for a good price and try for quality, but it is below price, below the production cost. That Lexus I have that costs \$35,000 in Charleston, SC, costs \$45,000 to \$50,000 in downtown Tokyo. All of the prices are less than cost. Can you understand why they fought so vigorously the idea of doing away with our dumping laws? We can easily prove they are selling as loss leaders. They are selling at less than cost in the United States of America, but that is the name of the game.

As I said, the Japanese have already taken over a third of the automobile market, already a majority of the semiconductor, and a majority of the

computer market. You can go right on down the list. Once they get market share, they will run the prices up. The competition is not with respect to productivity. We are constantly chastising the workers of the United States. You go to the Bureau of Labor Statistics or the economic section of the United Nations; they both agree that the most productive industrial worker in the world is the U.S. industrial worker. There is no question about their producing, but we are not in the competition. We are talking about quality and productivity. They are talking about dumping. That is why they fought right here to a tie vote with respect to trying to get that amendment. That is why the U.S. Trade Representative went to Doha and said: Don't worry about it. We will have a good conference because we are going to get rid of the dumping laws.

That is exactly what they are saying. Now they have fast track, and they are ready to do it. They can get rid of the dumping laws. This is a fix on that.

More than anything else, you have to understand the competition. The competition isn't with respect just to market share and countries. On the contrary, we have met the enemy, and it is us. I will never forget my good friend Bobby Kennedy who used to have this desk. He came into the limelight in America with a book called "The Enemy Within." He was talking about Hoffa and organized labor.

I can write that same book, "The Enemy Within," about management. It is corporate executive America. They couldn't care less about it.

I hope I can get an article here by Henry Kauffman. I had the article, but I don't know that I brought that over this morning because I didn't realize I was going to have this opportunity. He said way back that people in the olden days when you owned the horse, you were supposed to feed the horse while it was alive, and if the horse was dead, the owner was responsible to bury the horse.

That is not the case with corporate executive America today. They just pass through, sometimes hostile takeovers and everything else of that kind. They are trying to get the stock up over a 3-year period, give them a golden parachute, and move on. They don't feel the obligation to stay. So what happens is, they have learned on the one hand that they can save tremendous money in cost with respect to producing offshore. Thirty percent of volume or sales is in your labor cost and manufacturing. And you can save as much as 20 percent of your sales cost by moving to an offshore low-wage country or down to Mexico.

If you retain your executive office and your sales force but move your manufacturer offshore to a low-wage country, what you do is, if you have \$500 million in sales, you can make \$100 million before taxes or you can continue to work your own people and go broke. That is the job policy of cor-

porate America, adopted in fast track by the Senate. That is what I am trying to bring home to those who are not thinking, including my farmer friends.

Yes, I listed the different industrial articles. We have a deficit in the balance of trade in cotton. You can go right on down the agricultural commodities. Let China keep coming, and in 3 or 4 years we will have a deficit in the balance of trade in wheat. We have competition in durum wheat. That is why we have one friend here from North Dakota. But there is no question in my mind that what we have is just that, the enemy within.

What do they do? They band together not to build, as we are responsible to build this country in the Senate, not to create jobs, as our primary responsibility to keep America economically strong and create jobs and job opportunities, but theirs is to export the jobs as fast as they can. They band together with the Business Roundtable, the National Association of Manufacturers, the conference board, but more particularly, the Chamber of Commerce.

I saw that change come about with Tom Donahue when we went over there. That National Chamber of Commerce couldn't care less about main street America. They have no idea of creating jobs or opportunity or representing main street America. I could tell you now, I was in this before. I will never forget—I might as well identify myself as not antilabor, but certainly I am not ready to vote just labor's way. I am from a right-to-work State. I voted for that law. And more particularly, when we had a debate when Russell Long was chairman of the Finance Committee, I was the fellow who blocked labor law reform on eight occasions. We had eight votes up and down on cloture. I won on all eight votes.

In years passed, I have received honors from the Chamber of Commerce. So I know from whence I come and speak. We have developed more industry than that Donahue. He came from a trucking outfit. They put him on a few boards. He has picked up here on trial lawyers and everything else like that.

But what we have confronting us in the Senate is not weapons of mass destruction and Saddam. We have the U.S. Chamber of Commerce and weapons of class destruction.

The greatness of America is when Henry Ford said: Look, I want that fellow who is producing the automobile to be able to buy it. He started Middle America, the industrial wage. They had benefits and health care and everything else of that kind. These are the jobs we are losing hand over fist.

The first thing we brought out on debate on so-called free trade—they would not even admit it from the Finance Committee—is not how we were going to create jobs. First, they added how are we going to take care of those who lost the jobs—"adjustment assistance," they call it. So we are not producing, and we are into a situation where you have limited time.

I understand the time will run out this afternoon around 4 o'clock. They worked it into this particular situation. Yes, everybody wants to go home for the Memorial Day break. They always do it. When we adjourned before with GATT in November, we were going home for Thanksgiving. They always find a holiday and work it up and fix the vote.

I ask unanimous consent to have printed in the RECORD at this particular point the article in the Washington Post, dated December 26, 1993.

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

[From the Washington Post, Dec. 26, 1993]

THE NAFTA-MATH; CLINTON GOT HIS TRADE DEAL, BUT HOW MANY MILLIONS DID IT COST THE NATION?

(By Charles Lewis)

The orgy of deal-making that preceded the House of Representatives vote on NAFTA illustrated just how little the mercenary culture of Washington has changed since the arrival of a Democratic administration.

Estimates of the total cost of the deals around NAFTA vary widely. Gary Hufbauer, a trade expert who has written favorably about NAFTA for the Institute for International Economics, told the Associated Press that the last-minute deals cost in the "tens of millions of dollars." Public Citizen, the consumer organization founded by Ralph Nader, estimates that the deals cost at least \$4.4 billion. The Nation magazine, which has been critical of NAFTA and "Republicrat" Clinton, says the total cost of the eleventh hour wheeling-and-dealing might ultimately amount to \$50 billion.

Hyperbole aside, the quantifiable cost to the taxpayer of the NAFTA deals will be at least \$300 million. American consumers will also pay higher prices on a wide variety of goods because of special interest tariff agreements reached during the NAFTA bazaar. Rep. Dick Zimmer (R-N.J.), who voted for NAFTA, is disgusted about the "presidential giveaways," and he plans to introduce legislation in January to repeal the various NAFTA deals, arguing that "such sordid behavior debases the legislative process." But good luck trying to figure out what deals were made. Many of the particulars of what transpired have disappeared like steam into the air. Normally loquacious members of Congress are tongue-tied or unavailable to comment about their NAFTA votes, while White House officials dismiss the subject as sour grapes. But many of the details of numerous deals have been documented and confirmed. They illustrate the financial forces that shaped Congress's voting and may have tipped the balance in favor of the agreement.

The biggest single taxpayer outlay was snared by Rep. Esteban Torres (D-Calif.). Concerned about NAFTA support among Hispanic members of Congress, the White House wrote a "U.S.-Mexico Executive Agreement" to create a bi-national North American Development Bank. The cost will be at least \$250 million. Torres, a former United Auto Workers union official, voted for NAFTA after receiving this expensive concession.

Two undecided Georgia Democrats extracted \$15 million from the administration. The aptly named Rep. Nathan Deal and Rep. George "Buddy" Darden decided to vote for NAFTA when the White House agreed to hire 136 new customs agents just for the textile and apparel industries. As Darden told the Atlanta Constitution, "I was very impressed by the White House's responsiveness to the textile industry."

To secure votes in the Texas delegation, the administration promised to speed up the building of the Center for the Study of Western Hemispheric Trade somewhere in Texas. Cost: \$10 million. \$33 million to vegetable interests in Florida to complete an agricultural research station.

One of the most amusing illustrations of how difficult it is to arrive at the true cost of NAFTA involves Rep. Eddie Bernice Johnson, a first-term Democrat from Texas. The Journal of Commerce broke the story that Johnson agreed to support NAFTA after an unnamed administration official promised that the Pentagon would purchase two additional C-17 cargo planes—at a cost of \$1.4 billion—from the Vought Aircraft factory in her south Dallas district. The controversial military transport plane has an impressive history of technical failures. Johnson claims she was misquoted. Her decision to support NAFTA, she says, was based on the "broad needs" of her constituents; the Journal of Commerce reporter stands by his story.

That's one reason why estimates of the NAFTA price tag vary: Public Citizen includes this alleged \$1.4 billion deal in their estimate of \$4.4 billion.

Another reason: the ultimate costs of the special-interest tariff deals before the NAFTA vote are difficult to gauge. For example, a special "snap-back" tariff mechanism was agreed to with Mexico to protect Florida citrus growers. If U.S. orange juice concentrate prices fall to certain levels, a tariff is imposed on Mexican oranges; American consumers will be denied the benefits of lower orange juice prices.

Similar formal "Executive Letter of Agreement" tariff agreements were made on sugar and syrup goods, wine and brandy, flat glass, home appliances and bedding components such as springs, iron rails and wooden parts, to name a few. These executive letters of agreement are a form of protectionism extended to certain well-connected business interests. Hufbauer, the pro-NAFTA trade expert, said in a recent interview that they could "easily cost American consumers hundreds of millions" of dollars.

The more candid members of Congress acknowledged that their votes were being bought. Florida Rep. Tom Lewis, a Republican, who supported the pact after the Clinton administration explicitly agreed to raise tariffs temporarily on imported tomatoes from Mexico, told the New York Times, "I look with disdain on the way this whole thing has been done . . . It almost looks like you're selling your soul."

A week before the vote Rep. Bill Brewster (D-Okla.) was undecided about NAFTA. He had two personal meetings with the president and dozens of phone calls from administration officials. He let it be known that he would not supporter NAFTA without specific concessions for his constituents. In the end, as the Washington Times reported, the White House agreed to help cattle ranchers and peanut growers in his district. As Brewster put it, "I know how this place operates . . . I made sure we got it in writing."

Other, savvier deal-makers were explicit about not getting a quid pro quo. Rep. Charlie Rose (D-N.C.) played a crucial role in the House anti-NAFTA working group led by Majority Whip David Bonior until literally hours before the vote. But Rose had told a reporter that "I could be persuaded by the White House if they were sufficiently serious to lower the tobacco tax to pass NAFTA." Rose was then lobbied by the White House and wound up voting for NAFTA.

"I didn't sell my vote," Rose insisted to reporters. "I just told those people: 'Look, if I vote with you, I want you to be as understanding as you possible can about the kinds of problems agriculture has and needs to address in 1994.'"

In other words, Rose's vote was bought on a layaway plan. The ultimate cost, if any, won't be known until next year, when the Clinton administration sends Congress its proposal to raise taxes on cigarettes.

After the NAFTA vote, Bill Clinton was compared in these pages and elsewhere to Lyndon Baines Johnson, for his aggressive, unabashed use of political power in dealing with Congress. The comparison implies that pork-barrel politics, while unfortunate and unseemly, is necessary to achieve success, and always has been.

Perhaps. But LBJ, even in his most legendary arm-twisting mode, never led a domestic lobbying campaign as lopsided as Clinton's NAFTA effort. Forget the testimonials elicited from Nobel laureate economists, the former secretaries of state, former presidents, Lee Iacocca and Bill Gates. Consider the Clinton persuasion tactics in the larger context of the NAFTA lobbying effort.

Ross Perot, labor unions and other NAFTA opponents spent less than \$10 million, according to the Wall Street Journal. Mexican government and business interests, by contrast, retained scores of lobbying, public relations and law firms in Washington at the cost of \$30 million. And the leading pro-NAFTA lobbying group, USA*NAFTA, and individuals U.S. corporations with factories in Mexico spent another \$10 million to promote the pact. Add to these two figures the \$300 million in government funds that the Clinton administration committed for the sake of passing NAFTA, and it seems likely that NAFTA proponents outspent their opposition by a margin of more than 30-1.

More importantly, LBJ never promised to do things differently. Clinton did. In accepting the democratic presidential nomination in July 1992, he declared his antipathy for special-interest wheeling and dealing in Washington. "For too long, those who play by the rules and keep the faith have gotten the shaft," he said. "And those who cut corners and cut deals have been rewarded."

Sixteen months later, when Clinton was in danger of losing vote on NAFTA, those who cut deals were the ones who reaped the biggest rewards. And those who kept the faith that Clinton might change the way politics is done in Washington were the ones who got the shaft.

Charles Lewis is founder and executive director of the Center for Public Integrity, a nonprofit research organization based in Washington and funded by foundations, corporations, labor unions, individuals and revenues from news organizations. Margaret Ebrahim of the center provided research assistance.

Mr. HOLLINGS. Mr. President, you can find out that they gave a cultural center; President Clinton gave golf games; they gave—and this is all for NAFTA. That particular article was dated 1993. Anyway, it talks about how they fixed fast track and changed the votes on the House side. They do the same thing within the Finance Committee. You don't have any debate. Without fixing the votes, they cannot get cloture—they impress cloture upon you, I should say. You don't get time for debate.

So what we have now is the executives, finally, not only moving their manufacturing, they are moving their executive offices to Bermuda.

I don't think this amendment is up, but I had one with respect to the textiles. I wanted to try to compensate those who, in the last 3 years—1999,

2000, 2001—have lost their jobs, some 334,000. The cost of the amendment itself is about a billion dollars. We are trying to get them health care so they can continue and get some kind of training and adjustment assistance, having lost their jobs. We were told in NAFTA we were going to create jobs, and we lost 53,900 jobs. But not only are we losing the jobs, but they have the unmitigated gall—corporate America—to move offshore and not pay any taxes. They want that mother and father of that 18-year-old we recently lost in Afghanistan—they want that mama and daddy, who are working, to pay taxes. You can tell this society is on a binge. The President ran adds for 3 minutes, saying: Take your trips, go to Disney World, go and take a trip—and everything else like that. They don't want to pay for the war.

Now we have corporate America AWOL from the terrorism war. They are all going overseas, down to Grenada, and over to Bermuda and everywhere else so they won't pay taxes. Never mind about leveling the playing field. You could not blame the other countries that don't have this high standard of living. Any one of the countries—in China, they are building their industrial capacity just right. Over in China, they say, look, in order to sell, you have to produce that Buick car. Wait a minute, they say after that, you have to move your research here. The most modern automobile research is in China. Of course, they have the outstanding engineers at a next-to-nothing cost.

So now—I don't have the article here—they are moving Japan's futuristic research, cutting edge research, into China. So what you have is the competition of 1.3 billion producers in agriculture and industry, and we are hollering “fast track, fast track,” and we have to aid somebody. We have run out of gas, as I pointed out. Level the playing field? You cannot do it Washington's way, Mr. President.

They tell me: Senator, don't worry about it, we have to retrain, re-educate. I will give you an example. Oneida, in South Carolina, makes clothes. They have 487 workers. The average age of those 487 workers was 47. So we will do it Washington's way and we will train those 487 workers, and tomorrow morning they are computer operators, expert computer operators. Mr. President, are you going to hire the 47-year-old computer operator or the 21-year-old? You are not going to take on the health costs of the 47-year-old. You are not going to take on the retirement costs of a 47-year-old. You are going to be hiring the 21-year-olds.

When they have lost their jobs, they quit making payments on the automobile, and they quit making payments on their house. Some of them have lost their houses and everything else like that, with 53,900 in South Carolina alone, and 700,000 in the country. These are just the ones in the last couple of years we are trying to get at,

as we did with the steelworkers, and we got a majority vote on that. That is what I had lined up. I was going to pay for it by closing the Bermuda tax loophole. It is a national disgrace.

They talk about when they have an intelligence breach—and I never accused the President of knowing anything. I don't think it was passed on. That is obvious from what I am reading. There isn't any question that the fellow up in Minnesota wrote a memo—read *Time* magazine this week—a detailed memo on how they might fly into the World Trade Towers. I don't know why they keep getting the fellow from Phoenix, AZ. Get the one from Minnesota. He said they might fly into the World Trade Towers.

Seaport security has languished in the House since before Christmas. Rail security has languished at the desk since before Christmas. They are not about to pay the bills or put on any taxes to pay for this war. They want another \$4 trillion tax cut. This is one of those situations where we need just as much help.

I wish I had the Senator from Maryland, Senator MIKULSKI, here to talk about building and fighting the war and everything else. I never heard anything more eloquent on behalf of the steelworkers. I support her. She is magnificent. I wish I had her here to describe the plight of these textile workers. They are just as important to our security.

I will emphasize this: In 1961—and it is still on the books today—there was a national security provision preventing the President from taking Executive action in trade, unless he proved first that the item in question was important to our national security. I went at that time to hearings, along with George Ball from the State Department, Freeman of the Department of Agriculture, Secretary of Labor Arthur Goldberg, Secretary of Commerce Luther Hodges, and we had Secretary of the Treasury Douglas Dillon. We had the hearings, and it is on the books of the United States of America that, next to steel, textiles is the second most important to our national security. So we are not just talking about a cheap price. America wasn't built on consumerism; America was built on building and creating jobs.

For 100-some years, in Teddy Roosevelt's time when we had a strong America, we didn't even have the income tax. The tariffs and protectionism built this country, and under Eisenhower, Roosevelt, and other distinguished Presidents, we continued to build.

This crowd has nothing but boast politics. They couldn't care less. Fast track—we will just vote it. The excuse will be I had to do it. It was either take it or leave it. It ought to be a shame to vote against the Constitution. Article I, section 8, not the President, not the U.S. Trade Representative, but the Congress of the United States shall regulate foreign commerce.

Here I am begging to perform my own responsibility, and the vote is: You do not have the responsibility; you are going to do it, and you have to take it or leave it, up or down; you are not going to be in charge—fast track.

Mr. President, I reserve the remainder of my time. I yield the floor.

The PRESIDING OFFICER. The Senator yields the floor and reserves the remainder of his time.

Under the previous order, the Senator from North Dakota is recognized.

Mr. DORGAN. Mr. President, by previous consent, I was to be recognized following the presentation by Senator HOLLINGS. I wish to propose, for the convenience of others in the Chamber, a slightly different arrangement. Senator GRASSLEY wishes to be recognized. I ask unanimous consent that Senator GRASSLEY be recognized for 20 minutes, with Senator LANDRIEU following for 15 minutes, Senator CORZINE for 15 minutes; and, following that, I be recognized.

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

The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I wish to speak against the Hollings amendment that is before the Senate. I will tell you two reasons I strongly oppose the amendment.

My comments are in regard to why trade adjustment assistance should not be expanded in the way Senator HOLLINGS proposes it. Before I give those reasons, I remind my colleagues of the tremendous expansion of trade adjustment assistance that is already in the bipartisan bill before the Senate. A lot of programs that are part of trade adjustment assistance have never been part of the program in the 40-year history of trade adjustment assistance.

We in a bipartisan way in this body are very concerned about workers who are dislocated for trade or economic reasons. The usual retraining and support programs are being continued, but as one of several examples of additional programs, we are going to provide health insurance benefits for dislocated workers because of trade under trade adjustment assistance.

When I speak against any further outrageous expansions of this program, as Senator HOLLINGS' amendment would do, I do not want anybody saying that those of us who oppose it do not have any concern about those who are dislocated because of trade.

First, this is an extremely expensive, radical expansion of the Trade Adjustment Assistance Program that cannot be justified in any fashion as a program that is related to trade. In fact, this amendment completely severs the traditional 40-year link between adjustment assistance and trade. All you have to do is work in one specific industry during a specific period of time and you are eligible to receive benefits.

The fact is, workers in the textile industry and in other industries as well often lose their jobs for reasons having nothing to do with trade. Often workers might lose employment because of

new advances in technology, changes in the national economy, their company is not well run, or because of improvements in productivity. For all of those, we have programs on the books to help those dislocated workers, albeit dislocated unrelated to trade.

The textile industry in particular has seen tremendous changes because of new technology, such as the introduction of new computer-assisted design techniques that have often transformed many labor-intensive jobs into more high-tech workplaces over the past decade.

While it is certainly regrettable that these new developments in technology mean some workers lose their jobs, we should try to help these workers and help their families at the same time and do it as much as we can through other types of assistance. They are not workers, though, who have lost their jobs because of trade.

Furthermore, I do not know on what basis we can simply give Government benefits to workers in one industry but not to workers in other industries. Do not workers in industries other than textiles also deserve the same treatment?

The bottom line is the purpose of trade adjustment assistance. It is designed to help workers who are adversely affected solely because of trade.

This amendment would signal a radical transformation of trade adjustment assistance into another welfare program with no connection to trade. It would also sharply boost the cost of the Trade Adjustment Assistance Program. According to the Congressional Budget Office, this provision alone would cost over \$700 million in a 10-year period. That would nearly double the cost of the entire Trade Adjustment Assistance Program with just the one provision: The provision put forth by Senator HOLLINGS.

I regret that any American loses his or her job. There is nobody who wants to see an American lose their job. I have had the opportunity twice in my industrial employment to lose jobs, once in 1960 and once in 1971.

In 1971, I drew unemployment compensation for a short period of time. I know what it is like to be dislocated from a job, but I was not dislocated because of trade. There were other programs that helped me during that period of time, and those programs are available for people because we know that losing a job is a terrible blow to an individual. It affects the entire family. But there are other programs designed to help these individuals.

We should not take money away from other Federal programs and from other pressing needs in our country to pay benefits under a trade adjustment assistance program to workers just in one industry, and particularly when they are not affected by trade.

I strongly urge my colleagues to vote against this amendment.

Mr. President, while I have time remaining, I wish to speak generally—

how much time do I have Mr. President?

The PRESIDING OFFICER. The Senator has 13 minutes remaining.

Mr. GRASSLEY. Mr. President, I wish to speak about the underlying legislation.

When talking about trade promotion authority, opponents seem to love to use the term "fast track" because I think they believe that this sounds somewhat sneaky or somewhat uncontrollable. That is a shame. It is a shame because the term "fast track" does not really reflect what this legislation is all about and the procedures that are connected with giving the President the authority to negotiate trade agreements.

The term we use in this legislation, "trade promotion authority," is more accurate. In reality, trade promotion authority is a contract. It is a contract between the President and the Congress. When the Congress extends trade promotion authority to the President, the Congress agrees to authorize the President to negotiate trade agreements and to do it on behalf of 280 million Americans.

Why do we have this contract with the President of the United States? We have it because there is only one person who can speak on behalf of 280 million people in international affairs, and that is our chief diplomat, the Chief Executive of our country, the President of the United States. It is that simple. We cannot have 535 people in Congress negotiating with other nations. It would not ever work.

If we are going to succeed at the negotiating table, our trading partners need to know that the person to whom they are speaking has authority to negotiate.

Trade promotion authority not only gives that authority to negotiate, but it gives a great deal of credibility to our President at these tables. That is what the trade promotion authority contract between the Congress and the President is all about.

Let me be clear. The President does not go into trade negotiations without guidance and without always being reminded that the constitutional power to regulate foreign and interstate commerce rests with the Congress of the United States. Through this trade promotion authority bill, the Congress gives very careful direction to the President, with detailed lists of instructions. The Congress tells the President—we do that through this legislation—if he follows these directions we give him, if he fulfills the details of consultation procedures laid out in this bill, we will do three things.

First, we will actually consider the agreement. We will not have these agreements sitting around collecting dust on Capitol Hill. The Congress will actually pick up this agreement and we will consider it. Now, that does not mean we will agree with the bill, it does not mean we would pass the bill, but we are committed to considering it.

Secondly, we will not change the agreement before we consider it. We authorize the President to negotiate. He follows our directions. He consults with the Members of Congress through the process. We know what is in the negotiated instrument. Now we will consider it without changing it.

Third, we will limit debate on the agreement. We will not tie it up in endless debate in the Congress. That is the contract we have with the President of the United States, an agreement between the President and the Congress that if he will do certain things for us, we will do certain things.

Why do we do it that way? We do it because it empowers us as a Congress, it empowers us as a nation. Without trade promotion authority, the President has no clear direction from Congress. He can basically negotiate anything he wants without consulting with Congress, but he will not do it in a credible way with the other nations that are with him because they are not apt to agree if they are not certain that a final agreement will be considered by Congress No. 1, and not changed by Congress No. 2, and actually voted upon.

Congress can selfishly observe its constitutional power because we keep a watchful eye on the President of the United States over many months, sometimes over many years, in the process of the negotiations to reach an agreement.

Trade promotion authority also empowers us as a nation of 280 million people. Our foreign trading partners know the President speaks for the Nation in international trade and that he has the backing of Congress. With this knowledge, they can be sure any agreement concluded with the President will be considered by Congress without being amended to death. That empowers our Nation to get the best bargain we can at the negotiating table.

What happens if the President does not fulfill his end of the bargain? What if he does not follow Congress's direction or fails to consult with the Congress as the law requires? Then he does not get the benefit of agreement. The trade promotion authority bill itself contains procedural enforcement mechanisms to ensure the President does not overstep his agreement with the Congress. Trade promotion authority procedures are very carefully balanced in a thoughtful way for the President and the Congress to work together to advance the economic interests of our Nation. It is a procedure that has worked well for over 50 years, and on the basis of this legislation, trade promotion authority has worked well for 25 years. It is also a procedure that since 1995 our Nation has gone too long without. One hundred thirty agreements around the world have been negotiated. Our President has not had the credibility to be at the table. He has not been at the table. We have been at the table of three bilateral agreements but otherwise not. So the interests of

280 million Americans have never been represented, never been protected, and the rest of the world is going to move on.

Prior to 5 or 6 years ago, the rest of the world used to wait for the United States to take the first step. We have an opportunity now by passing this legislation to put our Nation once again in the lead. So that is why I urge my colleagues to work our way through the rest of these amendments and to work with Senator BAUCUS and me to pass this bill and help get our Nation's trade back on track.

How much time do I have remaining, Mr. President?

The PRESIDING OFFICER. The Senator from Iowa has 5½ minutes.

Mr. GRASSLEY. There is also a lot of benefit in trade promotion authority and trade agreements for the American farmers and ranchers, and it is beneficial to us because our farmers and ranchers are competitive and technologically advanced in the world. The United States has long been a world leader in agricultural exports. Dollar for dollar, the United States exports more meat than steel, more corn than cosmetics, more bakery products than motor boats, more fruits and vegetables than household appliances. One in three acres of agricultural production of the United States is exported.

In 2000, the U.S. agricultural community exported \$51 billion in products and supported at least 750,000 American workers. With 96 percent of the world's population living outside the United States, there is a huge market for food products of American farmers and ranchers.

In the absence of trade promotion authority, other countries have entered into trade agreements that have driven foreign consumers from the U.S. agricultural market.

Burger King restaurants in Chile buy potatoes from Canada. Canada's free trade agreement with Chile gives their farmers eased access to the Chilean market while American farm products are subject to high tariffs that drive up the price to the consumer. So, consequently, we do not sell to Chile.

Trade promotion authority will expand existing markets, open new markets for American food products, and allow our farmers and ranchers to better compete, boosting our exports. Previous trade agreements demonstrate benefits to American farmers and ranchers.

U.S. agricultural exports to our NAFTA partners have increased \$4 billion since that agreement went into effect 8 years ago. Under the United States-Canada Free Trade Agreement, U.S. agricultural exports doubled. Canada is the No. 2 market for our agricultural exports, buying \$7.6 billion in the year 2000. Under the North American Free Trade Agreement, our agricultural exports to Mexico have nearly doubled, making it our third largest agricultural market buying \$6.5 billion in the year 2000.

U.S. pork producers credit the North American Free Trade Agreement with their 130-percent increase in market share in Mexico between 1994 and the year 2000. The United States beef and veal exports to Canada increased 26 percent in volume between 1990 and 2000 and increased five fold with Mexico from 1993 to the year 2000. The sale of United States corn to Canada increased more than 127 percent in volume between 1990 and 2000, and exports to Mexico increased by nearly 18 times between 1993 and 2000.

Mexico voluntarily chose to accelerate its market opening for corn under the North American Free Trade Agreement to provide lower cost food for its consumer. Canada imported 15 percent more soybeans from the United States between 1990 and 2000. Mexican imports of United States soybeans doubled from 1993 to the year 2000.

I would also like to comment on the seriousness of defeating the Byrd (3447) amendment on the Congressional Oversight Group. The Byrd amendment will curtail the authorities on international trade within the Congress of the United States; those people who have been given authority, the Finance Committee and the Ways and Means, will be curtailed. It will curtail our oversight of these agreements. We need to work toward that. I am also asking my colleague, for the sake of maintaining the authority of an oversight of the Senate Finance Committee, that we defeat the Byrd amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 15 minutes.

Mr. REID. If the Senator will withhold for a unanimous consent request.

Ms. LANDRIEU. I yield.

AMENDMENT NO. 3450 WITHDRAWN

Mr. REID. Mr. President, on behalf of Senator BYRD, I ask unanimous consent that the amendment numbered 3450 be withdrawn.

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

Mr. REID. I ask unanimous consent that Senator HARKIN be recognized following Senator DORGAN, and that he be recognized for up to 45 minutes, and that Senator CANTWELL be recognized following that for 20 minutes. If there is a Republican Senator who seeks recognition, that Senator would have the right to follow Senator DORGAN. We will alternate if the Republicans want to; if they do not, we have the order set up.

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

The Senator from Louisiana.

AMENDMENT NO. 3470

Ms. LANDRIEU. I have an amendment at the desk, and I ask for its immediate consideration, amendment No. 3470.

The PRESIDING OFFICER. Is there objection?

Mr. GRASSLEY. I object.

Ms. LANDRIEU. 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. I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. REID. Mr. President, I want to make sure the unanimous consent agreement is clear. Following Senator HARKIN, if a Republican wishes to speak, they will be able to do. Prior to that, the order is in effect.

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

The Senator from Louisiana.

Ms. LANDRIEU. Mr. President, I understand a procedure is established that amendment No. 3470 will come up for a vote later in the afternoon before we have final passage on the measure before the Senate. I rise to speak for the allotted 15 minutes as arranged under a previous consent agreement.

Mr. President, I rise to offer an amendment that I hope will be voted on favorably. I suggest it would help the underlying bill. I will certainly support the work that Senator GRASSLEY and Senator BAUCUS on our side have done to bring this important bill to the floor. I have been supportive of the overarching concept and many of the details of the bill.

I am proud to say our entire Louisiana delegation—both Senators, Senator BREAUX and myself, as well as all seven Members of our House delegation—have been very pro trade, and for good reasons: Not only because we think it is important for our Nation but for our own State of Louisiana that has positioned itself historically as a great trading hub.

Although there are some disadvantages in the short term, and there are some jobs and industries that may be temporarily negatively affected, the long-term trends for the State of Louisiana and, frankly, for this Nation are very positive.

I thank Senator GRASSLEY and Senator BAUCUS. I support their efforts to streamline some of our trade policies, recognizing there are legitimate concerns about environmental and labor issues. The underlying bill has addressed, if not perfectly—has attempted to address in good spirit and in good, strong rules and regulations—those efforts. This could be a continuing work in progress. We in Louisiana feel very strongly about that.

The amendment is not an attempt to undermine or scuttle this grand compromise and great package. It is an attempt to perfect and modify it for a group of workers who have been hard hit by something that is not in line with this free trade bill; that is, when the President just a few months ago issued a 201 ruling to put tariffs on raw steel that comes into the United States—which I vigorously objected to; so did the senior Senator from Louisiana and many Senators—and what

has happened since that administrative decision to put this tariff in, in hopes of helping other areas of the Nation and other Senators and their States that produce this steel, States such as West Virginia, Kentucky, and Maryland.

I can understand these efforts to try to build consensus. The bottom line is it has hurt our maritime industry. I will give you some facts and figures. My amendment seeks to simply expand the trade adjustment assistance for not only workers who might lose their jobs because they have either moved overseas or have lost their jobs because of a flood of imports, but also this small group of maritime workers, about 38,000, for a limited period of time who were losing their jobs because of the lack of imports coming in because of this 20- to 30-percent tariff.

Again, I disagreed with the President's decision. I continue to disagree with that decision. My amendment does not seek to overturn it. I am just trying to help workers who are directly affected by that decision in an effort to make the whole situation a bit more perfect for the workers from the steel-producing States we are trying to help, as well as to try to give some necessary and urgent relief to maritime workers who find themselves on the other side of that decision because they are losing their jobs because steel is not coming in to the port of New Orleans.

We have lost tons and tons, in just a couple of months, of steel coils, steel plates and sheets, steel bars, tin plates, and stainless steel bars that are coming into the ports of Louisiana, primarily the ports of New Orleans.

We are not the only port that has been hurt very badly. The Port of Houston, the ports of the Great Lakes—we have ports all over the Nation, so 38,000 maritime workers literally are having to pick up an unemployment check instead of a paycheck because of the decision that was made.

I tried to stop the decision but it was an administrative decision. My amendment does not seek to overturn it. My amendment only says, since it has been a consensus of the administration and Congress to help the steelworkers and special parts of our Nation, let's also, by this small amendment—that only costs \$10 million and it sunsets after 4-plus years—help the maritime workers.

Under the current bill, they are not entitled to benefits because they are not being affected by a flood of imports. Their jobs are not necessarily being moved overseas. They just do not have the steel to bring on to the wharves because of this tariff.

It does not cost us very much money in the scheme of things, but it will help thousands of workers in Louisiana, and many thousands of workers temporarily, until this situation can get worked out.

That is the essence of my amendment. It is about 8,000 jobs that are at risk in New Orleans, a major port in our Nation. It is about 7,500 jobs in the

Port of Houston, the President's home State. It is about 5,000 jobs, approximately, in California, in the Los Angeles Port; in Pennsylvania, New Jersey, and Delaware—Mr. President, your own State—combined, about 4,400 jobs that could be at risk; in the Great Lakes and Upper Mississippi, about 2,000 jobs. It is estimated for smaller ports around the Nation, it is about 10,000 jobs.

Why? Because steel is one of the major imports, until this tariff was placed 2 months ago, that was coming into our Nation. While it caused great heartburn in the steel-producing areas of our State, it was actually very good business for our ports.

Suffice it to say we cannot go back and overturn everything, but we certainly can vote today to help maritime workers directly affected by this decision. Again, it only costs us \$10 million. It sunsets in 4-plus years. It is a minor help that we can give to people who show up at the docks every morning and stay late almost every day. They have children to send to college. They have mortgages on their houses. They have other bills and responsibilities, maybe an elderly person who is at home. These are hard-working Americans and because of action taken in Washington they have to now pick up an unemployment check instead of a paycheck.

These are not welfare recipients; these are people who have worked 10, 15, 25, 30 years at what I would consider—as would most everybody—hard labor.

The Presiding Officer is familiar with this picture because he comes from a port State. This is a New Orleans dock but it could be anyplace in America where you have stevedors and long-shoremen loading and unloading ships. This is one of the great benefits of trade because these, in many cases, are unionized jobs, very high-paying jobs with a lot of protection for these workers. This is dangerous business. This goes on in America every day.

There are thousands and thousands of these workers. What you will not see in this picture is a welfare recipient. What you see is a worker, many years working on the docks. Because of this tariff and the bill we are discussing, a lot of these guys cannot pick up a paycheck—or women are now working on the docks. My amendment seeks to give them some small relief—not upset the bill, not turn the compromise on its head, but to give us some relief.

I hope when we have an opportunity to vote later this afternoon we will get a good, bipartisan vote on this small amendment that will help bring us some relief.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has just under 5 minutes.

Ms. LANDRIEU. If I could, I would like to speak for a minute about another problem that has arisen because of this 30-percent tariff on steel that is not related to my amendment. While I

have a minute, I wish to speak about our fabrication industry.

Senators are now very familiar with me coming to the floor to try to explain the importance of the oil and gas industry to our Nation. We talked a lot about this in our energy debate, but I need to make this point today on this trade bill.

This tariff is very hurtful to the maritime workers who I am trying to help in a very modest, but meaningful way so they can qualify and get their TAA benefits under this trade bill. I also want to bring to the attention of this body—not that I have a solution for it because I cannot figure out an amendment that would actually help this; if I could I would offer it—what a great harm this tariff has also brought to a great industry in south Louisiana; that is, in the manufacturing business, using a lot of steel to help build our boats and platforms and equipment that help us get oil and gas safely out of the ground in the gulf and bring it to the shore to try to help light up this beautiful Chamber and everybody in New York and California and Illinois and in Louisiana—the whole country.

We have a very vibrant fabrication industry, as you can imagine, with industries such as McDermott Industries and Gulf Island Fabricators. These are large fabricators. I am here to say, after contacting many of them over the last several months, that some of them will absolutely go out of business and we are then going to lose hundreds of jobs, if not thousands, in south Louisiana, for the simple reason that because of the cheaper steel that they were importing from other places in the world, bringing it to Louisiana through the mighty Gulf of Mexico or other large bodies of water to south Louisiana to build these great platforms, we cannot now compete against the same sort of manufacturing in places all over the world.

Our delegation that is voting for trade—and we are happy to vote for the trade bill—has been caught in crosswinds, you might say, because of an administrative decision about trade. As a result, we are losing not only jobs in our maritime industry, which this trade bill should be helping to protect, but also we are getting hurt because of our lack of ability now to compete with other manufacturers in other parts of the Nation to get our oil and gas out of the ground.

Now we are in a situation of having fabrication done offshore to float these tremendous platforms and rigs into the gulf. Our workers do not get the benefit of these jobs. Our oil and gas is taken out of our ground, right off of our shore, and 100 percent of the proceeds of the taxes paid come to the Federal Government. So Louisianians don't get the taxes from the royalties, we don't get the jobs making the platforms, we get beat up constantly because we are producing oil and gas, and my maritime workers have to pick up an unemployment check instead of a paycheck.

If I sound as if I am complaining a little bit, I mean to try to lay out this problem. Again, I thank Senator GRASSLEY and Senator BAUCUS. I support the trade bill, but I ask them for their assistance in helping a few thousand maritime workers who are not being hard hit by the trade bill they are recommending, which I support, but they are being hard hit because of an administration decision that is keeping imports down, therefore putting maritime workers out of business.

When I can meet with Senator BREAUX and get a solution for our fabricators, I will most certainly be bringing up that amendment, though not to this bill. But I will get as much relief as I can for good industries, good companies that have produced good jobs, industries that are going to be hurt, and I will ask the President as well as the leadership in the House and the Senate, both Democrats and Republicans, to come up with some potential solution—cost effective for the taxpayer—to our problem in Louisiana.

People in Louisiana deserve a fair share and an opportunity to work hard. I yield any remaining time.

AMENDMENT NO. 3461

The PRESIDING OFFICER. Under the previous order, the Senator from New Jersey is recognized.

Mr. CORZINE, I thank the Chair.

Madam President, I rise to discuss amendment No. 3461 which was offered on my behalf, and on behalf of Senator DODD, Senator STABENOW, and others by Senator REID on Monday and set aside. It is my expectation this amendment will be voted on at the expiration of the 30 hours, as required by cloture. But I wanted to make sure I had an opportunity to discuss the merits of this and the importance of this, which I consider quite significant.

I offer this amendment to protect the role of Congress and elected State and local officials in determining the nature and scope of significant public services. It is one thing for Congress to sacrifice its own prerogatives in the development of trade policy, as we will likely do today with the passage of trade promotion authority; however, in my view, it goes much too far to delegate constitutional responsibilities of elected officials when it comes to determining what are public services and what significant public services should be managed in the public sector.

My amendment stands for the simple proposition that trade agreements should not be used to privatize public services—public services duly directed by constitutionally authorized actors of our Nation's democratic processes. Specifically, the amendment would establish as a principal negotiating objective that trade agreements should not include a commitment by the United States to privatize significant public services such as national security, Social Security, public health and safety, and education.

It is very simple. Before I discuss the details of my amendment, let me say

that I agree with the objectives of the sponsors of the underlying bill that we should seek ways to expand trade in services. I know firsthand that this objective can create jobs and economic benefit. In fact, I spent the better part of 30 years of my life building an international service business in banking and understand the need for barriers to be broken down. There are many that limit the expansion of American enterprise abroad.

It is also true that the American service sector is and will continue to be a vital part of our economy. It is one that is growing substantially. It is a substantial part of our international activity.

In my view, we need to aggressively foster and promote that growth. It promises long-term benefits for all Americans.

That means we should be looking for ways to open accounts. I commend those efforts as a part of this bill.

Having said that, while there are many potential benefits to forging trade agreements designed to increase trade and services, there are also risks. That is what my amendment is about.

One of the risks is that those agreements will be misused, either directly or through unintended implementation requirements.

My amendment is designed to reduce that risk so that trade agreements will do what they are supposed to do and won't be used in a particular way: the risk that they will commit the United States to privatizing key public services outside of legally constituted constitutional processes.

Some of my colleagues may well be unaware that such a risk exists. After all, trade agreements are supposed to be about promoting economic activity. They weren't conceived to overrule democratic processes and decisions about the provision of essential public services—things such as protecting our airports and airline security, things that we have chosen in the democratic process to move forward in the public arena.

Yet trade agreements can do just that. There is ample reason to be concerned that privatization of significant public services could well be on the table in future negotiations.

In fact, right now negotiations are already underway in the process of establishing new agreements with respect to trade and services. Those negotiations may well lead to agreements under which services traditionally administered by Federal, State, and local governments would be on the chopping block.

Under such agreements, foreign investors might be able to challenge public policies that provide certain services through government entities. Such foreign interests could argue that these policies discriminate against them and represent an unlawful trade barrier. In fact, some international agreements are already being interpreted that way, and others are being designed for that purpose.

Consider what is happening in bilateral negotiations between the United States and Chile.

In 1981, Chile decided to privatize its public pension system; that is, its equivalent of Social Security. Under the privatized system, Chilean workers are now required to invest their pension dollars with private financial institutions. Unfortunately, Chile's experience with the privatization of Social Security has, in many respects, proved problematic. Many Chilean workers have seen the value of their investments collapse. And many Chilean political leaders now believe the only way to protect the retirement security of Chilean families is to return to the earlier public system based on guaranteed benefits—more like we have in the United States.

U.S. negotiators are encouraging Chile to keep their system privatized. As a result, the financial security of Chilean retirees and their national retirement policy may depend on international trade negotiations rather than the political democratic processes reflecting the wishes of the Chilean people.

Think about that for a moment and consider how Americans would feel if trade negotiations ended up deciding the fate of Social Security in America. Imagine trade negotiators setting that investment policy for the Social Security Administration. What if foreign interests were demanding that the United States open up our Social Security system to foreign financial firms or mandate privatization outside the democratic process? Imagine that Chilean, Russian, or German negotiators argued that it was a restraint of trade for Social Security to limit its investments to U.S. Government securities rather than opening up the system to privatized accounts.

I speak as one who strongly opposes that move with the American system privatizing Social Security. It would lead to a deep cut in guaranteed benefits and reduce the financial security of American seniors. But I think the most important issue as it relates to this debate, regardless of your views on privatization, is that Americans would be outraged if that were accomplished through trade negotiations as opposed to a debate on the floor of the Senate and the House of Representatives and a discussion with the American people.

The future of Social Security is too important to be decided by anyone other than the American people.

Social Security is not the only area of public service provision that concerns me. Let's take a look at another example a little less dramatic.

The European Union has now proposed that the United States make new commitments under the General Agreement on Trade in Services to allow foreign firms to gain greater access to the U.S. water services market.

Many municipalities across the United States have long felt that the provision of water services is an important governmental responsibility.

Some of the localities in New Jersey that I represent have chosen to have it administered by private companies. Others have chosen to retain the nature of a public provision of water services.

The point is that the people have spoken. Should municipalities privatize their water supplies? I am not sure. I am certainly not convinced that one answer is appropriate for all situations. But one thing I am sure about is that these decisions should be made by local elected officials who understand local circumstances and local values, and who are accountable to the local taxpayers and local voters. These decisions to privatize should not be dictated by unelected, distant trade bureaucrats.

Let me give another example. This involves a company that has been in the news lately, a company named Enron.

The Government of Argentina contracted with a division of Enron to provide water and sewer services in Buenos Aires. Enron did not do such a good job, to put it mildly. For a while, the water provided was contaminated by toxic bacteria. As a result, some 500,000 people were told not to drink the water for well over a month.

In the end, the Argentinian Government canceled its contract with Enron. Now Enron is suing, under trade agreements, that there is a basis for a \$550 million settlement for them against the Argentinian people because they did a bad job.

I am telling my colleagues, this is an important issue. The provision of public services is a decision which our democratic processes should be deciding. This matter should be decided by democratically elected governments, not unelected trade bureaucrats.

There is a long list of public services that could well be privatized and put up for bid by foreign companies. These include everything from health services for veterans, to State colleges and universities, to immigration control, to afterschool programs, to police officers. All of these could be threatened by a trade agreement, and a lot of people are worried about that.

That is why I want this amendment to be seriously considered by my colleagues on the Senate floor, really to establish a trade objective.

Madam President, I ask, how much time is remaining?

The PRESIDING OFFICER. The Senator has 4½ minutes.

Mr. CORZINE. I thank the Chair.

The American Public Health Association is concerned about the privatization of some parts of the Medicare Program and medical services for the poor. The American Council on Education and the Council for Higher Education Accreditation have voiced deep concerns about the GATT negotiations. As they said in a statement, higher education is supposed to serve the public interest and should not be a commodity.

Yet the threat posed to education by privatization through trade agreements is very real. Under some prospective trade rules, States could be barred from subsidizing State universities, using the argument that such subsidies put private universities at a competitive disadvantage. I do not think that is what the American people want trade negotiations to accomplish. They do not want unelected trade bureaucrats setting our policy with regard to public services.

Let me return to the explanation of the amendment. The amendment is very simple and states:

A principal negotiating objective of the United States is to ensure that trade agreements do not [do not] include a commitment by the United States to privatize significant public services, including services related to (i) national security; (ii) Social Security; (iii) public health and safety; and (iv) education.

It then defines the term "privatize" to mean:

... the transfer of responsibility for, or administration of, a government function from a government entity to a private entity.

And that is it. That is the entire amendment.

As it should be clear from its language, the premise of the amendment is that there are some types of public services that are so important that decisions about them should be made democratically and should not be delegated to an international body. Our amendment highlights, in particular, those four areas. There may well be others.

There may be some who would argue we ought to privatize some parts of our national security system, such as those who objected when Congress recently federalized our airport security system. I disagree. But, again, we ought to have that argument here on the floor of the Senate—democratically chosen processes, constitutionally established.

You could say that about many other types of issues.

Trade negotiators should not privatize and preempt the decisionmaking of Congress and the President. This amendment is less about privatization than it is about democracy. It is one thing to enter into international agreements, promote private investment, even if that means limiting our congressional prerogatives, but it is an entirely different matter to tie our own hands in deciding upon important public services, which go to the heart of what government is about in the first place.

I appreciate this opportunity to speak on this important, relevant, and germane amendment. In my mind, this bill already delegates too much congressional responsibility and authority. I hope my colleagues will support this amendment and protect our right to make a democratic choice about what the public services are that are privatized and that as we move forward we make those decisions through the

debate process and discussion with the American people, not through trade negotiations, not through bureaucrats, who are unelected officials.

So that is what the amendment is about. I believe strongly that this is an amendment my colleagues should support, and I hope they will.

I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Madam President, Senator HARKIN has agreed to yield 5 minutes to me. I know Senator DORGAN is next on the list. He has agreed to let me come in at this point.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Madam President, I believe, by unanimous consent, I was to have been recognized following the presentation by Senator CORZINE. If that is the case—I believe it is the case.

The PRESIDING OFFICER. The Senator is correct.

Mr. DORGAN. I will be happy to yield 5 minutes to the Senator from Pennsylvania, provided I am recognized following his presentation.

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

(The remarks of Mr. SPECTER are printed in today's RECORD under "Morning Business.")

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Madam President, it is quite clear to me from the cloture vote yesterday that the Senate is going to pass trade promotion authority.

I think it is a shame that we have not had a more thoughtful debate on this issue. So I would like to take this opportunity to describe why this issue is and will continue to be controversial.

Trade promotion authority is a euphemism for fast track. Fast track is just what the name implies—a process that involves a rush to judgment. It's like fast food, implying a lack of preparation, a quick and easy meal that in the end turns out to be bad for you. Fast track trade authority allows the Administration to go negotiate a trade agreement, and bring it back to the Senate without the ability of any Member to offer a single amendment.

Article I, section 8 of the Constitution states that the Congress shall have the power to regulate commerce with foreign nations. That is what was written in Philadelphia one hot summer with George Washington sitting in the presiding chair, Ben Franklin over to his left, and Mason, and Madison. They decided Congress shall have the power to regulate commerce with foreign nations—not the trade ambassador, not the President, but the Congress.

The Congress has decided in recent years that to delegate this constitutional responsibility to trade negotiators. These negotiators go to places like Doha, Qatar, and negotiate agreements in secret. They bring these

agreements back to Congress, and say: Here is the agreement. Take it or leave it in total; no amendments because you are not allowed to offer any. That is what fast track is all about.

If you want a good example of why fast track is a bad deal, you can look to our experience with the U.S.-Canada Free Trade Agreement. Our trade negotiators went to Canada armed with fast track. They negotiated a trade agreement with Canada, and developed a secret side agreement which they disclosed only 2 years later to the Congress. That side agreement effectively traded away the interests of America's family farmers. Our farmers have been hurt badly as a result of it. We couldn't do a thing about it because when that agreement came back to the Congress, no one was able to offer one single amendment.

I voted against the U.S.-Canada Free Trade Agreement. Had I been able to offer an amendment, I might have been able to fix it. The family farmers who have been victimized by this agreement might not have been hurt nearly as badly. But no amendments were in order. No one in Congress could offer any amendment at any time. That is what fast track is about.

Since we are debating trade and our trade policy, I want to use a chart to show what has happened in trade. My colleagues stood up yesterday and said: You need to understand how important this is to America. You need to understand all the new jobs we are creating with these trade agreements. Well, count me in as somebody who supports trade. I am big for trade. Expanded trade is terrific. The more the better but only as long as it is fair. If it is not fair, our country should have the backbone to stand up and say, no, the trade we demand and expect is reciprocal trade, fair trade.

Fast track trade agreements have created runaway trade deficits. Here is what happens on the trade deficits. From 1991 to 2000, our trade deficit has gone from \$65 billion to \$436 billion. Our country suffered a recession in 2001, so the deficit declined just a bit last year, but the trend is clear.

The fact is, this is by far the highest trade deficit in human history. Every single day, 7 days a week, our country buys more than \$1 billion in goods from abroad in excess of what we are able to sell abroad—over \$1 billion a day every single day, racked up as a deficit.

I ask those who support this fast track free trade strategy, do you think this works? Where did you pick up your economics? Was there some textbook I missed along the way that makes you think that this trend is a favorable one? I don't think so. This is not working. This is a failure. This is a massive failure. Our trade strategy is drowning America in red ink. Yet we have Senators coming to the floor saying: Give us more of this.

Where is this red ink coming from? Prior to negotiating an agreement with Mexico, we had a small trade surplus

with Mexico. We have turned that now into a huge deficit. Prior to negotiating a trade agreement with Canada, we had a modest deficit. Now we have turned that into a very large deficit. We have a very large and growing trade deficit with China, \$70 billion a year plus—and a very large, abiding, growing trade deficit with Japan.

What does all that mean in terms of real people? We have Senators who come here and argue theory. They are out of touch with working people. When you work in the Congress, you take a shower in the morning and then put on a dark suit. What we are doing in trade policy is dealing with the jobs of the people who work hard all day and then have to shower at the end of the workday. It is their jobs that are sent elsewhere as a result of this legislation.

I gave a speech in the Senate some years ago. I told the stories of some real folks who have been affected by unfair trade. The other day we had a press conference on the steps of the Senate, with working men and women that continue to lose their jobs. The stories don't change.

The Levi corporation decided they can't make Levis in the United States anymore. It is cheaper to make Levis in countries where you can pay people 50 cents an hour. Or Fruit of the Loom, making shorts, men's shorts, they just ship those to a plant where they can pay somebody 40 cents an hour.

It is one thing to lose your shirt, another to lose your shorts. OK, it's a bad joke, and this is no laughing matter. Not when you have companies decide to move their plants to where they can pay people 40 cents an hour or, better yet, pay them 24 cents an hour. You know we have products on our store shelves made by 12-year-old kids who worked 12 hours a day and were paid 12 cents an hour. We all know that.

We have fought for over a century for the right of workers to organize, the right to work in a safe workplace, the right to say that it is wrong to put children who are 10 and 12 years old down in coal mines or in industrial plants, the right to a reasonable minimum wage. Those who support fast track ultimately are allowing corporations to pole vault over all of that, and to move jobs overseas where they don't have to be bothered with decent wages and working conditions. This is ultimately just about corporate profits.

We have 8.6 million people today who are looking for work. If you are one of those people, your personal unemployment number is 100 percent. You, at some point, had to come home and tell your wife and your children: I am sorry, I lost my job and I don't know what I am going to do next.

The Economic Policy Institute has calculated that, as a result of the most recent trade agreements—Canada, NAFTA, and the WTO—roughly 3 million jobs have been lost in this country. So when you have 8.6 million people out of work, and 3 million of them

have been displaced by trade, should we be diving headfirst into new trade agreements?

When NAFTA was negotiated, we were told that Mexico would specialize in low-wage and low-skilled jobs, and that those products would benefit U.S. consumers. That may have happened to some extent, but we have lost a lot of good jobs for working people in this country. The three largest imports into this country from Mexico are automobiles, automobile parts, and electronics. They are all jobs of high-skilled workers with high-skill wages that were displaced in this country.

Borg Warner had a transmission plant employing 800 people in Muncie, IN. The jobs paid \$17 an hour. Good jobs. Those jobs don't exist there anymore. They are in Mexico. Atlas Crankshaft, owned by Cummings Engine, literally put its manufacturing plant on trucks and moved it from Ohio to Mexico. So those 200 jobs have gone south, looking for lower wages. The Abbott Cooperation, which manufactures wires harnesses for Whirlpool Appliances, and their 117 jobs, were sent to Mexico. A metals plant in Warren, MI, closed down. They put their equipment on trucks and moved to Mexico—26 jobs gone south.

Some say: You know, Senator DORGAN, that is life. That is the way the new economy is. That is the way this world works. It is a new global economy and you don't understand it. You are one of these xenophobic isolationists who can't see over the horizon and cannot understand the new economic day.

Well, I am certainly not suggesting that we retract on the global economy. That is a fact of life; it is here and now. The question for this Congress is, What are the rules? The rules have not kept pace with globalization. As these plants close and move jobs to Mexico, or Indonesia, or Sri Lanka, or other countries around the world, shouldn't Congress begin debating what the rules are of free trade and globalization? Because the rules have not kept pace with the times.

Those who want to take advantage of having no rules are those who want to make profits by deciding they want to trade American jobs, and all the restrictions that come with it, for jobs elsewhere for pennies an hour, where they don't have to worry about polluting the water and air, and they can do it with impunity. They can hire as many kids as they want. They don't have to worry about a safe workplace because there are no rules and regulations on any of that.

The global economy has moved forward without sufficient rules. This Senate, instead of debating fast track, ought to be debating the rules of globalization. We are not allowed to do that. Do you know why? Those making big profits out of the existing system don't want us to do that. That is the last thing they want us to talk about.

It would be nice if the proponents of fast track would take the time to talk

to a few of the many people whose jobs were determined to be relatively unimportant in the scheme of international trade. I am not talking about people who make buggy whips—a product for which we have no additional need. I am talking about people who made decent wages working real jobs in factories that produce good products.

When the rules are not fair, it is up to the Senate to stand up for American workers. They will not do it and amendment after amendment on this so called fast-track bill has gone down. Why is that? Because this was like a big truck with a tarp over it, buttoned up long ago and driving through this Chamber, like the trucks that will come in after June 30 from Mexico.

Incidentally, as a result of NAFTA and some flawed analysis, this Administration is set on June 30 to allow Mexican trucks to enter our country for long hauls. Everyone here knows there isn't a ghost of a chance that this is going to be safe for American drivers. Inspection sites don't exist. The standards for Mexican long-haul trucks are not enforced. I ask you to look at investigative reports on it and ask yourself: Do you want your family driving next to a long-haul truck that has been driven for 24 hours by somebody who doesn't have a logbook and hasn't had an adequate safety inspection? I guarantee that will happen here after June 30 of this year. Why? Because we are not able to debate these issues under fast track.

The Senate is once again saying to our trade ambassador to go negotiate trade agreements in secret, and to forget about what the Senate might think. Our current trade ambassador, Bob Zoellick, is a man I personally like, bright as a whip. We disagree on some things and agree on some other things. But it is just plain wrong for the Senate to give this kind of authority away, and to abrogate its responsibility. And I hate to think of the likely consequences.

Mr. Zoellick said this on November 26, 2001:

In Doha, Qatar, antidumping laws in the U.S. could be discussed as a new trade round gets underway.

In effect, our trade ambassador has put our antidumping laws on the table to be traded away. We have already lost section 22, and section 301 has been weakened, and now the trade ambassador is talking about giving away the laws that prohibit dumping in our marketplace and injuring our producers and workers. If we trade away our antidumping laws away, there will be no protection against unfair trade. None.

When on Earth will this Congress learn? Have we not had enough experience with this nonsense? How high do our trade deficits have to go? If it doubles again, maybe then they will think there is a problem?

We can make the case that a fiscal policy deficit is money we owe to ourselves. We cannot make that case with the trade deficit. This is money we owe

to other countries. We will repay this someday with a lower standard of living in this country. That is inevitable.

Our negotiators just keep handing us these bad trade agreements, and our trade deficits keep skyrocketing. Will Rogers once said that the United States of America has never lost a war and never won a conference. He surely must have been speaking of our trade negotiators because with United States-Canada, with NAFTA, with WTO, with GATT, our trade negotiators have taken 15 minutes and have wilted and folded under the onslaught of pressure from both corporations and other countries, and we end up with rules of trade that are fundamentally unfair to our workers, our farmers, and our businesses.

There is no debate about that in this Chamber. There is a relentless chant of the type you find on street corners about free trade, free trade, fast track, new jobs, when all the evidence tells us that we have had a disastrous experience with trade. We have paved the road by which U.S. companies can seek a lower wage almost anywhere in the world.

Did any of my colleagues see the story the other day in the Washington Post about the young woman who was working in a toy factory and died from sheer exhaustion? She had been working 16-hour days for two months without a day off.

I have been in a number of countries with abysmal working conditions. We know there are a couple hundred million kids who are being employed around the world. Some are locked in garages, in basements.

I held a hearing in Congress about child labor, and heard testimony about young kids in India making carpets. They had had their fingertips laced with gunpowder and set on fire so the burns would scar. Then when these young children in these large plants would stick themselves with needles while making carpets, it would not hurt, and they could keep on working. Do we want those products on the store shelves of Pittsburgh or Fargo or Los Angeles or Dallas? Is that free trade? Is that fair trade? Does anybody here care about that?

Do my colleagues know how many people we have in the Department of Commerce working on enforcement of trade laws so we make sure these trade laws are fair? China, a country that has somewhere around a \$70 billion trade surplus with us, because they send us all their trinkets, trousers, shirts, and shoes, and we take them all. Madam President, do you know how many people are enforcing trade agreements with China? Fewer than 10. Fewer than 10 people. The same is true with Japan, with which we have a huge trade deficit.

It is probably not unnoticed that I have a great deal of angst about the way these issues generally are handled. We do not have a thoughtful debate; we have a thoughtless debate. This is

chanting about irrelevancies instead of talking about what makes this country strong.

The economic engine in this country, in my judgment, is an economic engine that begins with working people and also businesses willing to invest their money to ask for a fair shake in international competition. We create these trade agreements with other countries that result in huge trade deficits, and we have Senators come to the Chamber and talk about how many new jobs they have created. It is total nonsense. They ought to be talking about the 3 million jobs they have lost, and then talk about a few of the names of the people who have lost their jobs.

I guarantee there is not one Member of the Senate who is going to lose his job because of a bad trade agreement. There are going to be a lot of folks out there raising a family and trying very hard to make a good living who will be told: No, your job does not exist in Akron, OH, anymore. Your job is now going to Sri Lanka, and we are sorry, that is life, that is the global economy.

It is inevitable now this President will be given fast-track authority. I did not believe we ought to give fast-track authority to President Clinton, and I do not believe we ought to give it to this President.

What I say about fast track is this: Take 1, 2, 10, or 20 of the trade problems we already have from existing trade agreements. Try to fix those. Then come back and let's talk about new agreements.

I will not vote for this fast track bill. I suspect many Members of the Senate will. They will button their coats tighter, stand up proudly and say how wonderful it is for this country, and not one of them will have his job moved to Sri Lanka, Mexico, or anywhere else. I guarantee working people who lose their jobs because of this will find precious little comfort by having trade adjustment assistance as part of it. Yes, I support that part of the trade package. But it is not a good substitute for good trade law, and everybody in this Chamber knows it.

Madam President, I would like to take a couple more hours, but I need to step aside. We have other business to do. I hope at some point we will have a real debate on trade in the Senate. It is certainly not the leader's fault we have not had a real debate. The problem is the lack of substance of the underlying bill. We cannot have a debate about substance.

I invite other Senators to spend a few hours talking about the reality of international trade. If anybody wants to do that with me, I will join him and talk about real numbers and the truth on trade.

Mr. NICKLES. Madam President, will the Senator yield?

Mr. DORGAN. I will be happy to yield.

Mr. NICKLES. I have a brief question. I know my friend from Nevada wants to make a UC request. Getting

the tenor of the Senator's debate—interesting debate—he is critical of the NAFTA agreement, one of the three free trade agreements passed by the Senate, two of which passed almost unanimously—the Jordanian trade agreement and the free trade agreement with Israel. NAFTA was not quite as unanimous. But did the Senator vote in favor of those three free trade agreements?

Mr. DORGAN. No, I did not vote in favor of NAFTA, I did not vote in favor of the U.S.-Canada agreement, and I did not vote in favor of GATT.

Mr. NICKLES. Did the Senator vote in favor of the Israel or Jordan free trade agreements?

Mr. DORGAN. I did. And it is ironic that the Senator who makes the point about the Jordan agreement voted to keep the Jordan agreement labor standards out of this fast-track legislation.

I voted for the bilateral trade agreements that the Senator From Oklahoma mentioned, but I did not vote for NAFTA, I did not vote for United States-Canada Agreement, and I did not vote for GATT. Those agreements have led to huge deficits. These numbers do not represent success, not in North Dakota and not in Oklahoma. These growing massive deficits are choking our country. I would love it if the Senator from Oklahoma will join me sometime in a debate on trade on the floor of the Senate.

It is hard to get people to agree to do that, but if the Senator from Oklahoma would, I would love to have the opportunity.

Mr. NICKLES. I thank my friend.

Mr. DORGAN. I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. The Senator from Oklahoma, Mr. NICKLES, is going to speak. First, I ask unanimous consent that following the previously ordered sequence of speakers, Senator SARBANES be recognized to speak for up to 15 minutes, and Senator KENNEDY be recognized for up to 30 minutes, with the previous provision regarding Republican speakers remaining in effect.

The PRESIDING OFFICER. Is there objection?

Mr. NICKLES. Did the Senator say Senator SARBANES and then Senator KENNEDY?

Mr. REID. Yes, but a Republican can come in between if they care to.

Mr. NICKLES. I believe Senator KENNEDY may be speaking on a different nontrade issue.

Mr. REID. If there is an objection, the rights of the Republicans are preserved.

Mr. NICKLES. I would like to reserve some time for a Republican to be able to follow Senator KENNEDY.

Mr. REID. The Senator has that right.

Mr. NICKLES. Will the Senator modify his request?

Mr. REID. Yes, I will do that in the next one.

Mr. NICKLES. Well, if Senator KENNEDY is going to be speaking on minimum wage, I would like for a Republican, likewise, to have an opportunity to speak on that.

Mr. REID. If that is the desire of the Senator, we have no problem with that. Following Senator KENNEDY, that would be fine.

Mr. NICKLES. For 15 minutes?

Mr. REID. Fine.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

UNANIMOUS CONSENT REQUEST—
CONFERENCE REPORT TO AC-
COMPANY H.R. 3448

Mr. REID. Madam President, I ask unanimous consent that following the statement of Senator KENNEDY and/or the Republican who would follow him for 15 minutes, the Senate proceed to the consideration of the conference report to accompany H.R. 3448, the Public Health Security and Bioterrorism Response Act, notwithstanding rule XXII, and that it be considered under the following limitations: That there be 90 minutes for debate on the conference report, with the time equally divided and controlled between the chairman and ranking member of the HELP Committee, or their designees; that upon the use or yielding back of time, the Senate proceed to a vote on the adoption of the conference report, without further intervening action or debate, provided further that all time utilized under this consent be charged postcloture.

The PRESIDING OFFICER. Is there objection?

Mr. NICKLES. Reserving the right to object—and we may have clearance, but we need to finalize it—I am delighted with this request. I am delighted it looks like we are now going to be able to pass the Public Health Safety and Bioterrorism Response Act. My guess is it will pass overwhelmingly, maybe unanimously, through the Senate.

Could the Senator withhold the request for a moment and let me doublecheck with other Senators? I will be happy to put through the question.

Mr. REID. I will be happy to withhold.

The PRESIDING OFFICER. The Senator from Oklahoma.

ANDEAN TRADE PREFERENCE
EXPANSION ACT—Continued

AMENDMENT NO. 3447

Mr. NICKLES. Madam President, I thank my friend and colleague from Nevada.

We are considering a lot of amendments. I know the chairman of the Finance Committee has been working through amendments. We have been working through amendments as well, and we are going to get into a situation

where we have a lot of votes. For the information of our colleagues and particularly our colleague and friend from West Virginia, Senator BYRD, who has three or four amendments, one of which is second degreed by our friend and colleague from South Carolina, Senator HOLLINGS.

Senator BYRD's amendment in the first degree deals with a congressional oversight group that changes in composition.

Right now, the oversight for trade is in the Finance Committee. I happen to serve on the Finance Committee, so I was interested in the composition of the congressional oversight group. It talks about the oversight from the House. I notice in the House group, it consists of the majority leader and minority leader, and eight additional members would be appointed by the Speaker of the House, four each from the minority and majority. It also says none of the eight members appointed under this paragraph will be members of the Committee on Ways and Means.

Then it says the membership in the Senate congressional oversight group shall be comprised of the following Members of the Senate: President pro tempore of the Senate, Senator BYRD; minority leader and majority leader; eight additional Members appointed by the President pro tempore of the Senate, four members from the majority after consulting with the majority leader, and four members from the minority party after consulting with the minority leader of the Senate.

Then it also says that none of the eight members appointed under this paragraph may be members of the Committee on Finance.

I am a member of the Finance Committee, and I do not want to have that jurisdiction taken away from the Finance Committee. So I am going to oppose this amendment. At some point, I am going to move to table the amendment. I would not want to table the amendment of the Senator from West Virginia without notifying him and giving him a chance to debate. Maybe he has debated it and I missed that debate, but I was not aware until a few moments ago of the impact of this new oversight committee, which would exclude members of the Finance Committee, which has jurisdiction over trade.

I would think Democrats and Republicans who serve on the Finance Committee would not like to find out that an area over which they have jurisdiction and over which they have some responsibility, on which they have had hearings, would be excluded from this oversight committee.

That is my purpose of speaking now. It is not for total debate but to let my colleague from West Virginia know that at some point, not immediately—as a matter of fact, it will be after the 2:30 briefing by the FBI Director—a motion will be made to table the underlying Byrd amendment dealing with the oversight group. I wanted my colleague to be aware of that.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

UNANIMOUS CONSENT AGREEMENT—CONFERENCE REPORT TO ACCOMPANY H.R. 3448

Mr. REID. Madam President, I renew my unanimous consent request on the bioterrorism conference report.

Mr. NICKLES. Madam President, there is no objection on this side.

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

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

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

ANDEAN TRADE PREFERENCE EXPANSION ACT—Continued

AMENDMENT NO. 3459

Mr. REID. I ask unanimous consent that the time now be charged against Senator HARKIN, who has 45 minutes under the order previously entered.

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

The PRESIDING OFFICER (Mr. EDWARDS). Without objection, it is so ordered.

Mr. REID. It is my understanding, following the statement of Senator HARKIN, that Senator CANTWELL is next in order.

The PRESIDING OFFICER. If no Republican speaker seeks recognition, that is correct.

Mr. REID. Madam President, I ask unanimous consent the Senator from Washington be recognized now for her time. Senator HARKIN is not here, and his time is being wasted. I ask that the order be inverted so Senator CANTWELL may now speak.

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

The Senator from Washington is recognized for 20 minutes.

Ms. CANTWELL. Mr. President, I rise this afternoon in support of the trade and worker assistance legislation before the Senate that we have been working on for the last 2 weeks. I recognize the important work of Senators BAUCUS and GRASSLEY and thank them for their tireless efforts in putting together a good trade proposal that will help workers and businesses throughout our country.

The Baucus-Grassley package embraces a balanced, comprehensive approach to free trade. This is the same approach adopted by our predecessors in the 93rd Congress when they passed the original 1974 trade act which did combine the flexibility of trade negotiation agreements with trade adjustment assistance. Indeed, with the combination of trade promotion authority with the largest expansion of trade adjustment assistance in history, we are making a downpayment on the economic growth and opportunity for many people in our country that will impact our prosperity in the future.

Trade is absolutely critical to my home State. It is critical to our current economy. It is critical to our future economy. The Puget Sound region is probably the most export-dependent region in the country, and Washington is probably the most trade-dependent State in the Nation. Trade supports about one-third of the Washington State workforce or roughly 750,000 jobs. These jobs pay, on average, 46 percent more than the overall statewide average. These are good jobs.

Washington truly is a portal to the Pacific. Our ports—from Bellingham, Everett, Seattle, Tacoma, Longview, to Vancouver—ship everything from electronics, airplanes, to fruits, vegetables, wheat, and hundreds of other products to over 199 countries.

I often hear from my colleagues when discussing trade promotion authority, What is it we are going to sell from the United States to these countries? The answer from my State reaches across many sectors: Agriculture, manufacturing, and high-technology products. Trade provides opportunities for both large and small businesses. Washington State, for example, is the largest producer of soft white wheat, of which about 85 percent of the crop is exported to foreign consumers at substantially higher prices than Washington wheat would receive domestically. In manufacturing, the Boeing Company basically generates about \$30 billion in sales, a big part of the Puget Sound industry. And 70 percent of the revenues come from overseas. Of the current sale of Boeing products, 70 percent is to overseas markets. We expect that to be 74 percent in the next several years.

In our high-tech sector, Microsoft brings in about \$25 billion in annual revenue, 50 percent of its sales being made overseas.

In these sectors—in agriculture, manufacturing, and in high technology—our State depends on foreign markets to make our economy work. It is not just large businesses; it is small businesses. Eric Jenson of Seattle founded a company designing and building bowed instruments, such as the cello. Initially his business was limited to domestic buyers, but by putting his company on the Internet, he thrust himself into world markets and now sells about 25 percent of his product overseas.

As any salesperson would tell you, if you want to sell something, you have

to get your product into the store in a competitive fashion. If you have to pay a middleman to do so, the prices will be too high. Similarly, if we want to sell products to the world, we need to get into foreign markets and avoid high tariffs. Currently, our businesses and farmers face tremendous barriers to foreign markets. Indeed, while foreign companies are able to sell to American consumers at import duties that are averaging less about 2 percent, our companies and farmers often face trade barriers that are 10 times as high, basically closing them out of these market opportunities.

The key tool in lowering these tariffs and opening up markets is substantial bilateral and multilateral trade agreements. In this way, we can better pursue these agreements by giving the President trade promotion authority.

Yet while we give him trade promotion authority, it is clear we should not do that without making sure that certain objectives are met for protection of labor and the environment. That is why the Baucus-Grassley language makes clear to the President for the first time that the relaxation of environmental labor laws to provide a competitive advantage are absolutely unacceptable. By using the Jordan free trade language as a model, the Baucus-Grassley language made stronger by our passage of the Lieberman amendment, that I supported earlier last year, ensures that environmental and labor protections will be principal components for future trade relationships.

Also, the TPA bill, as amended, is absolutely clear that our domestic laws are not to be weakened in future trade agreements.

As we open markets and help provide training to our workforce, we need to make sure that countries do not unfairly subsidize industries or dump their products in our market. Again, the amendment offered by Senators DAYTON and CRAIG which passed, and which I supported, included extra protections for trade safeguards that ensure that our companies and farmers are protected.

While we have looked as these trade agreements, there is one very important aspect of this bill I want to point out: The area of trade promotion authority. Before I get to that, I will talk about the fact that there is a misconception: if we do not do trade promotion authority or trade agreement, somehow we will stop the reduction in manufacturing jobs.

It is clear we have seen a reduction in manufacturing jobs in our country and in other countries. But we have not seen a reduction in manufacturing output. What that really means is we have just gotten more efficient and effective at producing products, which means the workforce employed in these areas has been replaced by more productive efforts, which means we need to think about how we are retraining and reskilling our workforce for the future.

In the last 3 years, over 70 firms and 15,000 workers in Washington were displaced by trade activities and qualify for TAA benefits. Washington has probably been one of the highest States in the country qualifying for benefits under the trade promotion package. But this historic package goes further. I applaud my colleagues on the other side of the aisle for supporting what I think is a great economic development strategy for our future: Investment in the human workforce in our country.

This legislation will provide assistance to dislocated workers in several ways. The bill more than doubles our financial commitment to TAA programs, which is a very needed boost. The bill recognizes that to help workers, you have to help communities overall. It takes steps to expand trade promotion authority to a broader group of people. It expands the duration of the benefits from 52 weeks to 78 weeks and allows recipients to complete their training. And the trade promotion authority helps secondary workers who are also impacted by these job layoffs.

GAO published an initial report that shows that TAA recipients who completed training entered new jobs 15 percent more often than those who did not receive training, and that those who received training, on average, their wage was almost \$2 more than their counterparts who did not get the training.

We are seeing that this is an effective benefit. An effective investment, a trade bill that will help open up markets overseas, provide U.S. products, and yet legislation that will also help workers whose jobs are lost because of trade activities and allow them to become more productive in the future by being retrained.

The global market provides tremendous potential for our country's future. I am glad my colleagues have had such a spirited debate on this issue. We need to do more.

As my State shows, more and more businesses will be seeking their economic vitality by and through these international markets. So we need to work harder here to make sure we give the power to the President, and to these companies, to make sure their products get fair treatment.

This package goes a long way toward accomplishing these goals. I look forward to working with Senators BAUCUS and GRASSLEY to help prepare our economy for the 21st century by making sure U.S. products have fair access to international markets.

I yield the floor.

AMENDMENT NO. 3459

Mr. HARKIN. Mr. President, I call up amendment No. 3459, which is at the desk, cosponsored by Senators MIKULSKI, WELLSTONE, and KENNEDY, and ask for its immediate consideration.

The PRESIDING OFFICER. Is there objection to laying aside the pending amendment? Without objection, the Senator's amendment is pending.

The Senator from Iowa.

Mr. HARKIN. Mr. President, the amendment I have now offered has to do with the issue of child labor in world trade. I would like to speak for a while because, among all the things we have talked about regarding trade and what we are promoting, I believe one of the most important elements, in terms of moving ahead in the world economic order that is going to break down barriers of trade, one of the most important facets is how we address the issue of child labor.

Increased world trade should not be an end in itself. It must also be a means of achieving more economic fairness, social justice, and broad-based sustainable development throughout the global economy. Accordingly, as we debate this trade bill, this Senate faces a critical test of our nation's moral resolve as well as our economic leadership.

The practical challenge before us is to help fashion enforceable rules for a new global economy. It must be a global economy that rewards working families in America and abroad as much as it benefits transnational corporations, investors, and consumers.

I have long supported policies to open foreign markets to our nation's exports through new trade agreements and through combating unfair trade practices. I believe that new trade agreements—on the right terms—offer many new opportunities for our nation's economy to grow and thrive.

I hope I am also a realist. Global economic integration is proceeding at an accelerating pace, fueled by private sector forces beyond the control of any national government. But markets are not self-actualizing and they certainly do not concern themselves with fairness or equity, left to themselves. Therefore, the real role of government at all levels now is to help define the terms on which globalization will proceed.

This trade debate is not about free trade versus protectionism. Those are empty labels that cloud our real choices.

And we all know that there are winners and losers every time our country enters into a new trade agreement. Our task is to make certain that the terms of every new trade agreement maximize the winners and minimize the losers.

Some argue that the losers in international trade are just those caught in the whirling winds of globalization—victims of the magic of the marketplace who must fend for themselves. It is not that simple and its not accidental. We choose who and what we protect. For example, the WTO currently spells out enforceable rules on capital subsidies and product dumping to promote fair competition in international trade, but WTO rules don't do the same for child labor. When it comes to abusive child labor, anything goes. Binding international agreements and U.S. trade laws rigorously protect in-

tellectual property rights now, but not internationally recognized worker rights such as stopping the worst forms of child labor. We protect CDs, endangered plants, and spotted turtles, but not children who are brutally and systematically exploited in the global workplace.

And so today, I say it's time that trade agreements extended their protection to those who need it most—the exploited child laborers who help make and process many products we consume every day.

According to the best estimates released 10 days ago by the International Labor Organization, there are at least 352 million child laborers between the ages of 5 and 17 who are engaged in today's global economy.

At least 246 million of these powerless working children are involved in abusive child labor which the business, trade union, and government officials in the ILO agree should be abolished. Think about that—at least 246 million child laborers who have never seen the inside of a classroom. As many as 60 million of them are engaged in the worst forms of child labor. They are often killed or maimed for life. They are robbed of their childhood and denied any hope for a brighter future.

To put this in perspective, imagine a country as populous as the United States and Mexico combined in which the entire population is made up of child laborers. Within that population would be an underclass of children roughly equal to all of the people living in Germany, France, Great Britain, and Spain combined who work in conditions that cripple their bodies and minds, stunt their growth, deny them access to basic education, and shorten their impoverished lives.

Now I suspect some of my colleagues are going to argue today that child labor has nothing to do with international trade. But they are dead wrong.

I want to show my colleagues some of the faces of these child laborers associated with various tainted manufactured products and other goods flowing freely in international trade as we speak here today.

I would like to tell you a little something about their working conditions. On the first chart here is Silgi. Silgi was 3 when this picture was taken. She started knotting soccer balls to help her mother and four sisters make 75 cents a day. Her mother and four sisters and her altogether make 75 cents a day knotting these soccer balls, which our kids use on the soccer fields in America.

This is Tariq. Tariq is a 12-year-old Pakistani boy. He stitches these leather pieces together to make soccer balls. Pakistan produces 5 million soccer balls a year, just for the U.S. market. Tariq earns 60 cents a day making these soccer balls. As you can see, they have the nice swoosh on them there. You know they are not using these in Pakistan. This is what our kids are

playing with on those soccer fields every Saturday when we take them down to play. Think about it. Think about it the next time your kid kicks that soccer ball. Think about Tariq, 12 years old, making 60 cents a day. He is not in school. He is not learning anything. These soccer balls, obviously, go into international trade.

This is a photo of a sign. Three years ago, in early 1999, I took a trip to Southeast Asia to look at the issue of child labor. I was in Katmandu, in Nepal, when a former child laborer sought me out. I knew of him through other contacts. I had never met him before. I met him after dark on a Sunday night. He had arranged to visit a clandestine place where they make carpets. He knew the guard at the gate. He also knew, he thought, that the owner was gone. So we drove down there.

As we came up to the gate, here was the sign posted outside of this gate. It says in Nepalese but also in English:

Child labor under the age of 14 is strictly prohibited.

This is not a doctored document. I took this picture. I took this picture with my own hands before we went in.

As we went through a gate and down a dark alley, we took a left and there was this building. All the windows were blacked out. We walked in the door and this is what we saw. Children as young as 7, 8 years of age, sitting at these looms knotting these carpets. Again, to show you it is real, that is me. I was there. My assistant took this picture. They didn't know we were coming.

In the past, anybody who would go in there to inspect it would give them advance notice. They had a way of getting all of these kids out the back door and scattered around in a compound so you wouldn't see all those kids working.

This is on a Sunday night after dark with kids as young as 8 years of age sitting in a row. It is dark back here. But there are dozens and dozens of these kids along both sides up and down these rows working on these looms. It is dusty. All of that carpet dust comes out. That is what these kids breathe.

Again, don't tell me this isn't happening. I was there. I saw it firsthand.

These are two Nepalese girls I spoke to through an interpreter. They were very cautious about speaking with me. They had probably never laid eyes on an Anglo before. They were sitting there knitting carpet. I tried to determine their age. As best I could determine, they were under 12 years of age. But I really couldn't determine exactly what their age was.

All I can tell you is that at about this time the owner showed up. I was told the owner wasn't there. There was a big commotion going on. The owner came in. Of course, he was extremely upset we were on his premises and ordered us to leave, which we did, but not until I had the documentation that this was happening.

The next day—I don't have pictures—I went to a carpet manufacturer in the

same city, Katmandu. There is a carpet manufacturer that adheres to the Rugmark label. They don't employ any child labor—none whatsoever. They certify it with a little rug mark. These rugs also go into international commerce. Here is one plant in Katmandu that does not hire child labor. They are making moneymaking carpets for international trade.

Probably 5 miles away is a place such as this. There are dozens of these around making carpeting with these kids for international commerce, and they are also competing with the carpets made by a legitimate a manufacturer who does not employ child labor.

This is Amir. Amir is second from the left. He is age 8. He quit school in the third grade and spends his days sitting on a concrete floor sharpening surgical scissors. These are surgical scissors and surgical knives. This is in Pakistan. Amir is 8 years old. He earns \$2 a week. All day long, they breathe in this metal dust from sharpening these scissors.

Mr. President, I hope neither you nor anyone else listening to my remarks has occasion to go into a surgical room. If you do, think about the scissors and the knives the surgeon will use that were made by Amir, 8 years of age. Don't tell me this doesn't have something to do with international commerce.

This is 7-year-old Sonu. Sonu lives in Jullundur, India. He cuts yellow-dyed chicken feathers for badminton shuttles. That is what he does 7 days a week.

There is a cover story in a Hong Kong newspaper about some Chinese girls just across the border who are making toys for McDonald's. Again, it goes into international commerce. The amount of money they earn in 1 day is about enough for them to buy a Happy Meal for 1 day.

I want to add this. I want to be fair to McDonald's. When McDonald's found this out, they took action to stop it. I commend McDonald's for at least taking action to stop it.

My point is that without vigorous enforcement and oversight, that is what happens in international commerce. If it had not been for someone breaking into that factory and taking these pictures, MacDonal'd's might not have known about it either.

This is a rather busy chart. This shows how child slaves—make no mistake about it, they are slaves, bought and sold. They are used in the cocoa and chocolate industry.

Last year, Knight Ridder newspapers in a series of articles exposed child slavery on west African cocoa farms. This is the cocoa that young slaves harvest and produce. It goes to Europe. It goes into the Philadelphia area. Fifty percent of all the cocoa entering the United States is unloaded in Philadelphia. Chocolate is made using this Ivory Coast cocoa harvested by child slaves.

Because of this, and because of what is happening globally with the use of

child labor in international commerce, I am offering this amendment to make ending the worst forms of child labor a principal negotiating objective as nearly on a par as possible with the principal negotiating objective in this bill on protecting intellectual property rights.

It is often said, if you can protect the CD, you ought to be able to protect the child. If you are going to protect the song, how about protecting the kid?

I know Chairman Baucus and other members of the Finance Committee share my concerns about abusive child labor. There was some reference in the language in this bill, but I think we can and should do better.

Before explaining my amendment in greater detail, I want to make clear what constitutes the worst forms of child labor. We are not talking about children who work part time after school or on weekends in the corner grocery store. It is not, for example, kids helping with the chores on a family farm. There is nothing wrong with that. I worked in my youth. All of us did when we were young people. We worked. That is not the issue we are addressing.

This amendment is focused on the use of the worst forms of child labor in the production of tainted goods that flow in the international trading system today and which we import in the American marketplace. Let me cite a few examples of these products and where they come from, according to the U.S. Department of Labor.

We import more than \$250 million worth of hand-knotted oriental rugs every year from India, Nepal, and Pakistan, produced by as many as 1 million child laborers, many of whom are kidnapped and enslaved, bonded, or indentured.

As I said, if you are ever wheeled into surgery, remember that many of the surgical knives and scissors are finished by thousands of child laborers in Pakistan—these pictures I just showed you. If any Member wishes, I can give you the names of the U.S. medical supply companies that freely import this surgical equipment.

Fortunately, there is now a universal definition of what constitutes the worst forms of child labor.

You may ask, What do you mean by the worst forms? We know. They are spelled out in ILO Convention No. 182, which was adopted unanimously in 1999, the first time ever. It was ultimately ratified at a record-setting pace by 117 trading nations, including, I am proud to say, the United States. In fact, the United States was the third country to ratify ILO Convention No. 182. It was a resolution offered by Senator HELMS and myself.

In November of 1999, it was adopted by the Senate on a 96-to-0 vote. The United States is now on record as ratifying and abiding by ILO Convention 182.

When we talk about the worst forms of child labor, what are we talking about?

We are talking about child slavery, child bondage, the use of children in pornography, much of which enters this country, trafficking in children, buying and selling of kids, the recruitment of children in the production or sale of narcotics, and hazardous work by children where they are breathing metal dust or making glass in India in very high temperatures. That is what we are talking about.

That is what is in ILO Convention 182. That is the worst form of child labor.

We are not talking about kids working part time or on weekends. It is slavery, it is bondage, it is pornography, and it is hazardous types of work.

Combatting abusive child labor and linking respect for other internationally recognized worker rights to the conduct of international trade is not new. At various times during the 20th century, numerous international agreements and U.S. policy have explicitly recognized that fair labor standards are necessary for the working of a fair trading system.

More to the point, I call to the attention of my colleagues article XX of the original GATT. Article XX was brought forward in the 1994 GATT deliberations. It was incorporated in the current operating rules of the World Trade Organization, the WTO.

This article spells out 10 different exceptions whereby WTO member countries may enact national laws without being in violation of existing WTO or GATT requirements and international trade rules.

This is what it says, article XX (a) and (b):

Subject to the requirements that such measures are not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination between countries where the same conditions prevail, or a disguised restriction on international trade, nothing in this Agreement shall be construed to prevent the adoption or enforcement by any contracting party of measures:

- (a) necessary to protect public morals;
- (b) necessary to protect human, animal, or plant life or health.

Article XX: to protect human health and life, protect public morals.

Those are exceptions that countries may adopt and not be in violation of WTO.

At this time, and in this new era of globalization, we have the wherewithal to end the use of abused child labor in the production of goods for international trade. The only questions are whether we have the political will and whether America will lead the way.

More than 50 years after its adoption, article XX remains untested. There has been no trade jurisprudence to flush out its practical meaning or scope.

So I ask my colleagues, what better place to start than for this Congress to require U.S. trade negotiators to make it a principal negotiating objective to secure an effective international ban on trade in goods produced by defenseless children under 18 who are trapped in the worst forms of child labor?

We can do that by adopting this amendment, to make ending the use of the worst forms of child labor in international trade a principal priority for our negotiators. It is entirely in keeping with what President Bush said last year at the Western Hemisphere Trade Summit in Quebec. This is what President Bush said last year:

Our commitment to open trade must be matched by a strong commitment to protecting our environment and improving labor standards.

What could be more important than protecting children?

Using international trade agreements to combat abusive child labor is good international development policy. Abusive child labor perpetuates the cycle of poverty across generations. It is both a cause and an effect to the grinding poverty in today's global economy.

Much of this should be self-evident. No nation has ever achieved broad-based economic prosperity on the backs of working children, and no such nation should be allowed to try according to any standard of fair international trade and competition.

Ending the use of abusive child labor, especially in the conduct of international trade, is not morally disguised protectionism. In fact, public support for continued trade liberalization will be enhanced by eliminating trade in products made with the worst forms of child labor.

Listen to the words of Ambassador Bill Brock, U.S. Trade Representative and Labor Secretary in the Reagan administration. This is what former Ambassador Brock said. I am not going to read the whole thing:

Those countries which are flooding world markets with goods made by children . . . are doing more harm to the principle of free and fair trade than any protectionist groups I can think of.

I could not have said it better. No one could say it better. What Ambassador Bill Brock said is absolutely right: Those countries flooding the world markets with goods made by these kids are doing more harm to the principle of free and fair trade than any protectionist groups of which I can think.

This amendment is needed because we have this widespread use of the worst forms of child labor in products flowing throughout the international trading system.

First, as reported, this bill does not include the prohibition of the worst forms of child labor in the proposed definition of core labor standards. That is why I think this amendment is so necessary. The bill, as reported, does speak to it but does not include the prohibition of the worst forms of child labor.

It does not assign a high enough priority and visibility among U.S. trade policy objectives to deter the worst forms of child labor.

Secondly, the bill calls for "promoting respect for worker rights and the rights of children consistent with

core labor standards of the ILO" as one of the eight overall trade negotiating objectives. That is decidedly weaker than what this amendment would do to make it a principal negotiating objective of the U.S., "ensuring that any multilateral or bilateral trade agreement that is entered into by the U.S. includes provisions obligating all parties to such agreements to enact and enforce national laws and to meet their international legal obligations to prevent the use of the worst forms of child labor."

That is what is in the amendment.

Third, the bill before us makes intellectual property rights one of 14 principal U.S. negotiating objectives and, as such, calls for "providing strong enforcement of intellectual property rights, including through accessible, expeditious, and effective civil, administrative, and criminal enforcement mechanisms."

That is pretty clear and specific.

The amendment we have before us calls for the same clarity of purpose, resolve, and range of enforcement mechanisms with regard to preventing the use of the worst forms of child labor in international trade.

Quite simply, this amendment will ensure that the President has the authority and backing of the Congress to negotiate to end the worst forms of child labor in international trade on a par, as nearly as possible, with the President's authority to negotiate and protect intellectual property rights.

In conclusion, this amendment does not dictate a predetermined outcome on how best to negotiate enforceable means. It does not tie the hands of our trade negotiators in any fashion. But it does make it crystal clear that one, among several, of our 15 principal trade negotiating objectives will be the enactment and effective enforcement of national laws by other countries and compliance with their international legal obligations to eliminate the use of the worst forms of child labor in international trade.

A few days ago, I met in my office with several former child laborers from around the world. They were on their way to New York City with Kailash Satyarthi, leader of the Global March Against Child Labor, and one of the great heroes in the world today for getting kids out of the worst forms of child labor.

Kailash brought these kids from around the world to take them to the United Nations for the first ever General Assembly Special Session on Children.

I talked to one little boy in my office who had been branded on his face and his arms because he had been drinking a little bit of leftover milk. He came all the way from New Delhi to add his voice to a growing children's chorus in New York and from around the world, pleading for us adult policymakers "to create a world fit for children."

So for Ashraf, a young boy who escaped enslavement and was in my office, and for tens of millions of other

children still trapped in the worst forms of child labor, let's use our leverage, the power of our Government, our moral leadership, and require that U.S. negotiators do their part. They should bring back to this Congress enforceable trade agreements that outlaw and end this sordid, dirty dimension of international trade once and for all.

I urge my colleagues to support the amendment.

Mr. President, my staff, the staff of Senator BAUCUS, the staff of Senator GRASSLEY, along with people in the administration, have been working for the last few days to work out an agreement. We agreed to make some changes on our side, but still to keep the essence of this amendment alive, to make it one of the primary negotiating objectives—one of the primary negotiating objectives—and that is still in the amendment. So we have modified it and, as such, we have reached an agreement with Senator BAUCUS and with Senator GRASSLEY.

AMENDMENT NO. 3459, AS MODIFIED

So I have talked with managers of this bill on both sides, and I now ask unanimous consent to modify the amendment with the changes that I have sent to the desk.

The PRESIDING OFFICER. Is there objection?

Without objection, the amendment is so modified.

The amendment, as modified, is as follows:

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

(15) WORST FORMS OF CHILD LABOR.—The principal negotiating objectives of the United States regarding the trade-related aspects of the worst forms of child labor are—

(A) to prevent distortions in the conduct of international trade caused by the use of the worst forms of child labor, in whole or in part, in the production of goods for export in international commerce; and

(B) to redress unfair and illegitimate competition based upon the use of the worst forms of child labor, in whole or in part, in the production of goods for export in international commerce, including through—

(i) promoting universal ratification and full compliance by all trading nations with ILO Convention No. 182 Concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labor, particularly with respect to meeting enforcement obligations under that Convention and related international agreements;

(ii) pursuing action under Article XX of GATT 1994 to allow WTO members to restrict imports of goods found to be produced with the worst forms of child labor;

(iii) seeking commitments by parties to any multilateral or bilateral trade agreement that is entered into by the United States to ensure that national laws reflect international standards regarding prevention of the use of the worst forms of child labor, especially in the conduct of international trade; and

(iv) seeking commitments by trade agreement parties to vigorously enforce laws prohibiting the use of the worst forms of child labor, especially in the conduct of international trade, through accessible, expeditious, and effective civil, administrative, and criminal enforcement mechanisms.

Mr. HARKIN. It is my understanding from the managers that both sides will

agree to my amendment as modified. I thank both Senator BAUCUS and Senator GRASSLEY, my colleague from Iowa, and their respective staffs for working with my staff. I know it took a lot of time. I know these things are sometimes hard to work out and think about—the meanings of words, phrases, and their impact. I thank them for working this out in a manner that preserves the essence of this amendment, which is, make it one of our primary negotiating objectives; that the President of the United States seek to ensure that countries with whom we have trade not only abide by their own labor laws but abide by ILO convention 182 to prohibit, to put an end to the worst forms of child labor in international trade.

I have been working on this issue for 10 years. I first introduced a bill in 1992. For me, today, to have this accepted by the managers to put into the fast-track bill represents a giant step forward. We made the first step a couple years ago when the Senate voted 96 to 0 to ratify ILO convention 182. Now this puts some teeth into it. This says that from now on when we negotiate trade agreements, this will be one of our primary negotiating objectives.

The next step, I hope, is for the conference to make sure they keep this language. The House does not have it. I hope our Senate negotiators can keep this language. It is vitally important. It has widespread support in this Chamber on both sides of the aisle. I know it has widespread support among the American people. It has widespread support among our trading partners in other parts of the world.

Now is the time for the United States to take that leadership. I hope and pray and trust that when this goes to conference, we will keep this provision that is so vital to ensuring that we have not only a free trading system in the future but a trading system that does not perpetuate this cycle of poverty and of ignorance throughout the globe because so many countries are using abusive child labor to make these products.

Hopefully, they will come back from conference and we will have that. I look forward to the day when a new trade bill comes before the Senate for us to ratify and in that trade bill are steps that are being taken, agreements that have been made to end abusive child labor in international trade. That will be the day when we can tell all these children I have shown in all the pictures that they do have a brighter future, that they will be able to go to school and learn and not be caught in this cycle of poverty and repression, bondage, slavery, childhood prostitution, and childhood pornography into which they are now trapped.

I thank Senator BAUCUS and Senator GRASSLEY and their staffs for working this out. I encourage them to do everything they can to hold this in conference.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I thank Senator HARKIN for working closely with us over a long period of time to reach agreement on exact language. He has spoken as to how difficult that was and how hard everybody worked. I won't repeat any of that. I associate myself with that part of Senator HARKIN's remarks.

I support this amendment. For Senator BAUCUS and I, as managers of the legislation, were glad to have it go through in this fashion.

When discussing trade and particularly this trade promotion authority bill, it is important to put the issue of child labor in the proper context. What I want to say as the bottom line, before I say everything above the bottom line, is that trade is the instrument to improve the economy of countries because economies that are not in poverty do not have child labor problems that countries in poverty do have.

I will discuss this from two standpoints: One, how the bill was crafted even prior to Senator HARKIN's amendment to deal with the issues of child labor, and also what we are doing as Government and the people of the United States to help in other ways on the issue of child labor.

First, I will address what the United States has done with respect to internationally recognized working rights. Our country is not a newcomer to this arena. We have formally recognized core labor standards, including workers' rights, in our statutes since 1984. Many of the core labor standards that we recognize are similar or identical to those of the International Labor Organization.

In addition, the United States has consistently been on the front lines in fighting for internationally recognized workers' rights. We have also fought the problem of child labor around the globe, and we have done it quite effectively over the years.

I have consistently supported and encouraged these efforts because although these efforts have not been on the front pages of the newspaper, they do have a track record. We know that these efforts work.

Most of what we as a country do internationally is part of what I call a positive agenda for workers' rights and for the elimination of child labor. It has little or nothing to do with trade. The United States is the single largest donor to the International Labor Organization's premier program for addressing the child labor problem, known as the International Program for Eradication of Child Labor. This program does a lot of heavy lifting and gets things done.

For example, the Program for Eradication of Child Labor works effectively with local nongovernmental organizations. This Program for Eradication of Child Labor helps to ensure that when children are found working in conditions where they are being exploited

and are taken from work, they are put into schools. It helps provide funds to poor parents so that when their children are taken from work, the family does not starve.

We do many other things as part of this "positive agenda." The United States helps fund School Lunch Programs worldwide. Something as simple as providing a school lunch to a poor child in a developing country is one of the most effective things we can do to combat child labor because it helps supplement a poor family's income.

The United States is also actively engaged in labor law enforcement around the world. We provide technical assistance to help countries change their laws so that they can be more effective in combating child labor. We help train the inspectors in foreign countries who go out and investigate these child labor violations.

In addition, the U.S. Government is a signatory to the International Labor Organization Convention 182 on the worst forms of child labor such as slavery, bondage, enforced labor, child prostitution, and working in dangerous conditions.

Clearly, then, trade and openness is not the problem for poor countries. Rather, it is as simple as too little trade and not enough openness, particularly openness of their economy.

The International Labor Organization Convention on the worst forms of child labor is extremely significant for other reasons. It admits that the overwhelming cause of child prostitution, child slavery, and forced labor is, in fact, poverty.

This is where trade and open economies can and do make a huge difference in the lives of people. Over the past 20 years, globalization has been a great force for good in reducing poverty. It has sparked a dramatic rise in living standards in many countries across the world. Millions of people have been lifted out of poverty. There is overwhelming evidence that trade boosts economic growth.

A famous Harvard University study by Professor Jeffrey Sachs and Andrew Warner found that developing countries with open economies grew 4.5 percent a year, while developing countries with closed borders grew a paltry seven-tenths of 1 percent. So it is 4.5-percent growth for countries with open economies to less than 1 percent—seven-tenths of 1 percent—a year for countries with closed economies. That is simple, common sense. Open the economies of poor countries and they will grow economically and they can lift themselves out of poverty.

At that rate, open economies double in size every 16 years, while closed ones can only reach that goal in 100 years. Again, 16 years doubling for an open economy, 100 years for doubling the economy of a closed economy.

The rapid growth of developing countries that embrace free trade always leads to a rapid decrease in child labor. A 1998 World Bank report shows that

once per capita GDP hits \$500 per year—just \$500 per year—the incidence of child labor falls dramatically. Clearly, then, promoting trade, freedom, and openness is one of the single most important things we can do to end child labor around the world.

It is not the only solution, though, and I don't pretend that it is. But trade and open markets are a key part of any solution to ending poverty and eradicating child labor.

The only way we can promote and lead the effort to open world markets is if the President of the United States has the authority to negotiate credibly with other countries at the bargaining table. That is what trade promotion authority is all about.

History has shown time and again that if the United States does not lead in the effort to open markets and tear down job-killing trade barriers, the gains we made in the past can be lost.

Finally, I want to point out that the core labor standards dealing with the worst forms of child labor that we are addressing in this amendment by Senator HARKIN are embedded in the same core labor standards that the United States has recognized and has promoted in our law since 1984.

So I commend my colleague from Iowa for making positive contributions to this debate. When it comes to child labor and workers' rights, this modified amendment and this total trade promotion authority bill does the right thing.

I strongly urge my colleagues to do the right thing again and pass it with the overwhelming bipartisan vote as we did coming out of the Finance Committee, 18 to 3.

I yield the floor.

The PRESIDING OFFICER. Is there further debate on the amendment? Without objection, the amendment is agreed to.

The amendment (No. 3459), as modified, was agreed to.

Mr. GRASSLEY. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. MILLER). The Senator from Maryland is recognized.

Mr. SARBANES. Mr. President, I rise today to oppose the pending legislation to provide fast-track authority to the President. This is not the first time I have risen on this floor in order to urge colleagues to join in opposing this authority. The same issue was before us in 1997. At that time, the administration's request was rejected.

At this time, we are once again being asked to approve the same procedure, but it is being presented under a different name. It has been wrapped up in a different package. It is now being called "trade promotion authority." In fact, that term is a euphemism—indeed, a misleading euphemism. The President already has broad and flexi-

ble authority to promote trade in numerous different ways, under a number of existing statutes.

The issue here is the latitude the Executive has to negotiate trade agreements and the role the Congress will play with respect to such agreements. I think that is more aptly described as fast-track authority, and that is the specific matter I want to address for a few moments.

Fast track is a procedure that radically redefines and limits the authority granted to Congress in article II, section 8 of the Constitution "to regulate commerce with foreign nations." We need to recognize that here today. This is a vast derogation of congressional authority. It has only a brief history. It was first enacted in 1974, it expired just twenty years later, in 1994, and in my view its long-term ramifications are as yet little understood.

Fast-track authority differs fundamentally from the earlier discretion the Congress granted to the Executive in the Reciprocal Trade Act of 1934, which governed trade negotiations for 40 years. That discretion, known as proclamation authority, gave power to the Executive to set tariffs within limits and periods of time that had been set by the Congress. In other words, the Congress defined the parameters of Executive authority in trade negotiations, and the Executive had to work within those parameters in using the proclamation authority. It did not give to the President authority to negotiate trade agreements requiring changes in U.S. law, let alone limit the discretion of the Congress to approve or reject such changes.

In contrast, fast-track authority gives the President both the power to negotiate trade agreements requiring changes in existing U.S. law, and effectively denies to the Congress the power to approve or reject changes to U.S. law on their merits, leaving it only with a "yes" or "no" vote on the entire trade package.

Fast-track authority, therefore, greatly expands the latitude of the Executive to negotiate an agreement while eliminating the ability of the Congress to consider components of the trade agreement. Fast track guarantees that the executive branch can write legislation implementing a trade agreement and have that legislation voted on, up or down, within 90 days of its submission to Congress, with only 20 hours of debate and with no opportunity for amendment.

Let me repeat that. Fast-track authority gives the executive branch the power to write legislation implementing a trade agreement, to have that legislation voted on, up or down, within 90 days of its submission to the Congress, with only 20 hours of debate and with no opportunity for amendments by the Congress.

Even when vast changes in existing U.S. law may be at stake, under fast-track procedures, Congress has only all-or-nothing decision-making authority.

This is a sobering derogation of the congressional power set out in article I, section 8 of the Constitution, which explicitly gives to the Congress the power to regulate commerce with foreign nations.

In no other area of U.S. international negotiation and agreement do fast-track provisions prevail. All major U.S. tax treaties, arms control, territorial, defense, and other treaties are still accomplished through established constitutional procedures fully respecting the role of the Congress and the ability of the Congress, if it chooses, to make the determination to change or amend those agreements.

SALT I, SALT II, START, the nuclear weapons reduction treaties, the Atmospheric Test Ban Treaty, the Biological Weapons Convention, the Customs Harmonization Convention, the Montreal Protocol, dozens of international treaties, to mention only some—all these are among the international agreements negotiated by the United States without fast-track authority.

Proponents of fast track often argue that in the area of trade, the Executive will find it difficult, if not impossible, to negotiate agreements without fast-track authority, but a look at the record amply demonstrates this is not the case.

First, fast-track procedures are relevant only to trade agreements that require Congress to make changes in existing U.S. law in order for the agreements to be implemented. Most trade agreements do not require legislative changes and thus do not come within the purview of this provision.

Of the hundreds of trade agreements entered into between 1974 and 1994 when fast-track authority was in effect, only five have required fast-track procedures.

In 1994, after just 20 years, fast track elapsed. This is the only time period in the nation's history when we have had fast track, the only time we effectively shut Congress out of the process of thoroughly considering trade agreements.

In 1997 the Congress declined to extend it, and yet since 1994 hundreds of trade agreements were successfully negotiated and implemented. For example, in the year 2000, the Office of the U.S. Trade Representative identified the following agreements, all of them negotiated without fast track, as having truly historic importance: The Information Technology Agreement, under which 40 countries eliminated import duties and other charges on information technology products representing more than 90 percent of the telecommunications market; the Financial Services Agreement, which has helped U.S. service suppliers expand commercial operations and find new market opportunities around the world; the Basic Telecommunications Agreement, which opened up 95 percent of the world telecommunications market to competition; and the bilateral

agreement on China's WTO accession, which opened this large economy to American products and services. I could cite many other examples.

During this twenty-year period when there was no fast-track authority—although we are being told that without it trade agreements cannot be negotiated, whereas the record shows this is clearly not the case—the Executive negotiated and then obtained congressional approval for normalizing our trade relations with a new Caribbean Basin initiative bill and with the Africa Growth and Opportunity Act. Without any fast-track authority, the previous administration negotiated major bilateral trade agreements with Jordan and Vietnam. The groundbreaking United States-Jordan agreement was submitted to and approved by Congress in January of last year, and although negotiated by the previous administration, the United States-Vietnam agreement was actually submitted to Congress by the current administration and was approved in June of last year. So recent efforts to arrive at trade agreements without fast-track authority have been notably successful.

The abundant experience of the last 8 years leads to the conclusion that the arguments for fast track are much overstated. Current negotiations on bilateral free trade agreements with Chile and Singapore offer yet another case in point since the administration has found it possible and prudent to carry forward negotiations initiated by its predecessor.

The case of Chile is particularly instructive. In 1994, Chile declined an invitation to join NAFTA, citing the administration's failure to obtain fast-track authority. Six years later, however, Chile reconsidered its position and in 2000 entered into negotiations on a United States-Chile bilateral agreement.

Negotiations have continued since then more or less on a monthly basis, and in a report dated April 1 of last year entitled "Chile Political and Economic Conditions in U.S. Relations," the CRS concluded that Chile is willing and able to conclude and live up to a broad bilateral FTA with the United States, suggesting this could be a comparatively easy trade agreement for the U.S. to conclude.

The absence of fast track has not prevented negotiations with Chile or with Singapore. Yet we are now being asked to have the procedure apply retroactively without any strong case being made for its necessity.

Let me make a final observation. There is now considerable debate and concern around the world about globalization, and we have seen mounting levels of protests, both in this country and abroad. It is clear that the trend towards globalization has raised very fundamental questions on a range of issues, including labor standards and environmental standards. A real basis for public concern is precisely the sweeping power to affect these issues

that fast-track authority gives to the administration. There are many other issues, of course, but labor standards and environmental standards are two leading examples. For good reason, the public is apprehensive when important decisions can be made behind closed doors, without adequate open debate and consideration, which is exactly what happens with fast-track authority.

One of the most important functions of the Congress is to provide a forum in which matters of public concern can be thoroughly and openly discussed, in which alternatives can be presented and either accepted or rejected. The fast-track authority virtually completely undercuts congressional power—something the nation in all its history never countenanced, except during the 20-year period between 1974 and 1994. In effect fast track excludes the people's representatives from engaging in a process whereby they can examine the components of a trade agreement.

People say: But the Congress may change the trade agreement. So be it. That is the risk we run. Congressional scrutiny of arms-control agreements has never been restricted by fast-track authority, and surely they are as important as trade agreements.

We do not take those on an all-or-nothing basis. They are not presented to us for a simple yes-or-no vote. We have the opportunity to consider the various components of the package and to pass some judgment upon them. That is one of the most important functions of the Congress.

Indeed, I think one of the deep concerns of the American people is that trade agreements affecting vital areas of social and economic policy should not be hurried through the Congress using an expedited and restrictive procedure. It must be clearly understood that this procedure puts the Congress in the position of being able only to say yes or no to the entire package. It denies to the Congress the ability to carry out its constitutional responsibilities in terms of regulating commerce with foreign nations. I therefore strongly urge the rejection of the fast-track procedure contained in this legislation and intend to vote against this bill.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, what is the situation with regard to time? Are we dividing it? Are we under the normal postcloture that any Member can have an hour? Is that the program?

The PRESIDING OFFICER. The Senator is correct; we are following the normal procedure.

Mr. GRAMM. Mr. President, I do not know where we go from here in terms of procedure. I would like to say a few things. I will try to be brief.

Mr. REID. If the Senator will allow me to make one statement in answer partly to his question, we have set up a queue of speakers, and Republicans certainly have the right to have a speaker

now, which would be the Senator from Texas. Following that is Senator KENNEDY. Following Senator KENNEDY's statement and if there is a Republican after him, we would start the bioterrorism debate for 90 minutes and then we would start voting on this matter.

The Senator from Texas asked a question earlier. Under the hour that the Senator has postcloture, how much time does he have, I ask the Chair.

The PRESIDING OFFICER. The Senator from Texas has 28 minutes remaining.

The Senator from Texas.

Mr. GRAMM. Mr. President, we have a bunch of amendments pending, and I am against every one of them. Let me outline why.

First, this bill is about trade. I am for it. All these amendments are against it. We are getting ready to pass this bill, I hope, by 70 votes or so. So if a Senator is for the bill and wants more trade, the quickest way to get it in the best form is to vote against these antitrade amendments.

I am going to address three of them really quickly. First, the Hollings amendment. I want to remind my colleagues that thanks to the generosity of the American taxpayer, if someone loses their job because of international competition, they get a series of benefits under trade adjustment assistance that no other American gets. Anyone who loses their job, for example, in the textile industry qualifies for trade adjustment assistance if they can show or it can be shown that their job loss had anything to do with foreign competition; that it was the most significant factor in them losing their job.

As a result, textile workers are eligible for trade adjustment assistance today. The amendment of Senator HOLLINGS says if someone has lost their job in the textile industry anytime over the last 3 and a half years, or if they lose their job in the future, even if it has absolutely nothing to do with foreign trade, they should qualify for trade adjustment assistance.

I think any of our colleagues can see the inequity in that. My State is the ninth largest textile State in the Nation. I love my textile workers as much as anybody else does, but I do not know how having a program to help people who lose their jobs because of foreign competition can be justified, and a judgment is made based on each circumstance, and then come along and say, but if someone works in the textile industry and they have lost their job, we are going to treat them differently than everybody else. I think there is a tremendous equity problem in that, and I think people working in the textile business would understand it. Also, the fact that it would apply not just for people who lose their jobs in the future but for 3 and a half years in the past.

So for that reason, I oppose the Hollings amendment.

Turning now to the Landrieu amendment, of all groups that benefit from

trade, the maritime industries are the biggest beneficiaries. The great bulk of foreign trade comes into our ports. I am blessed in Texas, thank God, every day, to have many great ports. My maritime workers get to work on shipping things out, they get to work on bringing things in, and of all the people I have, they are among the most pro-trade people, for the obvious reason: Not only do they benefit as Americans, but they benefit because they get an opportunity to have more competition for their services.

The Landrieu amendment extraordinarily says if someone loses their job in the maritime industry, whether it has anything to do with foreign competition—because they would get trade adjustment assistance if it did, under current law—that they qualify for trade adjustment assistance.

What I think is extraordinary about this amendment is not that it treats people differently based on what kind of job they have, which I kind of think a little bit violates equal justice under the law, but of all the workers who would be said tend to be benefited by foreign trade, maritime workers would be virtually at the top of the list.

In fact, looking back over my political career, the unions that have tended to support me have been maritime unions. Now they all ought to support me, but they have not. The maritime people have supported me because I support foreign trade. I do not understand why, of all workers in America, we would single out maritime workers as losers from trade. A, they are the biggest beneficiaries; and, B, to the extent that anybody was a loser, they could qualify for trade adjustment assistance.

So I think the argument for the Hollings amendment is very weak. I think it is inequitable. I think it is unfair. It is illogical. I think all of those things, and more, apply to the Landrieu amendment.

Turning very briefly to the Corzine amendment, the Corzine amendment says the President cannot enter into a trade agreement that has provisions that privatize public services.

Now the Corzine amendment—I am not sure exactly how it is going to be argued because I had not heard it argued, but let me explain the problem with it. One of the biggest problems we have is getting countries such as Japan to let our contractors bid on their telephone company equipment and technology, trying to get them to let our contractors bid on building airports. The fundamental argument we use is we force them, whether these activities are controlled by government or whether they are controlled in the private sector, to move toward opening up competition.

The Corzine amendment would not allow us to negotiate a trade agreement where we push a foreign competitor to open up a public service for competition. My guess is Senator CORZINE is going to argue he does not

want a trade agreement that opens up something our Government does for competition. The problem is, we cannot have trade agreements where we say, OK, we are not going to negotiate anything that opens up a public service in America for competition and expect other countries to do the same.

I remind my colleagues, no matter how much you think of government doing things, rather than the private sector, we do less than anyone in the world. When we cannot bid on selling telephone equipment in Japan, it is because they have a national telephone company that is basically run and controlled by the Government. Certainly we don't want to write in our fast-track authority that we cannot negotiate to force Japan to open up those contracts to AT&T, to Bell, to all of our manufacturers. We have spent years doing that. I don't think we would want to undo it.

One might argue if the Corzine amendment could simply prevent cooperation in things provided by the Government in America, that would be one thing. I personally don't think that is very good. But if you did, the problem is, these trade agreements are bilateral. You cannot take something off the table in our negotiations and leave similar things on the table in negotiating with our trading partner.

I am not quite clear what he is trying to get at. Whatever it is, it is not good. We generate less of our GDP through government-provided services than any other major country in the world. Our biggest problem in many areas in promoting exports of American products is opening up government monopolies. This language basically takes us out of all those markets. It is a very bad proposal, in my opinion.

Let me make it clear to our colleagues: I would like to see us enter into an agreement where we could go ahead and begin voting on the amendments that are pending so we can guarantee each side has a very short window to sum up things. We have been debating this bill for 18 days and our memories are starting to get stretched a little. We probably have a dozen amendments, more or less, that are pending which could be voted on. If we simply sit around and squander 3½ hours and let the clock run out on postcloture time, under the rule there is no debate of these amendments, they simply are voted on.

I urge, especially the leaders on the other side of the aisle, to work out an agreement where we can begin voting and give people a short period of time to make their argument so we can vote. I understand we have a meeting at 2:30 and we are going to do bioterrorism during that hour. I hope when we come back from that meeting at 3:30, rather than waiting until 6:03, or whenever the time is, we could begin at that point voting, and we could give people a little bit of time to say what their amendment is about and give other people a little bit of time to say

why they are against it. We have a couple of pending amendments that have points of order against them. It would be my intention when we get back from the 2:30 meeting, to see if we can make those points of order against those amendments—there may be an effort to waive the point of order. If so, there would be a vote at that point. I hope we can get this process going. There is no reason, in my opinion, to wait around until 6 o'clock and not give people an opportunity to make their case.

I reserve the remainder of my time, and I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, as I understand, at least it was the intention of the leadership, following my comments, we were going to go to the bioterrorism conference. As I understand it—I know our colleagues will be attending a 2:30 meeting and briefing—I will speak for a period of time and then the Republican side will speak for a period of time and then we will go to the time agreement on bioterrorism, and there is 45 minutes a side; am I correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. KENNEDY. And we will have a vote after the using of the time?

The PRESIDING OFFICER. The Senator is correct.

Mr. KENNEDY. I thank the Chair.

Mr. President, I have serious reservations about this bill and I intend to vote against it. I have a lifelong record of supporting free trade. I have supported trade agreements in the past. I have supported trade agreements with China and Vietnam. I supported NAFTA. I supported GATT. But this bill protects the rights of corporations at the expense of workers and the environment. It is not free trade and it is not fair trade when we must compete with countries and foreign businesses that abuse their workers and ignore their obligations to the environment with impunity.

The proponents of this bill have said that this is the most progressive trade bill on the issues of labor and the environment ever to reach the Senate. I agree there is progress on some fronts, but I'm very disappointed that we didn't do more. It is clear that, before the Congress gives up much of its constitutional responsibility to regulate international commerce, much stronger safeguards must be put in place.

Labor rights protections must be a vital part of our international trading system. These protections help to lift the standards for workers around the world, and to help protect America's workers from unfair foreign competition. As we work with other nations to develop rules for the global economy, we can't create new rights for businesses and leave workers out in the cold.

By fighting for the rights of workers in our own country and around the world, we are representing the best val-

ues of the American people—that an honest day's work should receive an honest day's pay that workers deserve fairness in the workplace, fair pay and fair working conditions, and that workers are a resource to be supported, not a commodity to be abused.

I am very concerned this bill creates a dangerous double standard on the rights of corporations and the rights of workers. On the one hand, this bill directs the United States Trade Representative to encourage our trading partners to adopt U.S. standards of intellectual property law—the most complex and difficult patent laws to maintain and enforce in the world—and includes even stronger language on the enforcement of patent laws. If a trading partner fails to enforce the highest standards of patent law, retaliation would be swift and severe. While there is a place for intellectual property protections, especially with the acceptance of my amendment assuring access to life-saving medicines, the disparity with labor rights protections is astounding. If a trading partner fails to enforce its own labor laws, this bill clearly states that "no retaliation may be authorized." It is as if we're telling our trading partners we'll look the other way if they provide cheap, unregulated labor for corporations.

This is the wrong time for Congress to send that message to our trading partners. Today, workers around the world are facing unprecedented assaults on their basic rights. In Colombia, according to the Central Workers Union of that country, 160 trade unionists were murdered last year and 79 trade unionists disappeared.

In many other nations around the world, workers are prevented from meeting together freely or from joining together to form a union to advocate for their interests. Without these fundamental rights, workers in these nations are not truly free. We should be building a global economy in which children have the universal opportunity for education, rather than stolen childhoods filled with endless hours of toil for next to nothing.

Several key amendments strengthening the labor rights and environment protections in this agreement and enhancing trade adjustment assistance were defeated because of overwhelming Republican opposition. Vice President CHENEY broke a tie to prevent the Congress from helping workers displaced by trade to pay their mortgages. I'm very concerned with the message this sends—when it comes to protecting the interest of corporations, spare no expense. When it comes to protecting workers or their families, cause no expense.

Too often the current trading system enriches multi-national corporations at the expense of working families. To build a fair global economy, all parties to trade agreements should reaffirm their obligations and commitments under the International Labor Organization's Declaration of Fundamental

Principles and Rights at Work. Unless workers around the world have basic freedoms, such as freedom of association and the right to organize a union and bargain collectively, free trade will not be fair trade.

At the same time that we are encouraging the growth of global trade, we must take care of workers at home who are hurt from expanded trade. I am pleased that Senator BAUCUS and Senator GRASSLEY have provided trade adjustment assistance that includes essential health care subsidies for laid-off workers who otherwise could not afford to maintain their coverage. This assistance is a lifeline to workers who have lost their jobs through no fault of their own. We've tripled the job training funds. We have added wage insurance for older workers who are fortunate enough to find new jobs but forced to take a lower wage. This assistance is long overdue and it is right to include it in this legislation.

I am also pleased that the trade adjustment package will cover some secondary workers, but it is unfair that downstream workers have been excluded from this coverage. There is no good reason that workers who produce the finished product or package articles should be ineligible for trade adjustment assistance while workers who produce parts or work for supplier companies are covered. Both groups of workers are hurt by trade and need to feed their families.

Finally, this bill should have included actions to protect the health coverage of steel retirees. An estimated 600,000 steel retirees, widows and their families are now in jeopardy to lose their coverage because of growing trade imbalances. For decades, the steel industry has been a leader in the American economy. The cars we drive and the buildings we work in would not be possible without the backbreaking work of America's steelworkers. We must recognize the contribution of these workers to building America. We must not let them down in their hour of need. Hundreds of thousands of America's workers were promised decent health care by their companies in exchange for years of service in the workplace. The Mikulski amendment would have kept that promise, and it was wrong for Republicans to block this worthy proposal.

Earlier in the last century, many argued that labor rights were not the business of the national government. They were wrong. Without the basic labor protections of the New Deal, America's workers would be entirely at the mercy of corporations. Today, those who say that labor rights have no place in trade agreements are just as wrong. Unless we build a global economy that respects basic freedoms and labor rights, we are doing an enormous disservice to workers around the world.

We had a good deal of discussion over the course of these past days about the impact on workers at home and overseas. I will review for a few minutes

the plight of some of the workers at home and what I believe would have a much more favorable impact on their quality of life for themselves and their children. That is the increase in minimum wage, rather than this legislation. That is why I am strongly opposed to the legislation and why I regret very much we were unable to get an agreement by this body to address the issue of the increase in the minimum wage, which would be effectively \$1.50 over a 3-year period.

There was some discussion as the majority leader requested a unanimous consent agreement that we consider this legislation by the end of June. There was an objection made by the other side that this was somehow an idea whose time has come and gone. I was reviewing last evening the Republican Presidents who signed increases in the minimum wage law. President Eisenhower signed an increase in the minimum wage law. At that time it was not a partisan issue. It was basically, how much should the increase in the minimum wage be? President Nixon signed an increase in the minimum wage law. The first President Bush signed an increase in the minimum wage law, as a number of Democratic Presidents have, as well.

It is a time-honored issue that is not complicated. It is an issue we have looked at in the Senate on a number of different occasions.

The fact remains, if we fail to see an increase in the minimum wage, we will find we have slipped to virtually an all-time low in the purchasing power of the minimum wage. That is why I strongly support the efforts of our majority leader to ensure this body will have an opportunity to address this issue no later than the end of July—hopefully with the agreement of the other side; hopefully with the support of our colleagues on the other side.

We do have several Members on the other side who will support the increase. We should not be denied the opportunity to vote on this issue.

As we look down the road in terms of this issue, I remind our colleagues what we are facing in terms of the workers at the lower end of the economic ladder.

We will, in a very short period of time—July—also be looking at welfare reform. That raises the question about how we are going to free people from dependency to independence. It seems to me what we have seen from the period since the passage of the last welfare bill is if you make work pay, you are going to get individuals who are going into jobs. They are going to need skills, they are going to need some training, they are going to have to have assurances that they have some daycare for their children. They don't want to lose any health care if they are able to receive it. But fundamentally—you have to make work pay. That is what the minimum wage issue is really all about.

That is why its discussion now is important. As we are looking at the trade

bill, we hear a great deal about how this is going to improve the lot of workers at the lower part of the economic ladder. I daresay this legislation to guarantee an increase in the minimum wage will have a great deal more positive impact on their well-being.

This chart is about "Working Hard But Losing Ground, The Real Value Of The Minimum Wage." If you were looking at where its purchasing power would be in 1968, in today's dollars it would be \$8.14. We can see if we fail to act by next year, we will be right back to \$4.70. We have not increased it in the period of the last 6 years. Workers are working longer. They are working harder. I will point that out in just a moment. But these are the facts.

This chart, "All The Gains From The Last Increase," shows the gains in the last 6 years will be eaten away by inflation if we fail to act on this.

This chart shows what is happening in the minimum wage, and its relationship to the poverty line. As I have said many times, and as I believe the American people have demonstrated, they believe if people are going to work 40 hours a week, 52 weeks a year, they ought to have a livable wage. They should not have to live in poverty.

Americans understand fairness. When we look at this chart, what the poverty line is, and look at this other line indicating where the minimum wage is and how it has been falling, we can see individuals who work hard are still falling further and further below the poverty line, even though they are working, and working hard, trying to provide for themselves and provide for their families. The increase in the minimum wage can make a difference in the quality of life for those individuals.

The question comes up about what has been going on in the workplace. How about American workers? Let's look at this chart, "Poor Parents Working Harder Than Ever." This is a comparison of the total number of hours workers are working today to what they were working 20 years ago.

Look at this chart. This is the increased number of hours per year for workers who are in the lowest 40-percent income bracket of families with children—the lowest 40 percent of family incomes in the country.

This shows 416 hours for all workers in the lower income level, the lower 40 percent, with children. They are working 416 hours more now than they were working 20 years ago; white workers are 393; Hispanic, 477; African American are 531 hours.

Mr. REID. Will the Senator yield for a question?

Mr. KENNEDY. I will yield for a question.

Mr. REID. It is my understanding—I want to know if the Senator agrees with me—that 60 percent of the people who draw minimum wage are women, and 40 percent of those women, that is the only money they get for them and their families; is that true?

Mr. KENNEDY. The Senator is quite correct. This is a women's issue be-

cause the great majority, 60 percent of those who receive the minimum wage, are women. And over one-third of those women have children, so it is a children's issue. It is quality of life for children. It is a family issue. We hear a great many speeches around here with regard to family issues. This is a family issue.

I remind the Senator from Nevada about what is happening out there in the workforce. In the lower 40 percent, which includes the minimum wage, they are working harder, longer, more than at any time in the history of our country. It is 10 or 12 weeks, effectively—effectively 10 weeks longer than they were working 20 years ago.

Look at productivity. Let me bring this to the attention of our colleagues. This chart shows the increase in productivity. We will hear many of the arguments: The increase in wages ought to be related to the increase in productivity. If that was the test, we would have an increase in the minimum wage of much more than it is today, if it was directly related to productivity because of the increase in productivity of low-wage earners. But that is not where we are on this. It should be, but we are not there.

The arguments are always made on the impact on inflation. We can discount that.

The loss of employment, we can discount that.

But this shows what has been happening in the workforce, about minimum wage workers increasing their productivity. Generally, we have always thought wages ought to be somewhat related to increased productivity. If people are going to work harder, work longer, work more efficiently, they ought to be rewarded. That is an American value. That is understandable.

That may apply to some workers, but it doesn't apply to minimum wage workers. That is a matter that should be remedied and we are going to try to remedy that with our particular proposal.

Just to get back to what is happening in terms of workers working longer and working harder, this is a general profile. This is from the "Families And Work Institute and the Bureau of Labor Statistics." I will have printed in the RECORD the citations for all of this.

Workers now work more hours than workers in any industrial society—it is about 450 hours more than any other industrial society.

One in five Americans works more than 50 hours a week. If this trend continues, the average person will be working more than 60 hours per week in 20 years.

Half of young workers today say that not having enough time for family and work responsibilities is their biggest worry. These are young workers trying to raise their families, working longer and harder—increasing hours away from their families and children.

In addition to working longer hours in primary jobs, 13 percent of Americans are working a second job to make ends meet. The second jobs add an average of 13 hours to the work week. That is with regard to these minimum wage earners.

These are people, our fellow Americans, men and women of great dignity, who take pride in the jobs they are doing. All they want is respect for the jobs they are doing, and that is related to being compensated fairly and decently for their employment. This issue is about respect. This is about dignity of these working families. That is what this issue is all about.

This chart indicates that job growth continues even after the minimum wage is increased. We have heard these arguments. Let's look at what has happened to the increased minimum wage and what has happened to employment. This goes back to October 1996. This is just the jump in the minimum wage. The first increase was 50 cents. Then in 1997 it was 40 cents. You see the lines indicating the total number of Americans who are employed continues to increase. This is a false argument that suddenly we are going to lose jobs.

I want to bring this matter to the attention of our colleagues. Increasing the minimum wage by \$1.50 is vital to the workers but a drop in the bucket of the national payroll.

Look at this: Americans earn \$5.4 trillion a year. A \$1.50 minimum wage increase would be less than one-fifth of 1 percent of the national payroll.

We will hear all the argument that this is enormously inflationary, that it will have a disruptive effect in terms of the economy. It is one-fifth of 1 percent of the national payroll for these workers. But it is vitally important to these individuals who are receiving it because it makes all the difference in the world in terms of their quality of life.

I want to show what our proposed minimum wage is really all about. It is at a historic low. We have a proposal that will be phased in over a 3-year period—60 cents this year, 50 cents in 2003, and 40 cents for 2004.

Let us look at the proposal in relationship to the increases we have had since 1956. As this chart shows, this is a very modest increase in terms of the increases in the minimum wage.

All we are trying to do is restore the purchasing power for working families who receive the minimum wage back to where we were 6 years ago. It is very modest. At that time, it finally passed overwhelmingly here in the Senate after we had been debating it for about 2 years. But it finally passed at that time.

Our proposal is an extremely modest one. As I pointed out yesterday, it makes an enormous difference in terms of the lives of the people who are receiving this.

When the \$1.50 is totally phased in, it will amount to \$3,000 for a minimum wage family. It is the equivalent of 15 months of groceries, over 8 months of

rent, over 7 months of utilities, and full tuition for a community college degree.

That may not sound like a lot to Members of the Senate. It certainly doesn't sound like a lot for those individuals receiving this extraordinary tax break with the bill we passed, or who will be benefiting from the \$600 billion the President is requesting of the Congress even at this time in terms of the future. But it makes an enormous difference to those working families.

Mr. REID. Mr. President, will the Senator yield for a question?

Mr. KENNEDY. I yield.

Mr. REID. I listened to the Senator speak yesterday, and I heard one of the Senators on the other side of the aisle ask, Why doesn't the marketplace control this? Why don't we make it \$1 million an hour?

Does the Senator respond the same way I do, that if the marketplace controlled, there would be people making less money than the minimum wage today?

My father worked before labor unions were of any power in this country. I can remember him telling me he would go to a mine that was hiring. He would hear they were hiring. People were working for nothing basically. There would be a labor boss. The men would be standing there wanting a job. "I will take you. I will take you. And I will take you."

The marketplace really doesn't take care of the American worker. Will the Senator agree with me?

Mr. KENNEDY. The Senator is quite correct. We are talking about entry-level jobs. As I pointed out, it is primarily women who are in the market, maybe having a family and exiting the market, and trying to come in and provide for their family. They work hard. When we think about who these individuals are making the minimum wage, they are teacher's aides in the classrooms. We passed the Leave No Child behind legislation.

We are giving this focus and attention. We have a difference with the administration on funding levels of that legislation. We think we need to invest in our children as a national priority. But the fact is, when you have children in that classroom—this is related as well to what is going on in the classroom—it is not only about having a well-qualified teacher, but also it is about teacher's aides. Teacher's aides are the ones receiving the minimum wage.

Men and women who work in nursing homes look after parents who fought in our world wars and lifted the country out of the Depression—the great heroes of our time. You will find more often than not that people working in those nursing homes are working for minimum wage. These are people who are caring and, as I mentioned, have a sense of pride. They are the people who clean the buildings so American enterprise can flourish in the daytime. They

take tough, gritty jobs at nighttime in order to provide for their families. They are jobs in which men and women take a great deal of pride. They should be treated with respect and with dignity.

Let me point this out as a final chart. Speaker DENNIS HASTERT couldn't have said it any clearer on June 8 when he said:

Lawmakers ought to be able to keep up with the cost of living so they can take care of their families and provide for their families like everybody else does. I think that's the decent thing to do.

So do I. That is what this minimum wage is all about.

DENNIS HASTERT has the right idea. Let us be able to provide an increase in the minimum wage so people can deal with the cost of living which is eating away the increase we passed 6 years ago so the parents can take care of their families and provide for them as everyone else does. That is the decent thing to do.

That is what this issue is about. It is, as I said before, a women's issue, a children's issue, a civil rights issue, but most of all a fairness issue. Americans understand fairness. They understand that people working 40 hours a week, 52 weeks of the year, and even longer now, for the minimum wage ought not to have to live in poverty. Their children should not have to live in poverty. This country is a country of fairness and decency and justice. This is a defining issue, I believe, about economic justice in this country.

Mr. REID. The Speaker of the House of Representatives approximately a year ago was not talking about minimum wage workers. He was talking about Members of Congress. Is that right?

Mr. KENNEDY. The Senator is correct.

Mr. REID. What the Senator is saying is that if Members of Congress are entitled to a cost-of-living increase, shouldn't the minimum wage worker be entitled to a cost-of-living increase?

Mr. KENNEDY. I do not know how you would answer that if you voted no in terms of the increase on this minimum wage, particularly since we have had four increases for Members of Congress since the last increase in the minimum wage. They were accepted by the membership. Why would we begrudge nearly 9 million hard-working Americans across this country who are working hard to provide for their families their opportunity to take care of their families as Members of Congress do with theirs?

This is an issue we are going to talk about during the course of these next few weeks. We welcome the opportunity to debate it. We welcome the opportunity to vote on it. I am enormously grateful to the leadership, Senator DASCHLE and Senator REID, for their strong commitment in this undertaking, and our colleagues. We look forward to that debate and discussion at an early time.

I reserve the remainder of my time.

Mr. REID. Mr. President, will the Senator yield any time he has remaining?

Mr. KENNEDY. Yes. I yield such time as remains to the Senator from Nevada.

Mr. REID. Mr. President, if there is no Republican seeking recognition, 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.

Mr. REID. Mr. President, we will make arrangements with Senator SNOWE, who wishes to speak. She has time. The Republicans want her to use it; and we want her to use it, too. But in the meantime, we have Senator KENNEDY here.

I ask we go to the next matter, which is, by virtue of the unanimous consent agreement, now before us.

PUBLIC HEALTH SECURITY AND BIOTERRORISM PREPAREDNESS AND RESPONSE ACT OF 2002—CONFERENCE REPORT

The PRESIDING OFFICER. Under the previous order, the clerk will report the conference report.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3448), to improve the ability of the United States to prevent, prepare for, and respond to bioterrorism and other public health emergencies, having met, have agreed that the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment, and the Senate agree to the same, signed by all conferees on the part of both Houses.

The Senate proceeded to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of May 21, 2002, on page H2691.)

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, 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.

Mr. REID. Mr. President, I ask unanimous consent that the time for the quorum I suggest be charged evenly to both sides.

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

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. Without objection, the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. KENNEDY. Mr. President, as I understand, there is an hour and a half evenly divided; am I correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. KENNEDY. I yield myself such time as I might use.

Mr. President, today, the Senate considers historic legislation to enhance the Nation's preparedness for bioterrorism. This legislation has benefitted from the leadership of many Members of Congress on both sides of the aisle and on both sides of the Capitol. I thank all of our colleagues who have made such important contributions to this legislation. In particular, I commend my fellow conferees for their dedicated and effective leadership on this issue in the conference committee on this legislation. Under the skillful and effective leadership of our conference chairman, Representative BILLY TAUZIN, the conferees and their staffs have worked tirelessly to ensure that this legislation was completed in a timely manner, and I thank them for their efforts.

Our conference has reported legislation that will provide a historic \$4.6 billion investment to prepare the Nation to respond effectively to bioterrorism. This is the single greatest investment our Nation has ever made in public health.

Many members of the public had never heard of the word "bioterrorism" before the anthrax attacks of last fall showed us all how chillingly vulnerable we are to this new form of terrorist attack. But bioterrorism was a challenge that our committee had addressed long before the terrible events of September 11 and the anthrax attacks of October.

In 1998, my colleague, Senator BILL FRIST, and I began to assess the Nation's preparedness for the new challenge of bioterrorism. We learned of the terrible loss of life that could result from a major attack using anthrax, Ebola, smallpox or some other deadly biological weapon. In the Armed Services Committee, my colleagues and I learned that biological weapons engineers in the former Soviet Union had conducted chilling experiments to make these already deadly pathogens yet more lethal through genetic engineering.

Our committee learned that our Nation's preparedness for the threat of bioterrorism was dangerously inadequate. Supplies of vaccine against smallpox were decades old and insufficient to protect the entire US population. We also learned that more and more germs were becoming resistant to the antibiotics doctors rely on to treat dangerous infections. The Nation's public health agencies were underfunded and understaffed. Rapid commu-

nication of information about dangerous disease outbreaks is an essential part of a national bioterrorism response yet many public health agencies lacked equipment as basic as a fax machine or an e-mail account.

To address these grave deficiencies in our Nation's response to bioterrorism and other public health emergencies, Senator FRIST and I—together with many of our colleagues in the Senate—introduced The Public Health Threats and Emergencies Act of 2000. Congress approved this legislation later that year.

The act was the basis for the infusion of needed resources that were provided to help prepare for bioterrorism in the supplemental appropriation at the end of last year. I commend my colleagues on the Appropriations subcommittees, Senator HARKIN, Senator INOUE and Senator SPECTER, and our distinguished chairman and ranking member of the Appropriations Committee, Senator BYRD and Senator STEVENS, for their vision and leadership in recognizing the needs of the Nation for bioterrorism preparedness, and for providing the funds that will help our Nation prepare for this threat. I look forward to working with these distinguished colleagues on our supplemental appropriation and on funding for the initiatives authorized in the conference report for fiscal year 2003.

I wish I could say that all the deficiencies that Senator FRIST and I learned about in 1998 have been put right. Sadly, I cannot. But we have made a good start. Public health and laboratory personnel have received intensive training in identifying biological weapons. The laboratory technicians who identified the cause of the mysterious illnesses in Florida as anthrax had recently received such training. Without that preparation, it is impossible to know how long the anthrax attack would have gone undetected.

Our legislation authorized rebuilding of CDC's dilapidated and obsolete facilities in Atlanta. In 1998, we found that the laboratories and facilities of the CDC were in a shocking state of disrepair. Ceilings leaked onto sensitive equipment. Offices were scattered across Atlanta, requiring scientists to spend time fighting traffic when they should be fighting disease. Our legislation authorizes the funds needed to complete the CDC's building plan.

No Member of this body has been a more forceful and dedicated advocate for the CDC than my good friend, Senator MAX CLELAND. He has spared no effort in his determination to enhance the ability of CDC to improve the health of every American. He was one of the original sponsors of the legislation the Congress enacted 2 years ago to improve the CDC, and his leadership has been indispensable in including provisions to enhance CDC in the conference report. His vision and leadership has enabled CDC to become a magnet for new health care companies in

Atlanta, and he has been a guiding force in the development of a new business park. Through these tireless efforts, CDC has contributed not only to the Nation's health, but to the economy and prosperity of Atlanta and the entire State of Georgia. Senator CLELAND's leadership has been instrumental in adding over \$300 million for CDC facilities to the supplemental appropriation.

Public health agencies have received new funds to invest in better training, improved laboratory equipment and modern communications technology. Medical researchers are using the tools of this new century of the life sciences to discover better ways to prevent or cure deadly infections.

We have come a long way since 1998, but we still have far to go. Too many communities are still underprepared for bioterrorism. Too many hospitals—crippled by savage cutbacks in their funding under Medicare and Medicaid—cannot make the investments needed to prepare for bioterrorism. Too many Americans are still at risk.

The conference report that the Senate is considering today expands and extends the legislation approved 2 years ago so that we can build on the progress we began in 1998.

The keys to responding effectively to a bioterrorist attack lie in three concepts: detection, treatment, and containment.

Detecting an attack is the key to containing it. Initiatives authorized in the conference report will improve the training of doctors to recognize the symptoms of a bioterrorist attack, so that precious hours will not be lost as doctors try to diagnose their patients. The report will accelerate development of new methods for disease surveillance, using modern information technology to provide real-time reporting of disease outbreaks. The report will also provide public health laboratories with the training, the equipment, and the personnel needed to identify biological weapons as quickly as possible.

Once an attack has been identified, we must have adequate medical supplies to contain it and treat its victims. The conference report requires the production of enough doses of smallpox vaccine to meet the needs of every American, so that the Nation will be protected if our enemies ever unleash this ancient plague. The legislation also enhances Federal stockpiles of pharmaceuticals, vaccines and other medical supplies that can be brought to the aid of communities affected by terrorism, as was done by Secretary Thompson so swiftly and effectively in the terrible aftermath of the attacks on New York and the Pentagon.

Bioterrorism is a threat to the entire Nation and it demands a national response. Our legislation authorizes \$1.6 billion in grants to states to enhance bioterrorism preparedness in every state in the nation. The conference report also sets aside \$520 million to enhance hospital preparedness for bioter-

rorism. Since bioterrorism will affect entire communities, our legislation encourages hospital planning to be integrated with community-wide planning by funding partnerships between hospitals and state or local governments. Our legislation also includes a proposal made by my friend, Representative ED MARKEY, to provide needed medications to communities living in the shadow of nuclear power plants.

The report will enhance preparedness for bioterrorism at the national, state and local levels. Because of the initiatives we approve today, American families can go to sleep tonight knowing that their security will be enhanced.

Title II of the conference report provides important, new protections against the misuse of dangerous pathogens like anthrax. These provisions are a decisive step forward for the security of our country. Once implemented, they will assure greater certainty over the possession and use of the substances which cause anthrax, plague and botulism.

Ever since the attacks using anthrax in the fall, our country has been trying to figure out how this could have happened. And we have learned that we don't even know who possesses anthrax in the United States. In response, and through the leadership of Senators FEINSTEIN, HARKIN, and DURBIN, we've added significant new authority for the CDC and the Department of Agriculture to oversee the possession of anthrax and other dangerous biological agents that could be used to harm our citizens or agriculture.

Laboratories will now have to register to possess such materials, and they will have to meet guidelines to ensure the safety and security of these materials. Individuals who work with these materials in labs will now be screened to see whether they are terrorists or might otherwise put the agents to criminal use.

Most importantly, we have enhanced the controls on these materials while preserving the ability to pursue legitimate research—research that will produce the treatments, vaccines, and tests that will protect us from these biological agents, should they ever be used against us.

In light of the anthrax attacks, we have become increasingly concerned that terrorists could use food as a delivery vehicle for one of these agents, or that terrorists could attack with biological agents capable of crippling or destroying our food supply and our agricultural economy. And so, we have given the FDA more funding and substantial new authority to protect the food we eat, and the USDA more funding to enhance the security of the food supply and agribusiness.

I am proud of these accomplishments. In the hands of the FDA, these provisions will be at work every day to better protect the health and safety of Americans. They will prevent deliberate attacks on our country, and they will help reduce our country's epidemic

of foodborne illness. By some estimates, contaminated food in our country causes 76 million illnesses, 325,000 hospitalizations, and 5,000 deaths each and every year.

For many years, Senators CLINTON, DURBIN, MIKULSKI and REED have understood this problem and have long championed strong, new food safety authority and resources for the FDA. Senator DURBIN has made this a top priority throughout his congressional career in both the House and Senate. For years, Senator MIKULSKI and I have sought new authorities over imported foods.

Thanks to the provisions in this legislation, the American public will greatly benefit from what has been rightly described by the New York Times as "the most significant expansion of federal authority over the food industry in more than six decades."

FDA will have new authority to prevent unsafe food from entering the country, new authority to inspect food records and require additional records to assist in tracing the origins of foodborne illness, and new authority to register food manufacturers. And we've provided for grants to States for food inspections and for surveillance and detection of outbreaks of foodborne illness.

FDA also has more authority to track imported drugs, and authority to monitor more closely bulk ingredients of drugs, medical devices, and foods that are imported for export to ensure that these products are not diverted into domestic commerce.

Just as we have focused attention on securing our Nation's food supply, Senator JEFFORDS has led our efforts to secure our Nation's water supply. Thanks to Senator JEFFORDS' patient and deliberative efforts, this legislation will better protect the American public. As chairman of the Environment and Public Works Committee, our colleague worked closely with the ranking member, Senator BOB SMITH, on provisions to anticipate and prevent vulnerabilities in our water supply. Their careful work will fund and enable community water systems across the country to assess their vulnerabilities, address immediate and urgent security needs, and carefully plan for potential terrorist attack.

I am also happy to note that the conference report includes S. 1275, "The Community Access to Emergency Defibrillation Act" authored by myself and Senator FRIST. This important legislation has the demonstrated potential to save two of thousands of lives annually and is strongly endorsed by the American Heart Association.

I am very pleased we have reauthorized the Prescription Drug User Fee Act, PDUFA, for the second time. When I authored the Prescription Drug User Fee Act of 1992 with Congressmen DINGELL and WAXMAN and Senator HATCH, I hoped this law would provide urgently needed funds to the Food and Drug Administration to speed the review of new drugs. Before user fees

were enacted, FDA was short staffed and underfunded. Every beneficial drug delayed because FDA had insufficient staff to act promptly represented a therapeutic opportunity denied to patients and consumers.

The past decade has more than fulfilled my hopes and expectations. The FDA has done a remarkable job of reviewing new drugs in a rapid but deliberative manner. Patients have benefited from the agency's dramatic success in speeding drug reviews, and this legislation promises to continue this track record of success.

At the same time that speedier approvals have benefitted patients, there have been growing concerns over whether faster speed to market for drugs has come with heightened risks to patients. The fact that more new drugs have reached American consumers first in the world means they are also the first to be exposed to new risks and new safety concerns. A recent Pulitzer Prize-winning investigation by David Willman of the Los Angeles Times documented the urgent need to balance rapid approval of drugs with an equal commitment to assuring safety.

This concern is substantiated by a recent General Accounting Office study which I requested on the user fee program. According to GAO, the proportion of safety-related drug withdrawals has increased for drugs approved under PDUFA II compared to drugs approved under the first PDUFA. While only 1.6 percent of drugs approved from 1993 through 1996 were withdrawn for safety reasons, over 5 percent of drugs approved from 1997 through 2000 were withdrawn due to safety. While the number of drugs involved is still small only seven in the latter period compared to two in the earlier period—this report is still an important caution and a substantial increase in our investment in drug safety is warranted.

These are the issues I have shared and discussed for years with patient advocates, consumer groups and independent scientists. And for many years, I have made clear that we must restore public confidence in the FDA's stewardship of prescription drugs. Our dramatic investments in drug reviews had to be matched by a corresponding renewal of effort in post-marketing surveillance and drug safety. Anything less would only serve to cast doubts on the integrity of FDA's regulation of drug safety.

In the past year, our committee, including Senators REED, CLINTON, BINGAMAN, MIKULSKI, HARKIN, DODD, and EDWARDS, worked closely with the Patient and Consumer Coalition and with independent drug safety experts to develop solutions. We found that our concerns were shared by our colleagues in the House, including Congressmen DINGELL, BROWN, WAXMAN AND STUPAK. Throughout congressional deliberations on the reauthorization of prescription drug user fees, we agreed upon the need for additional resources and stronger authorities for FDA.

While it is important for us to bring drugs to market quickly, we agreed that this redoubles our obligation to assure the safety of those drugs.

Today, I am happy to say that is precisely what we have accomplished in this legislation.

First, the FDA's performance goals relating to the speed of approval have not changed. The many review staff hired by FDA with user fees can continue to scrutinize the safety of drugs seeking approval. The increased fees in the new agreement will be used not to further accelerate the approval of drugs, which is already the fastest in the world, but to assure that the studies underlying drug applications are given the most careful possible scrutiny to assure that the drugs are in fact safe and effective.

The public and my colleagues in the Senate should also understand that the performance goals contained in all of the PDUFA agreements are not goals for the approval of new drugs; rather they are goals for the timely review of new drugs. FDA meets these goals whether or not the agency approves or denies approval of a drug.

Best of all, I want my colleagues to know that this reauthorization is a tremendous accomplishment where drug safety is concerned. We will increase FDA's drug safety spending by over 80 percent over the life of this user fee agreement. With FDA's annual drug safety activities currently funded at \$36 million, this legislation will ensure an increase of \$29 million in the fifth year of this agreement, for a total of \$65 million in annual drug safety funding at FDA.

To achieve this goal, we have made a fundamental change to how user fees are used. The user fee agreement includes a dramatic funding increase of \$76 million over five years for FDA to plan, execute and fund drug safety "risk management" activities for newly marketed drugs. While these activities would be limited in scope and duration, FDA will be able to greatly expand its focused scrutiny of these drugs.

But in order to give FDA greater freedom of action, we have also mandated substantial funding increases for the agency's Office of Drug Safety. In fiscal year 2003, the Office will receive an additional \$5 million, and an additional \$10 million in fiscal year 2004, with increases assured in subsequent years. Since these funds will be drawn from FDA's appropriations, Congressman TAUZIN, my fellow conferees and I are committed to doing all that is necessary to ensure that these are new funds and will not be cannibalized from FDA's other essential programs and activities.

We have made other important steps to advance public health and safety. In response to the explosion of direct-to-consumer drug advertising, we have authorized an additional \$27 million over five years for FDA's scrutiny of drug advertising and promotions. In re-

sponse to delays in generic drug approvals, some of which arise from anti-competitive practices by the brand-name drug industry, we have authorized an additional \$45 million over five years for FDA's Office of Generic Drugs to ensure that generic drugs reach the public more quickly.

We have also squarely addressed a persistent problem with the prescription drug industry. For years, drug companies would promise to complete post-market, or phase IV, clinical trials to answer important questions about their products. These commitments paved the way for reaching the market earlier. In the case of fast track drugs and drugs approved through the accelerated approval, these trials were mandatory. Yet many companies have failed to begin or complete these trials. And to respond, FDA's only—and usually unacceptable—recourse would be to withdraw a drug for market.

The industry's track record has been disappointing. According to the FDA, since 1998, only four of 109 post-market commitments have been fulfilled for fast track drugs. Only a quarter of the industry's commitments for standard drugs since 1991 have been fulfilled. And only a third of its commitments for accelerated approval drugs since 1992 have been fulfilled.

Five years ago, I urged the adoption of new authorities for FDA to enable the agency to bring these companies into compliance with the law and to ensure these essential trials are conducted in a timely way. I am very pleased that this legislation includes new authority for the FDA to publicize the failure of companies to fulfill their legal obligations to complete post-market studies. FDA will publicize such failures through their website, through 'dear prescriber' letters, and public statements on the late, uncompleted studies and the resulting, unanswered questions of clinical benefit and safety. I am hopeful that the FDA will be able to employ these new tools to bring about more responsible conduct by the industry, and consequently resolve unresolved questions of drug safety and efficacy.

I am disappointed that some of my colleagues objected to addressing in this legislation a crucial priority for children's health. The FDA has a Pediatric Rule that requires a company, before approval of a drug, to study in children the use for which approval is sought in adults. It also gives FDA the authority to require, in certain circumstances, that drugs that are already marketed be studied for their approved use in children. The Pediatric Rule has always served as a complement to pediatric exclusivity, which we recently reauthorized in the Best Pharmaceuticals for Children Act.

But today, the Rule is being challenged in court by parties who believe the drug industry should be free to decide when or whether to determine their drugs are safe and effective for

children. The Rule was recently threatened with withdrawal, but the Administration reconsidered this ill-advised step.

That is why a clear signal must be sent. This research is of critical importance to children. Without the Rule, less of this research will be conducted. And some products, such as biologicals, will not be studied at all.

With my colleagues, Senators CLINTON, DODD and DEWINE, I intend to pursue this issue in the coming months. We cannot afford to compromise the health of our children with half measures.

Finally, I am disappointed that we could not reach agreement on legislation enacting medical device user fees. In 1994, I introduced such legislation with Congressmen DINGELL and WAXMAN. But dissension within the device industry prevented us from enacting this important reform. Since then, the FDA Center for Devices and Radiological Health and suffered severe losses in its budget and staffing. Its staff has shrunk by almost eight percent since 1995 and it has effectively lost more than \$34 million in its base funding.

With support of my colleague, Senator GREGG, we urged the FDA and the device industry to seek agreement on performance goals and fees. And to their great credit, the FDA and the industry reached agreement. But some in the device industry insisted on including extraneous proposals that could not be worked out in the limited time available.

Medical device user fees are a win for patients, the industry and the FDA. That is why I am committed to achieving a consensus on this issue. I believe that we can enact such legislation, so long as we can dispense with extraneous controversies and focus on the common goals of restoring the resources of FDA's device center, establishing reasonable performance goals for device reviews, and assuring that safe and effective devices are approved in a more timely manner.

The timely completion of the conference report would not have been possible without the hard work of the many staff members who worked on this important legislation. I particularly want to thank Bill Baird of Senate Legislative Counsel and Pete Goodloe of House Legislative Counsel. Both of these dedicated professionals worked many long, late hours and met many tight deadlines to allow this report to be completed.

I want to also thank Patrick Morrissey, Tom DiLenge, Brent Delmonte, Amit Sachdev, Bob Meyers and Nandan Kenkeremath from Congressman TAUZIN's staff; Katy French, Vince Ventimiglia, and Steve Irizarry from Senator GREGG's staff; Adam Gluck, Eric Juzenas, and Lowell Ungar with Senator HARKIN; Rhonda Richards with Senator MIKULSKI; Alison Taylor, Jo-Ellen Darcy, and Sean Donohue with Senator JEFFORDS; Deb Barrett

and Jim Fenton with Senator DODD; Shana Christrup, Helen Rhee and Dean Rosen from Senator FRIST's staff; John Ford, David Nelson, Edith Holleman, Bridgett Taylor and Dick Frandsen from Congressman DINGELL's staff; Karen Nelson, Ann Witt and Greg Dotson with Congressman WAXMAN.

On my own staff, I want to thank David Bowen for his outstanding work on all aspects of the bioterrorism issue. He has been tireless and insightful and I know everyone involved in this effort appreciates his work.

I also want to thank Paul Kim and David Dorsey for their extraordinary efforts to assure protection of our food and water supply, as well as providing better security for potentially dangerous bio-materials in our nation's laboratories. They also worked very hard to assure that the Prescription Drug User Fee Agreement was a step forward for every patient in this country.

David Nexon, my Health Staff Director, brought his usual energy and commitment to the effort. Michael Myers, the Health, Education, Labor, and Pension Committee Staff Director, kept his hand on the tiller throughout.

The conference report is a landmark in our national response to terrorism and the security threats of this new century. Congress today sends the message in one unified and clear voice that this nation will not remain unprepared for the threat of bioterrorism. The front lines in the new war against bioterrorism will be our health care system. Today we take a historic step forward in preparing America's health care professionals to win the war against bioterrorism.

AMENDMENT NO. 3462, AS MODIFIED

Mr. KENNEDY. Mr. President, I ask unanimous consent that the Corzine amendment No. 3462 be modified with the language at the desk; further, that the amendment be agreed to, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER (Mr. CARPER). Is there objection? Without objection, it is so ordered.

The amendment (No. 3462), as modified, is as follows:

Beginning on page 208, beginning on line 4, strike all through page 211, line 19, and insert the following:

SEC. 1143. BORDER SEARCH AUTHORITY FOR CERTAIN CONTRABAND IN OUTBOUND MAIL.

(a) IN GENERAL.—The Tariff Act of 1930 is amended by inserting after section 582 the following:

“SEC. 583. EXAMINATION OF OUTBOUND MAIL.

“(a) EXAMINATION.—

“(1) IN GENERAL.—For purposes of ensuring compliance with the Customs laws of the United States and other laws enforced by the Customs Service, including the provisions of law described in paragraph (2), a Customs officer may, subject to the provisions of this section, stop and search at the border, without a search warrant, mail of domestic origin transmitted for export by the United States Postal Service and foreign mail transiting the United States that is being imported or exported by the United States Postal Service.

“(2) PROVISIONS OF LAW DESCRIBED.—The provisions of law described in this paragraph are the following:

“(A) Section 5316 of title 31, United States Code (relating to reports on exporting and importing monetary instruments).

“(B) Sections 1461, 1463, 1465, and 1466, and chapter 110 of title 18, United States Code (relating to obscenity and child pornography).

“(C) Section 1003 of the Controlled Substances Import and Export Act (relating to exportation of controlled substances) (21 U.S.C. 953).

“(D) The Export Administration Act of 1979 (50 U.S.C. App. 2401 et seq.).

“(E) Section 38 of the Arms Export Control Act (22 U.S.C. 2778).

“(F) The International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.).

“(b) SEARCH OF MAIL NOT SEALED AGAINST INSPECTION AND OTHER MAIL.—Mail not sealed against inspection under the postal laws and regulations of the United States, mail which bears a Customs declaration, and mail with respect to which the sender or addressee has consented in writing to search, may be searched by a Customs officer.

“(c) SEARCH OF MAIL SEALED AGAINST INSPECTION WEIGHING IN EXCESS OF 16 OUNCES.—

“(1) IN GENERAL.—Mail weighing in excess of 16 ounces sealed against inspection under the postal laws and regulations of the United States may be searched by a Customs officer, subject to paragraph (2), if there is reasonable cause to suspect that such mail contains one or more of the following:

“(A) Monetary instruments, as defined in section 1956 of title 18, United States Code.

“(B) A weapon of mass destruction, as defined in section 2332a(b) of title 18, United States Code.

“(C) A drug or other substance listed in schedule I, II, III, or IV in section 202 of the Controlled Substances Act (21 U.S.C. 812).

“(D) National defense and related information transmitted in violation of any of sections 793 through 798 of title 18, United States Code.

“(E) Merchandise mailed in violation of section 1715 or 1716 of title 18, United States Code.

“(F) Merchandise mailed in violation of any provision of chapter 71 (relating to obscenity) or chapter 110 (relating to sexual exploitation and other abuse of children) of title 18, United States Code.

“(G) Merchandise mailed in violation of the Export Administration Act of 1979 (50 U.S.C. App. 2401 et seq.).

“(H) Merchandise mailed in violation of section 38 of the Arms Export Control Act (22 U.S.C. 2778).

“(I) Merchandise mailed in violation of the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.).

“(J) Merchandise mailed in violation of the Trading with the Enemy Act (50 U.S.C. App. 1 et seq.).

“(K) Merchandise subject to any other law enforced by the Customs Service.

“(2) LIMITATION.—No person acting under the authority of paragraph (1) shall read, or authorize any other person to read, any correspondence contained in mail sealed against inspection unless prior to so reading—

“(A) a search warrant has been issued pursuant to rule 41 of the Federal Rules of Criminal Procedure; or

“(B) the sender or addressee has given written authorization for such reading.

“(d) SEARCH OF MAIL SEALED AGAINST INSPECTION WEIGHING 16 OUNCES OR LESS.—Notwithstanding any other provision of this section, subsection (a)(1) shall not apply to mail weighing 16 ounces or less sealed against inspection under the postal laws and regulations of the United States.”.

(b) CERTIFICATION BY SECRETARY.—Not later than 3 months after the date of enactment of this section, the Secretary of State shall determine whether the application of section 583 of the Tariff Act of 1930 to foreign mail transiting the United States that is imported or exported by the United States Postal Service is being handled in a manner consistent with international law and any international obligation of the United States. Section 583 of such Act shall not apply to such foreign mail unless the Secretary certifies to Congress that the application of such section 583 is consistent with international law and any international obligation of the United States.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), this section and the amendments made by this section shall take effect on the date of enactment of this Act.

(2) CERTIFICATION WITH RESPECT TO FOREIGN MAIL.—The provisions of section 583 of the Tariff Act of 1930 relating to foreign mail transiting the United States that is imported or exported by the United States Postal Service shall not take effect until the Secretary of State certifies to Congress, pursuant to subsection (b), that the application of such section 583 is consistent with international law and any international obligation of the United States.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, I thank the Senator from Massachusetts for his exceptional leadership on this piece of legislation, along with the many members of the committee I have worked with and about whom I will talk later on as I discuss the implications of this piece of legislation. Also, I thank our House colleagues who produced an excellent bill on their own. As a result, we were able to merge the best of the two which, I believe, produce a superb package, although lacking in a couple of items, as alluded to by the chairman of the committee.

It is basically an extremely positive package, and it puts us well down the road to addressing what is clearly one of the most threatening situations we have as a society, and that is the capacity of those who wish us ill—and, regrettably, there are a number of people and organizations in this world who wish us ill and would use weapons of mass destruction against us, which would include biological warfare.

We saw, of course, the devastating impact of a biological event with the anthrax incident, and the President has been speaking about this as he has been moving through Europe on his trip, that some nations in this world are continuing to develop biological weapons and may be making those weapons available to terrorists.

We as a nation, whether we like it or not, have to get ready to confront this threat. This bill will do a great deal to put us in a position to accomplish that.

The bill is structured around a variety of points, and I will go into them in specific detail, but the concept of the bill is basically to significantly improve our Federal capability to deal with a biological event and prepare ourselves with adequate vaccines and adequate research in the area of devel-

oping vaccines to confront bioterrorism and, at the same time, look to the local communities and the States and significantly improve the public health capability of the States and the local communities so that they, as the first responders, will be able to manage an event should the worst occur, and we will be able to deal with it in an effective and prompt way.

The bill makes a significant commitment of resources well beyond what we had anticipated making when we started down this road but which are necessary. In this war on terrorism, we cannot look at pricetags, we must look at results. It is going to cost a great deal to accomplish the results we need.

This bill, although long-awaited, will definitely better prepare this Nation to respond to attacks which use biological, chemical, or other weapons of mass destruction.

The bill provides grants to States and local public health agencies to assist in preparing for a biological terrorist attack. With these resources, unlike prior law, even small States such as New Hampshire are assured the ability to prepare and respond to a bioterrorist attack or other public health emergency.

Because of the importance of State preparedness and the amount of resources that have been provided, I intend to play an active role in making sure these funds are not just received by hospitals and State and local governments but that they are well spent for the benefit of the American citizenry.

An important part of this bill is ensuring that the funds are spent consistent with a State's bioterrorism plans. In addition, we have already begun oversight of the program and look forward to working with the administration and grant recipients as work under the grants begins in earnest.

Further, under section 102, we will help ensure effective communication and cooperation among the State, local, and Federal agencies by creating a new Assistant Secretary for Public Health Emergency Preparedness at HHS.

Also, the volunteer spirit has always been alive and well, especially in New Hampshire, and I am pleased this conference report includes several provisions which are designed to facilitate voluntarism in preparing for public health emergencies and especially bioterrorism emergencies.

Title I also includes a number of provisions intended to further speed life-saving products to citizens before we are faced with another serious threat of bioterrorism.

Section 121 ensures that stockpiles of products are improved immediately so that there is an adequate supply to protect our citizens from bioterrorism and other threats. This year we provided the funding necessary to fulfill this commitment, and the Secretary is directed to improve not just the stock-

pile contents but the supply chain management of and local access to products.

The bill improves the Secretary's authority to, one, prioritize and do research on new vaccines and therapies; two, rely on all available forms of proof of safety and effectiveness, including animal trials; and three, accelerate approval of these products. This is absolutely critical if we are to be prepared with adequate vaccines to make sure our citizenry is protected.

Title II includes the expanded Gregg-Feinstein provisions initially passed by the Senate late last year as part of the appropriations legislation.

As the recent anthrax attack has suggested, current authorities have been inadequate to ensure the Government can track the use of biological agents and toxins such as anthrax and botulinum toxins, West Nile virus, and the like, and to protect against their misuse.

The bill makes critical improvements in the Secretary's ability to identify who is handling and doing research with these agents and toxins, to ensure they are qualified to handle these agents, and to ensure they are not restricted due to inappropriate background or current intent.

The bill also ensures that universities, laboratories, and agencies working with these agents are registered, appropriately qualified, and have adequate security in place.

Many of these agents are used in important research or for important therapeutic purposes in animals and humans. These uses must remain protected and promoted even as we protect the public from their misuse. The bill ensures important exemptions, for example, for FDA-approved products using or investigating these agents or toxins.

Title III of the bill provides the FDA with additional inspection, record-keeping, and detention authority to ensure the safety of America's food and drug supply and increases the number of FDA food inspectors. Senator KENNEDY spoke about this at some length.

The bill also improves our capacity to prevent, detect, and respond to an attack on American farmers, livestock, and poultry producers, and certainly Senator ROBERTS deserves great credit for that. I know he is going to be speaking in a few minutes.

Finally, it provides funds to community drinking water systems to allow them to assess any possible vulnerabilities and to institute measures to prevent tampering. Many have been concerned about having these vulnerability studies go to the EPA which does not have a solid track record of maintaining control over sensitive information. We must ensure that the EPA allocates resources and institutes procedures designed to prevent this information from falling into the wrong hands. It would do no good for us to develop these studies and then find that terrorists had been able to use these studies against us.

Conferees also succeeded in reauthorizing PDUFA, which has already been mentioned by the chairman, which has so successfully ensured patients timely access to safe, effective, and lifesaving drugs. By collecting fees from pharmaceutical companies, FDA can hire additional reviewers and support staff and speed the drug review process without compromising safety or review quality.

Under the agreement, the amount of funding FDA receives under the program will increase by over 28 percent, and in today's deficit environment this will be of significant assistance. Voluntary user fees are substantial and essential sources of revenue that the agency cannot afford to lose.

I am concerned, however, that this bill does not include some of the following items that are particularly critical to the ability of this country to rapidly prepare for, detect, or respond to biological threats, including anthrax, smallpox, and botulism.

In the antitrust area, the Senate bill included a bipartisan consensus provision supported by the Judiciary Committee that would extend protection to manufacturers of vaccines and their therapies for bioterrorism agents when the companies were engaged in discussions with the Secretary over how best to meet the unmet needs of the United States.

It is critical these companies be able to discuss frankly with the Secretary their capacities and their strengths so that they can have rapid research and develop new vaccines and drugs that protect us against bioterrorism acts. This provision was, regrettably, dropped in conference over my strong objection. I will continue to press for it in other arenas.

In many critical respects, this Nation remains unprepared for bioterrorism threats simply because the threat of unreasonable and abusive lawsuits has kept good ideas and good products from being available to our citizens. Examples include decontamination services and cleanup services for contaminated worksites, unavailable because of a threat a lawyer might sue the company.

Lifesaving vaccines also remain undeveloped for these same reasons. Respirator manufacturers risk the threat of suit when volunteers misuse a mask in the midst of the chaos during a crisis.

I intend to work for a solution this year with many of my colleagues who have expressed support for reasonable liability protections so we can bring on to the market the necessary devices and vaccines in order to address these needs and make sure our marketplace is able to respond effectively to the threat.

Finally, I note my disappointment that the final package did not include critical new user fee programs for the FDA's device on animal drug centers and accompanying reforms that would dramatically improve regulation of those products. These programs and re-

forms are essential to ensuring that our Nation continues to be the leader in developing lifesaving therapies and technologies.

However, I am heartened by the extraordinary bipartisan, bicameral support demonstrated for those provisions during the conference. I look forward to working with my colleagues, particularly Senator DODD, Senator HUTCHINSON, and Senator KENNEDY, in the development of a strong user fee and reform package. I understand the House intends to move this separately, and certainly I hope we will be able to do the same in the Senate.

There are a lot of people who worked very hard on this bill to make it a success. Certainly Senator KENNEDY was a leader, and he is to be congratulated for his foresight in this matter. Senator FRIST, whose knowledge in this area is unique and brings so much to the table in the Senate, was a major player in designing much of this bill; Senator ENZI and Senator TIM HUTCHINSON for their critical role in ensuring the capacity of all States, but especially rural States, to have capacity to prepare for attacks. Senator SUSAN COLLINS played a critical role in developing the Senate food supply safety provisions, a role reflected in a long history working to pass such legislation. Senator HUTCHINSON also played the single most critical role in the provision protecting America's agricultural livestock and poultry provisions. His animal enterprise provision, which will protect our folks working on the next generation of lifesaving vaccines and medicines, is absolutely essential.

I am also pleased with the inclusion in this bill of so much of Senator HUTCHINSON's legislation concerning improvement in the ability to bring antibiobioterrorism products to the American citizen; Senator SESSIONS for his tremendous effort with regard to the minor use, minor species provisions, which would have provided safe and effective drugs for minor animal species for which therapies are currently unavailable.

Unfortunately, this provision was not included in the final bill, but it is sound policy and I will continue to support his efforts and to pass this legislation; Senator ROBERTS whose attention to the issue of farm policy and the effect of bioterrorism issues relative to our farm community was absolutely critical to the design of this bill.

At a staff level, I have an exceptional staff. They have worked thousands of hours, days and nights, and I thank them very much. Vince Ventimiglia, Steve Irizarry, and Katy French did a superb job. I also thank the majority staff led by David Nixon, and the many people he has working with him. Also, I thank Dean Rosen on Senator FRIST's staff.

I yield 10 minutes to the Senator from Kansas, Mr. ROBERTS.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mr. ROBERTS. I thank the Senator for yielding. The completion of the

Bioterrorism Preparedness Act conference report, in my view, represents an absolutely vital and significant step forward for our Nation as we work to protect ourselves from any kind of a terrorist attack involving bioterrorism.

I also had the privilege of being chairman and now ranking member of the Emerging Threats Subcommittee of the Armed Services Committee. We had witness after witness and commission after commission. We asked them: What keeps you up at night? Each and every time when we tried to prioritize the threat that faced this country, bioterrorism was listed as No. 1.

I thank Senator KENNEDY for his leadership with regard to this bill. I echo the comments by Senator GREGG, who has been extremely helpful and led the effort on our side. I especially thank Senator FRIST whose expertise and leadership with the Centers for Disease Control and the Department of Health and Human Services, plus his personal expertise, is second to none. If he is not the godfather of this bill, he is indeed the godprince. So I thank him for those efforts.

This bill also represents a significant advancement in helping to protect agriculture and our Nation's food supply from a possible agroterrorist attack. The legislation contains language based on numerous provisions I introduced in the bill some time ago. It was called the Biosecurity for Agriculture Act. I think that was last fall.

Specifically, the bill provides funding authorization for \$190 million for expanded agroterrorism research in 2002 and such sums as necessary in the future years.

This language will allow us to significantly expand our research capabilities to deal with these threats. It will allow us to expand existing research partnerships between the Department of Agriculture and many of our land grant universities to develop first-responder capability in case we have an agroterrorist attack. It is going to create many additional partnerships. It will increase the coordination between the Department of Agriculture and the intelligence community, and undertake research to develop what we call rapid field test kits that will allow us to make a determination of the possible introduction of any pathogen or disease within minutes or hours instead of days or weeks, as often occurs, as of today.

In addition, the bill also includes language similar to that I introduced to authorize funding for the upgrades of the Department of Agriculture research facilities at Plum Island, NY, Ames, IA, Laramie, WY, and Athens, GA. These facilities really represent the frontline in the Department of Agriculture's research efforts to prevent disease outbreaks in the United States.

Why is the inclusion of this provision in this particular bill so important? I am not aware of any specific threat, but the possibility of agroterrorism or

food security attacks is very real, and it has increased since September 11.

Second, we know the former Soviet Union had developed literally tons of biowarfare agents that were to be aimed at the North American food supply. Many of these agents are still housed in unsecured facilities. I have been there. Senator LUGAR has been there. Many of the scientists are simply unemployed and are willing to work for the highest bidder, and that is a grave concern.

Third, we know several of the September 11 hijackers had significant agricultural training. It would be very easy to introduce a disease such as foot and mouth disease or Karnal Bunt, and the effects would be devastating to our grain supply and our livestock production. Our exports would be lost and consumer confidence would simply plummet. Food shortages would occur in our Nation's cities.

This is particularly frightening when we realize that agriculture is one of the few sectors of the economy with a trade surplus. Using 1999 numbers, agriculture and agribusiness-related industries accounted for approximately 22 million jobs, almost 17 percent of the gross domestic product. The overall contribution to the Nation's GDP in 1999 was \$1.5 trillion. That is at risk. And the cheap U.S. food supply kept the total portion of the individual income spent on food to about a dime or 10 percent—one dime out of the consumer's disposal income dollar for that so-called market basket of food. A terrorist attack would certainly endanger that.

The importance of this sector to our economy, and our national security, cannot be underestimated. We must take the steps to protect our agricultural producers, our farmers, our ranchers, and our food supply. This bill represents a very important step.

I thank my colleagues who have worked with me on this issue. I thank the staff of the HELP Committee in working with my staff and those on the Agriculture Committee. I thank them for their assistance, including these provisions in this legislation.

I yield back the remainder of my allotted time.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. FRIST. Mr. President, we have learned a lot about terrorism since September of last year. We have learned that terrorists prey on vulnerability. Our vulnerability becomes their target. This bill reduces our vulnerability when it comes to this threat of bioterrorism and thus reduces the likelihood of an attack by reducing our vulnerability and reduces the potential damage an attack may cause by improving and strengthening our response.

We have learned the goal of a bioterror attack is not only to hurt people directly but to paralyze them, to cause panic. This bill will calm the nerves and keep order in the event there is another bioterror attack.

This bill addresses prevention and preparedness, as well as response. Indeed, this bill touches all areas of preparedness: Protecting our food and water, boosting medical stockpiles, and supporting our local communities and public health infrastructure.

This bill emphasizes the local response and local preparedness. It recognizes that it is local people who will respond in the event of a bioterror attack. It is about whom you call when you suspect something, whom you call if you are worried about bioterrorism: The family doctors, the emergency workers, the health care professionals. Today, with this legislation we make the first people on the scene our first priority.

Over 3 months after the tragedies of September 11 and slightly more than 60 days after the anthrax attacks, Congress provided a record \$3 billion in emergency bioterrorism funding. This was in December of last year. This was a historic investment. As we have learned since that time, it must be only a downpayment toward ensuring that America is fully prepared to respond to bioterrorism and other public health risks.

Today, we take another important and very necessary step toward securing our Nation with the Public Health Security and Bioterrorism Preparedness and Response Act. It is a cohesive and comprehensive framework to improve our public health system and thereby reduce our vulnerability.

I, too, thank Senator KENNEDY and Senator GREGG for their leadership and their tremendous contributions to this conference report. I thank our colleagues in the House of Representatives, primarily Chairman TAUZIN and Representative DINGELL, for their huge and important efforts. Yesterday's overwhelming vote in the House in favor of passing this conference agreement demonstrates this legislation is truly broad and bipartisan.

There is no question we live today in a more dangerous world, much more dangerous than we envisioned before September 11, much more dangerous than we had envisioned before the anthrax-laden letters were delivered across the east coast. We are not unprepared for a bioterror attack, but we are clearly underprepared. This bill goes a long way in boosting that preparedness and reducing the vulnerabilities.

We know terrorists around the world, including al-Qaida, are intent on using biological weapons against us. We know more than a dozen nations—including Iraq, North Korea, Libya, Syria—have the capability to produce chemical and biological weapons, and many have stockpiled such biological weapons in the past. We know thousands of Soviet scientists who have the expertise to develop biological weapons are, today, unemployed, and potentially available to the highest bidder.

Yes, the risk is real. We know the risk is increasing. The National Intelligence Council warns:

The biological warfare capabilities of state and non-state actors are growing worldwide. This trend leads us to believe that the risk of an attack against the United States, its interests and allies will increase in the coming years.

This bill is the foundation and framework for our response.

Iraq launched a robust biological program in 1985 and has admitted to producing large quantities of agents and weapons, including 19,000 liters of botulinum—in fact, 10,000 liters loaded into munitions—and 8,500 liters of anthrax—and 6,500 were loaded into munitions. During the gulf war, Iraq weaponized 100 bombs and 15 missile warheads with botulinum, and 50 bombs and 10 missile warheads with anthrax.

Nonstate actors are also a threat. CIA Director George Tenet has been quoted recently in the New York Times as saying: Documents recovered from al-Qaida facilities in Afghanistan show that Osama bin Laden was pursuing a sophisticated biological weapons research program. U.S. forces discovered a facility in southern Afghanistan near Kandahar that was being built to produce biological agents.

Our vulnerabilities remain high. This bill addresses reducing those vulnerabilities. Most public health departments in the United States do not have staff fully trained in bioterrorism. A recent report showed that one-third of public health departments serving 25,000 or fewer people had no Internet access, and one-quarter of public health staff had no electronic or e-mail. Today more than 99 percent of food imported into this country is never inspected.

The American people, with passage of this legislation, should rest easier, knowing that our Government is taking the steps necessary to respond to this threat at the local level, at the State level, and at the national level. This legislation will ensure that we continue to act both rapidly and appropriately to secure the Nation against future attacks on our freedom.

What does the bill do? The conference agreement provides the resources necessary to improve the training of those first responders, to those doctors, to nurses, to public health officials at the local level. They are the first line of defense. The bill authorizes \$300 million both in 2002 and 2003 to strengthen the capabilities of the Centers for Disease Control and Prevention and modernize its facilities. The bill enhances our national research capabilities and helps speed the development of needed drugs, of needed vaccines, diagnostic tests, and other priority countermeasures. And the bill helps ensure that our national strategic pharmaceutical stockpile is adequate to meet the needs of America.

The October anthrax-laden letters underscored the importance of coordination, the importance of communication. The conference agreement puts in place structures to ensure improved

government coordination, as well as improved collaboration between government and the private sector. The legislation helps us develop the state-of-the-art communication infrastructure so we can more readily and more rapidly identify and treat infectious disease outbreaks. It also helps ensure that our children and other vulnerable populations are better prepared.

This conference agreement will significantly improve our ability to protect our water supply, our food supply, our Nation's agriculture, and it will help better track and regulate the use of dangerous pathogens within our borders.

The bill focuses on what happens at the local level, at the community level. If you are suspicious, if an attack occurs, you pick up the telephone, you call somebody, or go to a local facility. This bill underscores the importance of support at the local level.

The legislation will provide significant new resources, \$1.6 billion in the year 2003 alone, to strengthen our State and local public health systems. We have underinvested in our public health infrastructure in the last 30 years in this country.

As the title of the bill makes clear, this legislation will not only improve our ability to respond to bioterrorism but to other public health risks, and emergencies as well, whether they be from other intentional acts of terrorism, nuclear attacks, chemical accidents or attacks, or from naturally occurring infectious disease outbreaks, the so-called dual use of the investment that we put in public health today.

I am proud to be part of this legislation. I believe that years from now America will look back upon this bill as landmark legislation, a landmark achievement, a turning point in our commitment to strengthening our defenses, focusing on biological threats.

As has been mentioned by my colleagues, I am very pleased with the reauthorization of what is called the Prescription Drug User Fee Act. This important law helps make it possible for the Food and Drug Administration to hire additional manpower and expertise to speed the drug approval process so consumers can benefit more quickly in a safe way from life-saving drugs.

I am also pleased this agreement includes the Frist-Kennedy Emergency Access to Defibrillator Act, an act which has passed the Senate earlier this year, a provision which will provide annual grants to deploy lifesaving cardiac heart defibrillators in more public buildings.

My colleague, Senator GREGG, has already recognized so many people who have participated in such an admirable way to this bill. There are items that I, too, would like to have included in this particular bill that are not in the final package, items that I think we must continue to address in the Senate and in committee. I believe we need more certainty if private industry truly is to

become a partner in combating bioterrorism. To harness the genius, to harness the resources of private companies in these efforts, we should continue to find ways to protect companies from frivolous lawsuits and provide pharmaceutical research companies and others the certainty that they will not face antitrust enforcement simply because they are collaborating with the Government and their business partners to more rapidly and more rationally develop vaccines and other countermeasures.

This is a solid bill. It combines sound policy and enhanced resources to better prepare our Nation and to provide security to the American people. Once again, I commend Senator KENNEDY for his dedication and leadership. In many ways, this legislation builds upon a foundation we began about 3 years ago as we began, in a bipartisan way, to develop this issue of bioterrorism. He and I agree that protecting the American people from bioterrorist attacks and other public health threats and emergencies does require a robust, a reinvigorated public health system.

I also thank and commend the ranking member of the Senate HELP Committee, Senator GREGG, as well as the other Senate Republican conferees he has previously mentioned, Senator ENZI and Senator TIM HUTCHINSON, for the tremendous work he is doing in the agricultural and rural elements of the bill. Other Members, Senators ROBERTS, DEWINE, COLLINS, and HATCH, also were instrumental in drafting this important legislation.

Finally, it is difficult to pass legislation of this magnitude without the assistance and diligence of dedicated staff. Most of those staff members have been recognized already. I do want to thank members of my own staff, in particular Dean Rosen, Helen Rhee, Shana Christrup, and Doug Campos-Outcalt, a fellow in my office. I would also like to recognize the contributions of Vince Ventimiglia, Katy French, and Steve Irizzary of Senator GREGG's staff; David Nexon, Paul Kim, David Bowen, and David Dorsey of Senator KENNEDY's staff; Raissa Geary of Senator ENZI's staff; Kate Hull of Senator HUTCHINSON's staff; and Mike Seyfert and Lisa Meyer of Senator ROBERTS' staff.

Finally, with this bill we will take away one of the most formidable weapons in the terrorist arsenal, and that is our own vulnerability.

I yield the floor.

Mr. KENNEDY. Mr. President, I yield 7 minutes to the Senator from New York.

The PRESIDING OFFICER. The Senator from New York is recognized for 7 minutes.

Mrs. CLINTON. I thank the chairman for yielding me that time. I, too, wish to add my words of gratitude for the work that has been done on this bipartisan, comprehensive bioterrorism legislation. Under the leadership of Chairman KENNEDY and Ranking Member

GREGG, and Senator FRIST, as well as a number of others of our colleagues, we are about to pass legislation that I think will make a significant difference in the health, safety, and preparedness of our Nation. Americans know we cannot wait for another bioterrorism incident such as the one we suffered last fall with respect to the anthrax attacks before we take action to protect ourselves.

This bill contains a number of critical provisions that will improve national, State, and local preparedness. The authorization of a national stockpile of vaccines, antibiotics, and other drugs necessary in the case of an outbreak or other incident is absolutely essential.

Furthermore, the emphasis on public health is long overdue, as Senator FRIST so eloquently stated. This bill will invest over \$1 billion in grants to our States to assure the adequate planning that is necessary to improve State and local public health system preparedness.

I know all of us were surprised when we learned that many public health offices were more in the early 20th century with respect to their equipment and communications capability than in the early 21st century. They didn't have fax machines or e-mail capabilities. One of the problems we encountered with respect to our efforts to get ahead of the anthrax outbreaks and attacks was, in fact, the inability to communicate at different levels of government.

The underinvestment in our public health infrastructure has been unacceptable. Now we are about to reverse it. This is long overdue and to be applauded.

I also appreciate the bill authorizing \$520 million to equip hospitals to respond to bioterrorism.

After 9-11, when we had our hospitals on alert to try to take care of what we at the time thought would be thousands of injured people—unfortunately, it turned out to be thousands of deaths and relatively few people who were injured—we found we were not prepared because we could not perform many of the functions that were necessary, not only to respond to the attacks but the aftermath.

For example, many of the first responders went, after their duties at the Ground Zero site, to be decontaminated. There was no decontamination system. Many ended up at our hospitals in New York and were in very cramped and totally insufficient situations to try to decontaminate them before they went back to Ground Zero.

That is just one example of what we determined was absolutely unacceptable, given the threats we currently face. So we will be providing training and other provisions to promote the development and production of treatments and what is necessary for our hospitals to be prepared.

I also applaud the inclusion of strong provisions to safeguard our food supply

and to provide for the protection of our children. We are finally coming into the recognition that we have not protected our food supply, now that we are in a global marketplace, the way we need to. These provisions that are included are ones that I and others have long believed were absolutely essential to establishing a registration system for food manufacturers, to give the FDA records inspection authority to trace back investigations, to provide for prior notice of imported food, to allow the cross-utilization of inspectors—both from USDA and FDA—to provide grants for surveillance and protection, and to improve the surveillance of diseases affecting both animals and humans.

I am very pleased, too, that this bill contains provisions I introduced in legislation, along with Senator DODD and Congresswoman SLAUGHTER from New York, to address the special needs of children.

We know children have special vulnerabilities, and we also know biological and chemical agents can have a particularly bad and different effect on children because children are lower to the ground where we have gases that are dense and inert. We have other challenges in dealing with what happens to our children dealing with a bioterrorism attack. We have therefore established a national advisory commission on children and bioterrorism, and we will do much more to try to provide guidance on how best to protect our children.

I also applaud the provision of \$100 million to keep Plum Island, off the coast of New York, at its current biosecurity level and to modernize and improve the security of the facilities.

Also, I think it is essential we are adding to our security at water systems and expanding the availability of potassium iodide for communities near nuclear powerplants, such as Indian Point near where I live.

While we have taken such strong steps related to bioterrorism and children and food security and water security, I do have to express a disappointment that we were unable to include the codification of the pediatric rule that would require the testing of drugs that might be prescribed for our children. Senators DODD and DEWINE and I have introduced legislation to bring this about. Unfortunately, we were unable to attain support to have it included. But we will be taking steps, through a markup at the committee level and then with legislation, to try to ensure that the drug manufacturers to whom we have given access to an improved streamlined drug approval process—which we all support—also will be assuring us that the drugs needed by our children are safe and properly labeled.

This is a very good bill. There obviously are some features that should be included to make us stronger in the future, but I applaud my colleagues, and particularly those who shepherded it

through the conference, for making us, today, safer than we would have been otherwise.

The PRESIDING OFFICER. Who yields time?

Mr. GREGG. Will the Chair advise us as to the present status?

The PRESIDING OFFICER. The Senator from New Hampshire has almost 11 minutes remaining, and the Senator from Massachusetts has almost 10 minutes remaining.

Mr. GREGG. I yield 5 minutes to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas is recognized for 5 minutes.

Mrs. HUTCHISON. I thank Senator GREGG and Senator KENNEDY for pursuing this bill. I certainly support it. As part of the fight against terrorism, we must dedicate the resources to the growing threat of bioterrorism. This legislation enhances the capabilities of Federal, State, and local governments to coordinate emergency preparedness efforts, to stockpile vaccines and medical supplies, to modernize biosecurity facilities, and try to ensure the safety of America's health and food supply.

I worked with my colleague, Senator PAT ROBERTS, to address the concerns about our food supply and vital agricultural economies. The agricultural bioterrorism provisions in this legislation will authorize the Department of Agriculture to strengthen its capacities to identify, prepare for, and respond to the bioterrorist threats to our farms, ranches, and food processing, packaging, and distribution facilities and systems.

We have a clear priority to ensure the safety of our food and to maintain public confidence. To do so we must identify and quickly control the threat to our food supply, currently the world's safest, most abundant, and affordable.

During the cold war, we knew the Soviet Union had bioweapons that included bioagents aimed at agriculture. Following the gulf war, we know our soldiers showed evidence of possible exposure to chemical and biological weapons. From the terrorist attacks on Japan's subway system with sarin gas to the recent anthrax attacks here in the United States, the public is now acutely aware of bioterrorist threats.

This bill is critical, both for the results it will achieve and the reassurance it will provide.

The Department of Agriculture will be expanded to enhance inspection capability, implement new information technology, and develop methods for rapid detection and identification of plants and animal disease.

The U.S. Department of Agriculture's Veterinarian Services will also be authorized to establish cooperative agreements with State animal health commissions and private veterinarian practitioners to enhance their ability to respond to outbreaks of any animal disease.

This bill directs the Department of Agriculture to establish a long-term

program of research to enhance biosecurity of U.S. agriculture.

America's universities that have demonstrated expertise in animal and plant disease research in coordination with State cooperative extension programs will provide the resources and expertise that will prove invaluable in the war on agricultural bioterrorism.

The front lines of this war on terrorism lie on our own shores, farms and fields, and the States where food is produced. However our States are vulnerable, they will meet the challenge, and they will help us in this war on bioterrorism because they will be able to detect the first evidence of an attack to protect our citizens, our economy, and our food supply.

I urge my colleagues to support the bill before us today. I appreciate the hard work that went into making it come to the floor and making it the priority that it should be for our country.

I thank the Chair. I yield the floor.

MEDICARE PROVISIONS IN BIOTERRORISM

Mr. BAUCUS. Mr. President, some of the provisions in the bioterrorism bill have not received much attention. These provisions affect Medicare, Medicaid and the Children's Health Insurance Program, or CHIP.

What we have done here is to give the HHS Secretary the ability to waive certain requirements in the face of a bioterror event or other public health emergency.

For example, the bill would give the Centers for Medicare and Medicaid Services the ability to pay providers for services rendered in good faith during an emergency, even if certain paperwork or other regulations are not followed.

In short, the bill gives our federal health programs the flexibility they need to operate in times of emergency, while ensuring accountability if the waiver authority is ever used. The administration asked Congress for these provisions, and Senator GRASSLEY and I both agreed that they are needed.

I also want to add that the Medicare and Medicaid provisions in this legislation were hammered out together in a bipartisan and bicameral fashion. Although Senator GRASSLEY and I were not conferees, our staffs worked extensively with the conference staffs to negotiate these provisions.

In fact, all of the authorizing Committees, both sides of the aisle and both House and Senate, worked together on these provisions.

Mr. GRASSLEY. Mr. President, allowing items within the jurisdiction of the Finance Committee to be added in conference is not something I do lightly. It is critical that we follow regular order, and that committees of jurisdiction hold hearings and examine proposals before the Senate acts. This is, however, an exceptional situation.

In light of the current threats to our nation, we must make these changes to

make our Federal health care programs more flexible, and more responsive to patients, in times of crisis. In my view, this is important enough to make an exception to our general rule of asserting our committee's jurisdiction. Also urgent are two provisions that stabilize Medicare managed care plans, which many seniors have come to rely on.

And as Senator BAUCUS mentioned, our staffs worked closely with the conferees' staffs to make sure that we were comfortable with the provisions that were included.

Mr. BAUCUS. The Senator is right. And briefly, in addition to the waiver provisions that affect Medicare, Medicaid and CHIP, this legislation includes a provision that will suspend the Medicare+Choice "lock-in" requirement for three years.

Current law requires Medicare beneficiaries to remain in their managed care plan for the full year. HMOs and beneficiary advocacy groups have both urged Congress to suspend this requirement as a way to stabilize this program.

While I appreciate the argument that a plan and a beneficiary should be required to make a full one-year commitment, I don't believe that this is the time to implement the lock-in requirement. Plans are pulling out of the Medicare program every year. Thousands of beneficiaries have lost the plans in their area. Because of the current instability in the program, it is my view that Congress should wait until the program is more stable before we implement the lock-in.

Mr. GRASSLEY. I agree, and believe that we have got to take other steps to ensure that seniors understand the choices they have even before the lock-in is in place. I have always believed that informed health care choice is the key to a successful Medicare+Choice system. That is why I fought hard in the 1997 Balanced Budget Act for the National Medicare Education Project, which required CMS—then called HCFA—to start a 1-800 number and to send out detailed plan comparison materials to every senior every year. I think this program has been a success, and I intend to push for additional funding for it this year. But Medicare education needs even more improvement, especially before seniors get locked-in to a specific plan for a whole year. So I think it is important that this bill delays the lock-in requirement. I would also like to point out that our doing so today is in sync with recent recommendations from the Advisory Panel on Medicare Education.

Finally, the bill gives health plans an additional three months to assess their costs before making a decision to participate in the Medicare program. Because of exceptional circumstances with respect to timing, we needed to make this change to the so-called "ACR filing date" now—prior to the time the Finance Committee acts on Medicare legislation. As I have mentioned, I am not normally willing to

make exceptions to Finance Committee jurisdiction, but the circumstances here justify such an exception in this case.

Mr. BAUCUS. Let me summarize by saying that I agree with my good friend Senator GRASSLEY, that every so often there are circumstances that warrant an exception to our jurisdictional concerns, and this is one of them.

Mr. GRASSLEY. I believe that bodes well for our future work together on Medicare legislation in the Finance Committee.

Mr. BAUCUS. Yes, indeed. I look forward to working together in a bipartisan and bicameral fashion on all the other Medicare, Medicaid, and health issues that the Congress will be working on this summer and fall.

Mr. AKAKA. Mr. President, I rise today to give strong support to H.R. 3448, the Public Health Security and Bioterrorism Preparedness and Response Act. The Nation is looking to Congress to provide the building blocks to prepare for and respond to bioterrorism. H.R. 3448 takes several good steps to coordinate and strengthen Federal programs and help states and communities prepare for bioterrorism and other public health crises. As an original cosponsor of the Senate companion bill, I am proud to support the final product. The work that the bill managers and their staff have done in preparing this important legislation is to be commended.

H.R. 3448 provides \$1.1 billion in funding for grants to state and local governments to prepare response plans, buy equipment, and train health care workers for bioterrorism and other public health emergencies, and an additional \$520 million for community hospitals. The Act authorizes funding and establishes safety procedures for scientists to use pathogens for vaccine and disease research. H.R. 3448 builds up many of the Nation's resources that have been weakened from years of neglect and also addresses several new concerns.

Early detection of a biological threat is critical in minimizing the number of people exposed to an agent and the extent that the agent or disease will spread. New tools capable of detecting small quantities of infectious agents in food, water, air and other vectors are needed. For this reason, I introduced S. 1560, the Biological Agent-Environmental Detection Act of 2001. I am pleased to see provisions of my bill included in H.R. 3448, especially the authorization of funding to improve testing, verification, and calibrating of new detection and surveillance techniques and tools. Scientists and engineers in our universities and national labs are conducting exciting research on air and water monitoring and developing satellite-based remote sensing technologies to identify weather patterns that contribute to the spread of infectious disease and biological or chemical attacks. I am convinced that

these men and women can develop robust, effective, and accurate detection methods.

Creating a critical line of defense against bioterrorism must involve health care professionals. Through hearings and discussions with health care providers and bioterrorism experts, it is clear that our doctors and nurses are not trained to recognize or respond to bioterrorism. For this reason, Senator ROCKEFELLER and I introduced S. 1561, Strengthening Bioterrorism Preparedness Through Expanded National Disaster Medical System Training Programs. I am pleased that H.R. 3448 includes our proposal to use the existing emergency communication infrastructure, disaster training program, and community partnerships within the nation's 163 Veterans Affairs hospitals to train VA and Department of Defense staff and local health care providers in recognizing and treating victims of biological weapons.

This is but one way in which the Department of Veterans Affairs serves the nation in bioterrorism preparedness and public health. The \$133 million dedicated to VA will expand these efforts and is well deserved.

Congress has not forgotten the role our local and community hospitals will play in such a crisis. We also are working to give our medical professionals, public health officials, and emergency managers the earliest possible warning of pending outbreaks. The problems we face with bioterrorism are not new, nor are they related solely to bioterrorism. Our hospitals lack the capacity to handle even a handful of extra patients during flu season, let alone hundreds of people seeking critical care during an intentional epidemic. Passing the Public Health Security and Bioterrorism Preparedness and Response Act is only the first step in making America safer. Now we can provide the hard working men and women in public service, academia, and private industry with the resources needed to continue protecting this country from bioterrorism.

Mr. WELLSTONE. Mr. President, I rise today to support the Public Health Security and Bioterrorism Response Act. This act represents a critically important turning point in the readiness of our public health system to respond to the challenge of bioterrorism. In many places in our Nation the public health infrastructure has been underfunded and understaffed. The anthrax attack has demonstrated that our system can be overwhelmed by a bioterrorist attack. This bill provides essential assistance to our network of local and state health departments, public health laboratories, hospitals and health care facilities so that they can protect all of us in the event of further bioterrorist attack, or of other infectious disease outbreaks.

We in Minnesota have long been aware of the dangers of bioterrorism thanks to the efforts of Mike Osterholm, head of the Center for Infectious Disease Research and Policy

at the University of Minnesota. I am very glad that this bill is providing for the kind of bioterrorism preparedness our nation needs.

This bill provides block grants to states to improve public health departments and to get the equipment they need, and to help local governments safeguard their communities from these threats. The bill also provides grants to hospitals and other health care facilities to improve their abilities to respond quickly and effectively to a bioterrorist attack. I am pleased that the authorization for our hospitals has been increased from \$370 to \$520 million. I am also glad this bill emphasizes getting funds to the local level. That is very important. In fact, I would have even gone further in setting aside funds specifically for localities. I am also glad that the antitrust exemption in the Senate bill has been dropped from the conference report.

As Chair of the Subcommittee on Employment, Safety and Training, I am particularly glad that this bill recognizes the threat of bioterrorism in the workplace. Virtually all of the anthrax attacks involved places where people work, including media offices, the U.S. Postal Service and here in the Congress. I am especially happy that this bill includes language which I had suggested to direct the National Institute of Occupational Safety and Health to expand research on the health and safety of workers who are at risk for biological threats or attacks in the work place.

Finally, I am particularly pleased that my provisions regarding mental health were included in this important bill. We know from the outstanding hearings on mental health and terrorism, chaired by Senator KENNEDY in the HELP Committee, that the preparedness and response activities for the mental health consequences of bioterrorism are as important as all other public health initiatives this Congress can support. Recent press reports citing research on the psychological consequences of exposure to terrorist attacks, as well as the necessity of dealing with ongoing threats, have demonstrated clearly that mental health is an integral part of our ability to respond appropriately to bioterrorism attacks.

I am particularly pleased that Public Health Security and Bioterrorism Response Act established mental health response preparedness as one of the primary goals in our national initiative. The mental health provisions in the bill will support federal, state, and local efforts to enhance the preparedness of public health institutions to coordinate mental health services. The bill also establishes as one of the primary responsibilities of the federal Working Group on Bioterrorism and Other Public Health Emergencies to make recommendations regarding the preparedness of public health institutions and emergency service personnel to detect, diagnose, and respond appro-

priately with regard to mental health needs in the aftermath of a biological threat or attack.

A special focus on children's mental health was established through a required National Advisory Committee on Children and Terrorism, whose responsibilities include making recommendations regarding the preparedness of the mental health care system to respond to bioterrorism as it relates to children. Similarly, a required Emergency Public Information and Communications Advisory Committee will include experts on behavioral psychology among its members and will make recommendations on appropriate ways to communicate public health information regarding bioterrorism. The bill also includes mental health training as one of the designated funding activities, specifically to enhance the training of health care professionals to recognize and treat the mental health consequences of bioterrorism or other public health emergencies. And finally, the bill authorizes funding for mental health counseling programs to be coordinated by the Department of Veterans Affairs to develop and maintain various strategies for providing mental health counseling and assistance to local and community emergency response providers, veterans, active duty personnel, and individuals seeking care at Department VA medical centers following a bioterrorist attack or other public health emergency. The VA program also includes funding for training and certification programs.

We know one for thing for sure. It is a mistake to believe that bioterrorism events cannot have lasting impact on the mental health of the individuals who experience them. Let us not repeat the mistakes that were made in the aftermath of the Vietnam war, when the trauma experienced by veterans and their families was ignored or trivialized until well after the optimal time for treatment was past. We have learned from the outstanding research funded by the National Institute of Mental Health and the Department of Veterans Affairs regarding the severity of the trauma-related disorders and the effective ways in which it can be treated. We must ensure that all federal, state, and local public health efforts to respond to and prepare for bioterrorist attacks take advantage of this knowledge.

I do not believe that mental health problems are a widespread or inevitable consequence of bioterrorist attacks. But as we heard from the experts at the HELP Committee hearing, we should not underestimate the severe impact that these events have on people's sense of identity and safety, and how the multiple losses and horrific experiences they go through has the potential to affect them for a long while. There have been many reports in the media of the heightened sense of anxiety and vulnerability throughout our country. These feelings are normal and I have confidence that most Americans

will be able to deal with these crises. But I also firmly believe that the Federal, State, and local governments can play a major role in helping people to understand what has happened to them, and establish programs for mental health services for those who will need it. We in Congress are doing our part by the inclusion of these mental health initiatives within this bill.

In closing, this bill represents an essential step forward in safeguarding both the physical and mental health of our nation in the event of further bioterrorist attack.

Mr. HARKIN. Mr. President, last year, the weakness of our Nation's ability to respond to a bioterrorist attack was exposed. To properly prepare for the future, we must begin to think of our Nation's public health system as the front lines in our battle against terrorism. Unfortunately, our troops were inexperienced, our radar was out of date, and we were short on ammunition. Right now we don't have enough vaccines to protect every American. Public health officials were without the tools and training they need to detect an outbreak and rapidly respond.

Prudence demanded action. That is why Senator SPECTER, Senator BYRD and I crafted and passed a \$3.6 billion bioterrorism initiative to reverse this alarming trend. As a result of this effort, our Nation's defenses against bioterrorism has improved since September 11 and the anthrax attacks of last October, but much more still needs to be done.

As chairman of the Labor-Health and Human Services Appropriations Subcommittee, I held several hearings with a broad variety of people, ranging from leaders of the Federal Government to first responders to our local public health workers.

As a conferee for the bioterrorism bill, I'm proud of the bipartisan work we have been able to achieve on this plan to boost our Nation's bioterrorism prevention and preparedness. The initiatives included in this conference report will build on the Harkin-Specter bioterrorism plan that President Bush signed into law in January, and will aggressively ramp-up efforts to keep America the safest country in the world.

I am especially supportive of the provisions in this conference report that I proposed in a seven-point plan I released following the anthrax attack last fall.

Specifically, the measure will:

Increase training for public health and medical officials: State and local officials, as well as doctors, nurses and other health professionals will be trained in diagnosis and treatment of bioterrorism exposure, as well as rapid communication to colleagues on case exposure and the identification of trends.

Bolster vaccine stockpiles: Currently our stockpile of small pox vaccines could only vaccinate about 25 percent of Americans, and our anthrax vaccine

stockpiles are also vastly inadequate. This legislation will increase funding to increase supplies and improve systems of transport to make sure that the appropriate pharmaceuticals can quickly get where they are needed.

Ensure that there are round-the-clock disease investigators in every state: A number of states have no full-time experts charged with identifying and dealing with infectious diseases. Federal support can be used to ensure that every single state has at least one professional in charge of detecting disease and notifying proper authorities.

Increase hospital surge capacity: The conference report will increase funding for planning and staffing to meet possible high-volume cases of infectious disease exposure. Funds would be administered through an innovative grant program that provides support for wide-ranging initiatives that will improve state and local hospital preparedness for response to bioterrorism and other public health threats.

Improve surveillance and information sharing capacity at all levels of government: The legislation will ensure that all local health departments have access to the Health Alert Network. Currently, health departments in some states don't have fax machines and Internet access. Funding will expand the Health Alert Network so that health professionals are able to quickly key in on outbreaks and share their information around the country and the world.

Expand food safety inspections: Through this bill, every domestic and importer of processed foods must register with the Food and Drug Administration, FDA, farms, restaurants and nonprofit food establishments like soup kitchens are exempted. Also the FDA's authority is expanded to allow them to stop any food or product that may present a public health risk and allows the agency to ban importers who repeatedly violate food safety regulations. Lastly, the FDA is given authority to inspect food processing establishment's records related to food safety. Currently the FDA can only get such records through court action.

Create and maintain a comprehensive database of the locations of biohazardous pathogens: Finally, this legislation will for the first time require that the U.S. Department of Health and Human Services and Agriculture closely regulate and register the possession, use and transfer of the most dangerous pathogens like anthrax and small pox. Security standards for these facilities will be established, and all people with access to the agents will be screened. Facilities with these pathogens will be inspected, and violation of these rules will be punishable by strict criminal and civil penalties.

Again I am very pleased to support this conference report and I look forward to continuing to work in a strong bipartisan process with the President, Secretary Thompson and the rest of the administration to make sure ade-

quate funding is provided for these critically important initiatives.

Mr. HUTCHINSON. Mr. President, the Senate is going to pass landmark legislation today bolstering our Nation's efforts to prepare against future bioterrorist threats and attacks. As a member of the joint House-Senate bioterrorism conference committee, I am pleased to support this conference report.

Eight months ago, five U.S. citizens died due to anthrax, buildings were shut down, and thousands of Americans were tested for possible exposure. Our country learned first hand about the need for improved knowledge about biological weapons and agents—how to detect them, what to do in the case of exposure, and the need for accelerated research and development of countermeasures to defend against such agents.

The Public Health Security and Bioterrorism Preparedness and Response Act provides for the development of vaccines and drugs to defend against biological agents or toxins, improvement of public health emergency response efforts, tightening of requirements for individuals who use and possess biological agents or toxins, enhancement of protections for our food supply and agricultural research facilities, and the development of emergency response plans and security upgrades for our Nation's water systems.

I would like to particularly highlight provisions in the conference report to speed approval of vaccines and drugs developed as countermeasures against biological weapons, improve security at facilities where such countermeasures are researched and developed, and strengthen federal penalties for acts of sabotage against such facilities.

These provisions I introduced as part of freestanding legislation last November, S. 1635, along with Senators GREGG and FRIST. I believe that these provisions are at the heart of our preparedness for future bioterrorist threats and attacks.

I am thankful to my fellow Senate and House conferees for working with me to include a proposal I offered to provide grants for proficiency testing of laboratory personnel in identifying biological agents and toxins. Laboratory personnel will be on the front lines of our detection efforts, and we must make sure they can identify biological toxins and agents.

All States, including Arkansas, will benefit from grants to improve planning and State preparedness efforts, enhance laboratory capacity and educate and train health care personnel. I am also pleased with the inclusion of \$5 million in grants for small community water systems in order to conduct vulnerability assessments, prepare emergency response plans, and make security upgrades.

In summary, this is comprehensive legislation and it is needed legislation. The Public Health Security and Bioterrorism Preparedness and Response Act

lays the foundation for significant changes in America's infrastructure, training, and response programs to protect our Nation's citizens against deadly weapons, particularly biological and chemical agents.

Mr. JEFFORDS. Mr. President, today we will have the opportunity to act positively on one of the most important pieces of legislation that we will consider in this Congress—the Public Health Security and Bioterrorism Preparedness and Response Act of 2002. I am pleased that we are able to vote today on this most vital piece of legislation. Many of our colleagues have worked very hard on this legislation but would like to take this opportunity at the outset of these comments to acknowledge the work of Senator KENNEDY, and Senator FRIST for originally introducing this bill in the Senate, as well as Congressman TAUZIN and Congressman DINGELL for their work in the House.

From the events on September 11, and the anthrax incidents here in our Capitol and around the country, we know first hand that terrorist attacks on America continue to pose a real threat. We are not immune to the cowardly attempts by well-armed and well-financed groups who intend harm upon us, and we must continue to stand strong against those that resent our nation's unyielding commitment to preserve freedom throughout the world.

Today, Congress is taking a step in the right direction. The Public Health Security and Bioterrorism Preparedness and Response Act of 2002 solidifies the emergency measures taken last fall by Congress to safeguard the health of all Americans. The Act greatly enhances our ability to prevent and detect bioterrorist threats, and it gives us the resources we need in order to effectively care for our citizens in the event that another biological attack takes place on American soil.

The act is a comprehensive, inter-departmental effort to ensure the safety of American families. This legislation will ensure proper communication across Federal agencies so that all of our available resources are put to their best use. As the cornerstone of our emergency response to public health threats, hospitals will be provided ample resources in order to ensure their preparedness in the event of a biological attack. In addition, we have greatly enhanced our ability to track labs and individuals who possess materials that could be used in bioweapons aimed at people or the food we consume, and there are strong measures taken to further protect the food supply throughout America.

A primary focus of our efforts is to ensure a National Pharmaceutical Stockpile, and to increase production of vaccines for some of the most deadly diseases, including smallpox. There are also provisions for more timely FDA review of generic drugs, and it reauthorizes the Prescription Drug User

Fee Act, PDUFA, an important measure to ensure that newly developed drugs are made available to those who need them most in a safe and timely fashion.

I am also pleased that this bill includes language requiring drinking water systems across the country to assess their vulnerability to terrorist attack and to develop emergency response plans to prepare for and respond to such attacks. We all hope there is no need for implementation of these plans, but information leads to preparation, and I am pleased to have a bill today that recognizes the crucial importance of assessing and addressing potential vulnerabilities.

As chairman of the Committee on Environment and Public Works, I have worried about the lack of information within the Federal agencies about the security of our Nation's critical infrastructure and facilities. For instance, I am aware of one provision in the Clean Air Act which requires the Department of Justice to assess the vulnerabilities of chemical plants. This provision was enacted years before the tragic events of September 11th, but the assessment is not yet complete. And recently, in the wake of criticism that our government should have been more prepared for terrorist attacks, I read a chilling statement from a government official: "People are saying we didn't connect the dots. It's awfully hard to connect the dots if people don't give you the dots."

I do not doubt that industry, communities, local and State governments and emergency responders are taking security measures seriously. But important provisions in this bill will enable our government to "connect the dots," that is, to understand the safety of our Nation's water supply. The substantial funding in this bill will provide enhanced resources for completion of vulnerability assessments quickly, and in a thorough manner. And by requiring that these assessments be provided to the Environmental Protection Agency, we will have the ability to evaluate the security needs of our drinking water systems and to measure our national preparedness for potential threats against our water supply.

In addition, we have addressed the concern that some information in these assessments may be sensitive in nature. Although we recognize that it is most often community knowledge and involvement that is most effective in addressing a community's needs, we also recognize that information in the wrong hands can endanger a community. This bill balances these competing concerns by exempting the content of the assessments from the Freedom of Information Act, by requiring implementation of protocols to secure and limit access to the documents at the EPA, and by imposition of criminal penalties upon persons designated by the EPA Administrator to have access to the documents in EPA's possession who knowingly or recklessly disclose

those documents. It is important to note, however, that there is not a restriction on EPA's discussing the content of the assessments with persons who may benefit from information about the security of our nation's water supply, such as state and local officials, nor is there restriction intended by this bill upon a water system's voluntarily sharing information with other systems, emergency responders or communities. Our attempt to provide a safeguard against broad disclosure of sensitive information does not lead us to conclude that our citizens should not have the information they need to protect and inform themselves.

Finally, I had hoped that this bill would encompass wastewater systems in addition to drinking water systems. I intend to pursue comparable legislation for wastewater systems in this legislative session.

This legislation reflects a remarkable effort that drew from the jurisdictions of several Senate and House Committees including the Health, Education, Labor and Pensions, the Energy and Commerce, Finance, Ways and Means, Agriculture, Judiciary and my own Environment and Public Works. The many Members from these Committees and the conferees are to be commended for their contributions.

Once again I want to acknowledge the yeoman's work done by our staff. In particular I want to recognize HELP Committee staff including, David Nexon, Paul Kim, David Bowen and David Dorsey from Chairman KENNEDY's office; Vince Ventimiglia, Steve Irizarry and Katy French of Ranking Member, Senator GREGG's office; and the staff of Senator FRIST, including Dean Rosen, Helen Rhee and Shanna Christrup, and Doug Campos-Outcalt. Credit also goes to Debra Barrett, Raissa Geary, Adam Gluck, Kate Hull and Rhonda Richards. Finally, I want to acknowledge my own staff, Sean Donohue, Eric Silva, Allison Taylor and Jo-Ellen Darcy who worked diligently to ensure that appropriate public health safeguards were part of this measure, including environmental provisions that will help provide for the safety of our public water systems.

Mrs. FEINSTEIN. Mr. President. I rise in strong support of passage of the conference report for H.R. 3448, the Public Health and Bioterrorism Response Act.

This legislation will make our Nation better prepared for bioterrorist threats and other public health emergencies.

That is why I am pleased that this bill includes funding to bolster the National Pharmaceutical Stockpile, including enough smallpox vaccine to protect every American.

We must ensure that there are sufficient vaccines, drugs, and medical supplies available to protect Americans against any potential biological attack. I believe this bill moves us one step closer to protecting every American from this threat.

It is also crucial that we assist our States and local hospitals and health departments in beefing up their systems, including training personnel and first-responders on how to respond to a bioterrorism attacks.

This legislation includes \$1.6 billion for fiscal year 2003 to address these needs.

I am particularly pleased that the conference report includes a provision which I sponsored along with Senator JUDD GREGG, R-NH, establishing strict new controls for laboratories that handle anthrax, smallpox, and more than 30 other deadly pathogens.

These provisions are the product of extensive negotiations with a number of other Senators including, Senator FRIST, KENNEDY, HARKIN, and DURBIN, as well as House Conferees, and the administration.

The threat of biological attacks became front page news last fall, when deadly anthrax attacks killed five people, infected 23 people, 11 with inhalation anthrax and 12 with cutaneous anthrax, and shut down a Senate office building for 3 months.

The FBI has poured extraordinary resources into apprehending the perpetrator. Over the past 5 months, FBI agents have interviewed more than 5,000 people and offered a \$2.5 million reward. Unfortunately, it has been unable to locate a single witness, fingerprint or a match to the handwriting found on the envelopes.

We still do not know when or if the perpetrator will be found.

It became clear during the investigation of the anthrax attacks that the regulations governing these dangerous substances were too lax.

Our government did not keep track of who possesses these materials.

No special registration was required to possess these agents.

Nor were background checks conducted on the laboratory personnel who handled or had access to these agents.

Under these security conditions, a rogue employee or outside terrorist group could easily gain access to some of the most dangerous pathogens on Earth.

To close these loopholes, I introduced the Deadly Biological Agent Control Act last fall with Senator JON KYL, R-AZ, and a similar provision was approved as part of the fiscal year 2002 Department of Defense Appropriations bill.

I am pleased that key portions of this legislation were included in the final comprehensive bioterrorism package.

The conference report has the following key provisions: All labs that possess these dangerous agents would have to get registered with the Department of Health and Human Services or the Department of Agriculture, for animal pathogens.

The registration process would include rigorous background screening by the Department of Justice of any laboratory employees intending to handle the agents.

Anyone who possesses these agents without obtaining a registration will be subject to 5 years in Federal prison.

The legislation also creates, for the first time, a national database of dangerous pathogens, so that the characterization, location and use of these agents can be tracked.

Tighter controls of these agents are critical because they can be converted into weapons of mass destruction.

In addition, to make sure that this list of dangerous agents is kept up-to-date, it must be reviewed a minimum of every two years.

We need these strong measures because in the wrong hands, these biological agents can be converted into weapons of mass destruction.

According to the calculation of some experts, biological weapons are pound for pound potentially more lethal even than thermonuclear weapons.

For example, the World Health Organization estimates that 50 kilograms of the virus that causes the plague, aerosolized over an urban city of 500,000, would incapacitate one fifth of the population and kill 55,000.

A 1993 report by the U.S. Congressional Office of Technology Assessment estimated that between 130,000 and 3 million deaths could follow the aerosolized release of 100 kilograms of anthrax spores upwind of the Washington D.C. area, lethally matching or exceeding that of a hydrogen bomb.

In sum, I believe it is critical that these laboratory security provisions were incorporated into this bioterrorism bill.

Any comprehensive bioterrorism preparedness package would be incomplete without addressing laboratory security here in the United States.

These controls are reasonable and necessary, given the extraordinary threat posed by biological and chemical weapons.

Ms. LANDRIEU. Mr. President, I would like to take this opportunity to thank the members of the bioterrorism conference committee who have worked tirelessly over the last few months to craft this comprehensive response to our Nation's needs in bioterrorism. I rise today to make one point for the record in regards to this legislation. Following the September 11th attacks, Secretary Thompson, under the authority granted to him by Section 319 of the Public Health Services Act, provided resources to rebuild and replenish our Nation's emergency health care providers who were directly affected by this terrible disaster. In sum, the Secretary awarded over \$35 million in grants to hospitals, ambulance companies, and other first responders who responded or stood ready to respond to the health needs of those injured in the attacks on the World Trade Center and the Pentagon. These awards were made in recognition of the contributions that these providers made, regardless of their ownership. I commend the Secretary for this action.

Disaster strikes without respect to hospital ownership. By exercising his

discretion to award grants to all hospitals who responded, both private and public, Secretary Thompson recognized this important point and more importantly, fulfilled the statutory purpose of Section 319, providing continued access to necessary acute care. Nationally, there are 5,194 hospitals, and of those approximately 1,200 are for-profits. That is one out of every four hospitals. In many markets, for-profit hospitals—not the tax-exempts—serve as the safety net or sole-community providers and that makes them 100 percent of the market in their communities. In my home State, approximately 1/3 of the hospitals are for-profit. If a bio-terrorist attack were to ever happen in Louisiana, I can guarantee you that our investor-owned hospitals will play a critical role in the response. Those who are affected by a bio-terrorist attack will go to their local hospital for help; they will not check first to see how the hospital is being run.

I am pleased that the conferees added language in this bill to strengthen the Secretary's authority to act as he did in this regard following September 11th. I hope that this administration and the administrations that follow will continue to recognize the important role that all of our hospitals play in the delivery of emergency health care.

Mr. CRAIG. Mr. President, I understand we have one more speaker on our side who is on the way to the floor. I guess there are about 5 minutes remaining.

Mr. KENNEDY. Mr. President, I yield myself 5 minutes.

I wish to comment on the efforts of our friend and colleague from New York, Senator CLINTON, on the pediatric drug labeling rule.

As Senator CLINTON pointed out, this issue is of great importance to herself, Senator DODD, and Senator DEWINE. Senator DODD, who is chairman of the Children's Caucus, Senator DEWINE, and Senator CLINTON have worked very effectively on the question of pediatric drugs, particularly on the recent reauthorization of pediatric drug exclusivity.

I had hoped we would be able to secure the Pediatric Rule in this conference, but we were unable to do so. The research which would flow from this important rule is critical to children. That is why the FDA and the Administration took another look at their proposal to suspend the Rule. It was very wise of them to review that decision and to keep the Rule in place. But with the litigation ongoing, it is still being challenged. This is something we in the Senate will give focus and attention to in the very near future.

I have spoken with Senator DODD, Senator DEWINE, and Senator CLINTON. They know that we will address the Pediatric Rule in our committee in the near future. We will talk to our colleagues about the timing. But we will try to address it in the near future. We

thank them for their continued interest.

So my colleagues understand what is at stake, let me repeat: without the Rule, there will be less research conducted on the impact of many drugs on children, and some products will not be studied at all.

Again, I give my colleagues the assurance that we will pursue this issue in the coming months. We can't afford to compromise children's health.

Mr. President, during consideration of the bioterrorism legislation, there were a number of items which our colleagues raised which were included, a great majority of which were strengthened and which we were able to include in the conference report.

I talked with Senator CARNAHAN about the importance of developing a Web site on bioterrorism so that accurate and good information would be available and accessible to people across the country. This has been included. It will provide important, accurate information to the public as a result of Senator CARNAHAN's legislation. We are certain this will be helpful to families, not only in her State but across the country.

Senator TIM JOHNSON had some important proposals on agricultural bioterrorism. Those provisions were added to strengthen the food safety aspects of our legislation. We have included those, not least of which calls for the President's Council on Food Safety to develop in a timely but collaborative manner a national strategy for food security.

Senator WELLSTONE had major proposals on enhancing the FDA's ability to protect the public health. We included many of those, particularly those strengthening oversight of drug safety and drug promotions.

Senator DASCHLE was enormously interested in how we were going to protect America's farm families. We have many additional protections included in the legislation dealing with agroterrorism, such as mad cow disease, which are very important. His work with Senator ROBERTS led to a broad increase in resources and requirements for USDA.

How much time remains on our side?

The PRESIDING OFFICER (Mr. WYDEN). The Senator from Massachusetts has 6 minutes 10 seconds. The Senator from New Hampshire has 6 minutes 50 seconds.

Mr. CRAIG. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time be equally charged.

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

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KENNEDY. 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. KENNEDY. Mr. President, for the information of the membership, we

understand Senator COLLINS will be coming in a few moments. After she speaks, we intend to yield back the remaining time and move to a vote. I anticipate we will have a vote on the conference report in probably about 10 minutes. We will ask for the yeas and nays. So Members should be alerted that we will proceed in that manner.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, in a moment, I will yield to Senator COLLINS. But let me, again, thank the chairman for the expert and professional way in which he handled this bill and moved it through the process. It is not the beginning; it is not the end; it is the middle of the process. But as a result of this bill, we will have put in place the mechanisms to produce the vaccines we need as a nation in order to protect ourselves from some of the most virulent biological agents with which we might be attacked—a very important step.

As a result of this bill, we will begin the process of significantly upgrading all the public health capabilities across this Nation, whether it is in large States, small States, large cities, small cities. That is very critical because, as we learned so well in the instance of 9-11, the public health capability of dealing with a crisis is one of the core elements of the first responder, the first line of defense when it comes to a situation resulting from someone attacking our Nation, especially with a biological or chemical agent.

So these two basic streams of effort, which are the core of this bill—the bill has a lot more in it, but that is the core of this bill—are going to make, I believe, a dramatic and significant difference in our capabilities as a nation to handle the threat which we, regrettably, confront now of someone using a biological or chemical agent against us as a nation.

Mr. President, I yield up to 5 minutes, if she wishes it, if I have it, to the Senator from Maine.

The PRESIDING OFFICER. The Senator from Maine is recognized for 4 minutes.

Ms. COLLINS. Mr. President, first, I begin by thanking Senator KENNEDY, Senator JUDD GREGG, Senator BILL FRIST, and all of those who have worked so hard to bring this important legislation to the floor.

I am convinced that the bioterrorism bill to which we are about to give final approval will make a real difference in our Nation's ability to detect and, in the unfortunate event, respond to a bioterrorism attack.

I am particularly pleased that the legislation includes food safety provisions which I have advocated for some time.

In 1998, in my capacity as chairman of the Senate Permanent Subcommittee on Investigations, I conducted a 16-month investigation into the safety of imported food. What we found was truly frightening. We discov-

ered that the FDA inspects fewer than 1 percent of all shipments of imported fruits and vegetables. And we discovered that the safety net for ensuring that imported food was, indeed, wholesome and safe was deeply flawed.

We found that an unscrupulous shipper could very easily ship tainted food from one port to another without detection. If the system was that vulnerable to an unethical shipper, think what a determined terrorist could do.

So I am convinced the provisions included in this bill will make a real difference in helping to ensure the safety of our food supply.

I note that the Secretary of Health and Human Services, Tommy Thompson, recently testified before the HELP Committee that one of his greatest concerns was the vulnerability of our food supply.

I believe the provisions that are included in this bill will help to ensure that our food supply is safe from a terrorist attack.

We have a long way to go in the war against terrorism, but this major bioterrorism legislation is an important step in securing the United States of America.

Again, I commend the two leaders of our committee and all of those who have worked so hard to bring us to agreement on this important legislation.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, finally, again, I thank my colleague, Senator GREGG, and Senator FRIST, Senator COLLINS, and all of our Members for their cooperation and their help.

I urge our colleagues to vote in favor of the conference report.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, have the yeas and nays been ordered?

The PRESIDING OFFICER. They have not.

Mr. KENNEDY. I yield the remainder of our time.

Mr. GREGG. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be.

All time is yielded back.

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

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from Hawaii (Mr. INOUE) is necessarily absent.

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

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

The result was announced—yeas 98, nays 0, as follows:

[Rollcall Vote No. 124 Leg.]

YEAS—98

Akaka	Dorgan	McCain
Allard	Durbin	McConnell
Allen	Edwards	Mikulski
Baucus	Ensign	Miller
Bayh	Enzi	Murkowski
Bennett	Feingold	Murray
Biden	Feinstein	Nelson (FL)
Bingaman	Fitzgerald	Nelson (NE)
Bond	Frist	Nickles
Boxer	Graham	Reed
Breaux	Gramm	Reid
Brownback	Grassley	Roberts
Bunning	Gregg	Rockefeller
Burns	Hagel	Santorum
Byrd	Harkin	Sarbanes
Campbell	Hatch	Schumer
Cantwell	Hollings	Sessions
Carnahan	Hutchinson	Shelby
Carper	Hutchison	Smith (NH)
Chafee	Inhofe	Smith (OR)
Cleland	Jeffords	Snowe
Clinton	Johnson	Specter
Cochran	Kennedy	Stabenow
Collins	Kerry	Stevens
Conrad	Kohl	Thomas
Corzine	Kyl	Thompson
Craig	Landrieu	Thurmond
Crapo	Leahy	Torricelli
Daschle	Levin	Voinovich
Dayton	Lieberman	Warner
DeWine	Lincoln	Wellstone
Dodd	Lott	Wyden
Domenici	Lugar	

NOT VOTING—2

Helms Inouye

The conference report was agreed to.

Mr. REID. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. REID. Mr. President, 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 that the order for the quorum call be rescinded.

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

ORDER OF BUSINESS

Mr. REID. Mr. President, we have a number of Senators who indicated they wish to speak. We thought we would be able to start the vote earlier, but we cannot. Each time we get real close, someone else raises an objection. The Republican side does not want us to start on this now for obvious reasons. I can appreciate that.

We have a number of Senators desiring to speak. I assume we should arrange some time. Senator BINGAMAN desires 10 minutes.

Mr. BINGAMAN. Ten minutes would be fine.

Mr. NICKLES. I believe we have a couple of people. I suggest we try and accommodate speakers until 5:40, and then Senator BYRD wants to speak, and then there will be a motion to table and we will start a series of rollcall votes.

Mr. REID. Senator BYRD will speak before 5:40.

Mr. NICKLES. Yes.

Mr. REID. Senator BINGAMAN will speak for 10 minutes, then Senator

SNOWE will speak for 10 minutes. Senator BYRD, how much time would you require?

Mr. BYRD. Seven minutes.

Mr. REID. We can get you 10 minutes.

Mr. NICKLES. Senator SNOWE would like 15 minutes, Senator SANTORUM would like 5 minutes, and I would like 5 minutes on the Byrd amendment.

Mr. REID. So that is 25 minutes—it doesn't work.

Mr. NICKLES. If the assistant leader will yield, 20 minutes on each side should accommodate everyone's request.

Mr. REID. Senator BINGAMAN 10 minutes; Senator BYRD has 10 minutes, and would like his 10 minutes prior to the vote occurring.

MAKING TECHNICAL CORRECTIONS TO H.R. 3448

Mr. REID. I ask unanimous consent the Senate proceed to the consideration of S. Con. Res. 117, which is at the desk, and submitted earlier by Senator KENNEDY.

The PRESIDING OFFICER. The clerk will report the concurrent resolution by title.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 117) to correct technical errors in the enrollment of the bill.

There being no objection, the Senate proceeded to the consideration of the concurrent resolution.

Mr. REID. I ask unanimous consent the concurrent resolution be agreed to, and the motion to reconsider be laid upon the table, without any intervening action or debate.

The PRESIDING OFFICER (Ms. CANTWELL). Without objection, it is so ordered.

The concurrent resolution (S. Con. Res. 117) was agreed to, as follows:

S. CON. RES. 117

Resolved by the Senate (the House of Representatives concurring). That, in the enrollment of the bill (H.R. 3448) to improve the ability of the United States to prevent, prepare for, and respond to bioterrorism and other public health emergencies, the Clerk of the House shall make the following corrections, stated in terms of the page and line numbers of the official copy of the conference report for such bill that was filed with the House:

(1) On page 1, after line 6, insert before the item relating to title I, the following:

SEC. 1. SHORT TITLE; TABLE OF CONTENTS.

(2) On page 40, line 3, insert before the semicolon the following: "(including private response contractors)".

(3) On page 75, line 18, strike "subsection (c)(1)" and insert "subsection (c)".

(4) On page 75, line 25, strike "paragraph (3)(B)" and insert "paragraph (3)(C)".

(5) On page 87, strike lines 11 and 12 (relating to a redundant section designation and section heading for section 143).

(6) On page 264, line 11, insert before the period the following: "and with respect to assessing and collecting any fee required by such Act for a fiscal year prior to fiscal year 2003".

The PRESIDING OFFICER. The Senator from New Mexico.

ENERGY BILL CONFERENCE

Mr. BINGAMAN. Madam President, last Friday, May 17, marked the 1-year anniversary of the release of President Bush's National Energy Policy. And the day after tomorrow, May 25, will mark the one-month anniversary of the Senate's completion of its consideration of the Energy Policy Act of 2002. I believe that it is appropriate to take stock of where we were 1 year ago, where we are today, and what we need to do next to move this process forward.

One year ago, when President Bush released his National Energy Policy Plan, his proposal was little more than a glossy brochure. The summary of all the recommendations in the President's Plan, which appeared as the first appendix in his report, amounted to a mere 17 pages of text. Most of these recommendations were stated in very broad terms, and only about 20 actually related to legislation. A classic example of the recommendations in the President's Plan is the following one relating to electricity reform. Here is the electricity recommendation in last year's plan, in its totality:

The NEPD Group recommends that the President direct the Secretary of Energy to propose comprehensive electricity legislation that promotes competition, protects consumers, enhances reliability, promotes renewable energy, improves efficiency, repeals the Public Utility Holding Company Act, and reforms the Public Utility Regulatory Policies Act.

That was it for electricity. Now those 44 words include some very good thoughts. I am sure that a lot of work went into developing them. But it wasn't something that Congress could immediately turn around and send to the President's desk for signature.

So, over the last year, we have done a tremendous amount of work in Congress, and especially in the Senate, to put real flesh on the bones laid out in the President's plan. In the Senate Energy Committee, we held over 2 dozen hearings in this Congress on various aspects of energy policy, seeking to get broad and inclusive input into our bill.

In the case of electricity, instead of the 44 words contained in the President's plan, the Senate developed and passed 80 pages of legislative text on electricity reform. Our provisions sought to give real meaning to the general principles of protecting consumers, promoting competition, and promoting renewable energy. We had a lot of help and input from the Administration, but the work was really done here in the Senate.

We are now at the beginning of the next phase in the legislative process. That is conference with the House of Representatives. We have a lot of work to do, but it cannot begin until the leadership of the House of Representatives decides who will represent them in a conference.

I have to confess that I am getting a little frustrated at the delay in moving to this next phase. When the Senate

passed its bill, the House majority whip put out a press release calling this body a bunch of "do-nothing Daschlecrats" and stating:

Now, it's important that we move quickly to work out the differences between the House and Senate bills.

I agree with the second part of his comments, but his own colleagues in the House of Representatives apparently do not. Senators DASCHLE and LOTT named our Senate conferees on May 1. After three weeks of silence from the House on who their conferees might be, it seems that all we are getting from the House is a lot of delay.

And there is a tremendous amount of work to be done to have a successful energy conference, even before we sit down around a table somewhere.

First, we will have to decide how the conference will be organized, including how it will be chaired. We seldom go to conference on energy bills. The last conference on an energy bill, the Alaska Power Administration Sale and Asset Transfer Act, took place 7 years ago, in 1995. The House of Representatives chaired that conference. If one accepts the notion that conference chairmanships alternate between the Houses, then that means that it is now the Senate's turn to chair an energy conference.

And, judging from both the lack of forward motion from the House on naming their conferees and some of the informal comments from the House leadership on their vision of what a conference would look like, I think that there might be some important advantages to Senate chairmanship of the conference.

A number of leading members of the House of Representatives seem to be of the opinion that there should be a lot of televised meetings of conferees. I have nothing against openness, but I don't think that lots of televised meetings would be conducive to actually getting an energy bill out of conference. My prime mission in chairing a conference would be getting a bill, not getting Nielsen ratings. We should regard the time that conferees are actually present in the same room as a limited resource, to be used to promote forward motion, and not grandstanding.

Second, there have been rumblings that some in the House leadership might prefer to delay a conference until September. There are so many complex issues to be dealt with in this bill that delay would result in no conference report. I would prefer to see us begin work as soon as the organization of the conference itself was worked out, much along the lines of how issues were dealt with during past energy conferences.

I am very much looking forward to learning whom we are supposed to be negotiating with from the House of Representatives. I'm not going to initiate discussions with the House of Representatives, though, that might be regarded as attempts to pre-conference

the bill, or parts of it, prior to knowing who all the legitimate participants will be from the House.

But once the House has made its selection, I would propose that the conferees from both Houses take the following three key steps.

First, we should get the conference leadership from both Houses into a room to get the organization and ground rules of the conference set down as our first order of business.

Second, we should have the appropriate Senate and House staffs meet to work out a mutually agreed-to side-by-side presentation of the bills, so that there is common agreement as to which proposals are similar enough to be paired up in the negotiations. For the tax provisions, the Joint Committee on Taxation has already prepared a draft side-by-side that can be reviewed by both sides. We need to get the corresponding treatment for the energy policy provisions done in a consensual manner between the two Houses.

Third, we will have to decide whether there will be subconferences; and if so, how many; and what each will encompass.

What I have just laid out is a substantial amount of preparatory work that is now on hold. And time is slipping away from us in this Congress. If we adjourn in early October, as is likely, then we may have only 12 or 13 weeks of session left in this Congress. That is less time than one might think, and there will be a lot of other issues that will occupy the time and attention of leading members of this conference.

I hope we can get started with the critical organizational phase of the discussions as soon as possible. But there is no way that can happen, without knowing who the conferees from the House will be. I urge my colleagues in the other body to give this high priority so that the real work can begin.

Mr. MURKOWSKI. I wonder if my friend will yield for a question.

Mr. BINGAMAN. I will be glad to yield for a question.

Mr. MURKOWSKI. Recognizing the extended effort that was gone through in the time sequence we spent on the floor, I am sure my friend from New Mexico would agree, had we been able to proceed within the committee process, having the educational activities associated within the committee structure as opposed to on the floor of the Senate, it would have saved us a lot of time. Nevertheless, I think my friend from New Mexico would agree this was a dictate by the Democratic leadership.

I think he would also agree that the House did move on their energy bill much earlier than we were able to because we had to go through the floor process. I think my friend would agree the general understanding is the House intends to name conferees as soon as we return from this recess.

Mr. BINGAMAN. Just to respond, the point my colleague makes is one he

made numerous times during the debate of the energy bill here on the Senate floor. Clearly, that is his point of view.

We were able to produce a bill. I think it is a far superior bill to the one the House produced last summer.

The main point I am trying to make is we cannot move any further down the road toward enacting an energy bill unless we get a conference. It has been a month since the Senate passed its bill. It is time the House appointed their conferees.

Madam President, let me go ahead with the second of the issues I want to deal with, and that relates to retirement security. How much time remains, Madam President?

The PRESIDING OFFICER. The Senator has 2½ minutes.

RETIREMENT SECURITY

Mr. BINGAMAN. Briefly, what I want to do is summarize these four points.

Retirement security is an issue that is of great concern to virtually all Americans. I believe there are four essential issues embedded in it which we need to begin dealing with in this Congress.

There has not been much interest on the part of the administration in dealing with these issues. If there has been, I missed it. But I believe Congress needs to take the initiative to begin dealing with it. The four issues I believe deserve the greatest attention are:

First of all, We need to recognize that everyone who works in this country ought to be entitled to a pension of some sort—a pension, a 401(k), some kind of provision for their retirement in addition to Social Security. I think that should be a goal to which we should all agree.

Second, all workers should have a right to secure retirement savings. We should eliminate the problems of mismanagement of people's retirement savings that we saw in the case of Enron. Senator KENNEDY has put together legislation we have reported out of the HELP Committee that tries to close some of those loopholes, eliminate some of those abuses, and deal with the looting of retirement savings that unfortunately has occurred and is permitted under current law.

Third, all workers must have pension portability. This is a difficult issue but an important one. Most workers will have somewhere between 10 and 15 jobs during their career. That is the way of the modern economy. We need to be sure they can move their pension from job to job and not lose their pension benefits because they are forced to change jobs in midcareer.

Fourth, all workers should have retirement benefits comparable to those of the highest paid executives in the company. We cannot have one set of rules for the top management and a different set of rules for the rest of the people in the employ of that corpora-

tion. We need to have comparable tax provisions so there is not a set of tax provisions that allows for the putting away of postretirement income for the top executives of the company while the average worker of the company is denied a reasonable pension.

Last week I came to the floor to talk about our Nation's gap in pension and retirement plan coverage.

Although Enron has been the focus of much of our attention, we cannot ignore the disturbing trend that pension coverage in our country has not budged from roughly 50 percent coverage over the past 30 years. Minorities, particularly Hispanics, fare significantly worse with 73 percent of all Hispanics in the private sector not having a retirement or pension plan. Quite simply, we must do more.

In light of Enron and other corporate abuses, it is patently evident that we must strengthen our retirement and pension laws so that employees' retirement savings are given real protections. We must protect the retirement savings of our workers from unscrupulous executives who are willing to use their positions to enrich themselves at the expense of the employees. We must also be sure that employees are protected from various conflicts of interest that allow accountants, analysts, and employers to act in their own self-interest and financial well being instead of the best interests of the employees. In particular, we must be sure that we do not change the law to expose employees to new conflicts of interest, as would occur if we allowed conflicted investment advisers to invade the secure world of ERISA protected retirement plans. Of course, all of these protections don't mean much if employees do not have the ability to diversify out of employer securities so that they are not financially ruined when there is an economic downturn or their employer goes out of business. Sadly, the House-passed bill does not provide any of these protections in any meaningful way.

Although we have made great strides in the past several years, we still have more to do to be sure workers with traditional pension plans are able to take their savings with them when they move on to a new job. While retirement plans are more portable than traditional pensions, we must still make sure that employees have the right to take what is theirs with them if they change employment. In these cases, plan portability is not the only issue, concerns over vesting and the ability to diversify out of employer stock are equally important.

Finally, we need to ensure that executives of companies do not walk away from a business with millions in benefits when the employees are sent home with a retirement account full of worthless employer stock. It is fair that executives have more money in their retirement accounts—that is one of the benefits of being a higher salaried employee. What isn't fair, though,

is when executives have millions in deferred compensation and other executive benefits that have been funded by tax-preferenced vehicles like corporate owned life insurance none of which is available to the workers. If a benefit does not meet non-discrimination rules, it is unclear to me why a company should be able to be fund these executive benefits through tax-preferred chicanery.

As we move into the 21st century it is important that we take note of the state of our private retirement system and work to improve it. Too many Americans still do not have any pension or retirement coverage. That must improve. We must also strengthen our retirement system to provide employees with real protections for their retirement savings—not symbolic changes as proposed by the House and Administration. We must provide our workers with increased pension portability and true ownership of all their retirement assets. Finally, we must change our laws so that companies are not able to take advantage of loopholes in the Tax Code that give them significant tax relief when funding executive retirement benefits that are not available to the workers. We will need much than proposed by the administration and passed by the House if we want a world where “what’s fair on the top floor should be fair on the shop floor.” I hope my colleagues from across the aisle are ready to match legislation with their rhetoric. If not, unfortunately, this Congress will come to a close with workers once again getting the short end of the bargain.

These are very important issues. When we return after this week-long recess, I hope we can put some serious effort into dealing with them. I commit to proposing some legislation to try to help move us in that direction.

My time has expired, so I yield the floor.

The PRESIDING OFFICER. The Senator from Maine.

ANDEAN TRADE PREFERENCE EXPANSION ACT—Continued

Ms. SNOWE. Madam President, I rise today to speak in support of the compromise trade package that is now before the Senate and to praise both sides for recognizing the need of retaining the linkage of trade promotion authority (TPA) and trade adjustment assistance (TAA) during floor consideration.

I would first like to commend Chairman BAUCUS and Ranking Member GRASSLEY for their efforts in crafting this package.

Not only have they worked in a bipartisan manner to ensure that it is the product of principled compromise, but they have also sought to ensure that many of my concerns regarding the deficiencies of past extensions of trade authority—most notably, a lack of accountability and consideration of the needs of small businesses—have been addressed. In the same manner,

both agreed to a critical expansion of the existing TAA program while also including provisions I advocated to accelerate assistance to dislocated workers and provide them with greater options in the utilization of these benefits.

I would also like to thank Senator BAUCUS and Senator GRASSLEY for their tenacity as we worked through the health care provisions in the TAA package during the last four weeks. Their commitment to this effort made it possible for the three of us to develop this agreement, and while both sides have made significant concessions to finalize this deal, we believe these health care provisions are a solid contribution to the TAA package.

At the beginning of the TPA-TAA debate in the Senate, everyone believed the fight over health care would doom Senate passage, but together we have proved them wrong. On that note, I would also like to commend the staff of both Senator BAUCUS and Senator GRASSLEY who worked so hard to develop this compromise against tremendous odds.

The Finance Committee has been working on the TPA and TAA legislation for nearly a year now, and, as a member of that committee, I have been extensively involved in its development. Through hearings and markups, along with numerous discussions, we have extensively debated this legislation—and will likely continue to do so until the final vote.

My decision to support this package, and the TPA section in particular, was by no means a foregone conclusion, as I have opposed trade agreements and fast-track authority in the past. I did so because I never felt they struck the proper balance between free and fair trade, and I have been concerned that both Republican and Democrat administrations approached the enforcement of U.S. trade laws not with vigor, but with benign neglect.

However, when the Finance Committee marked up this fast-track legislation in December, I supported it precisely because it does strike the appropriate balance, and because of this administration’s commitment to aggressively enforce our trade laws so that American workers aren’t undermined by unfair trade practices.

Furthermore, while some oppose linking TPA and TAA as contained in this trade package, my support is contingent on this linkage and I have repeatedly emphasized the importance of joining these proposals that are inextricably joined. TAA would not even exist if not for the fact that trade agreements impact U.S. jobs, so attempting to bifurcate TAA and TPA is like trying to divide the “heads” from the “tails” on a coin—sure, it may be possible, but the end product won’t be worth one red cent!

We must never forget that in the engagement of trade there is a downside—chiefly, that real lives are affected—people not just statistics. When

Americans become unemployed due to increased imports or plant relocations to other countries, it is because of trade agreements negotiated by the government of the United States and passed by Congress. Therefore, we have no obligation to also work toward forging a system that provides these trade-impacted Americans with the new skills needed to gain new employment.

And lest anyone question the need or value of the program, consider the fact that TAA has served not only as a lifesaver but also as an opportunity-creator for individuals to be retrained so they can re-enter the workforce as quickly as possible. Since October 1997 to today, 9,200 Mainers have benefitted from TAA. Nationally, during this same time-frame, almost 1 million people were covered by TAA. In Maine right now, 1,102 people are receiving TAA benefits.

In fact, in Maine it’s been a whole litany of closings from a variety of industries since NAFTA: Carleton Woolen Mills lost 600 jobs, Dexter Shoe Company lost 550 jobs, Kimberly-Clark lost 450 jobs while Mead Paper lost 472 jobs and G.H. Bass footwear lost 355 jobs, as did Cole-Haan Manufacturing, while Eastland Shoe Manufacturing lost 250 jobs and Saucony closed with 110 workers, and just recently, Hathaway Shirts, one of the oldest and last remaining domestic shirt-makers, with 300 workers. Many of these people turned to TAA.

The final provisions of the legislation before us were in question up until the last minute, but they make vital improvements and expansions to the program, including several I have fought for. Specifically, besides consolidating the current TAA and NAFTA-TAA programs into one, more efficient program, the bill includes my proposal to speed up assistance to displaced workers by decreasing the TAA petition time for certification from 60 days to 40 days. Reducing this time by 20 days will allow people to get on with their lives that much quicker.

The bill also includes my proposal to create a new pilot program under the Small Business Administration (SBA) that will test how TAA can help those seeking to start their own business by assisting with development plans without the loss of their TAA benefits. It also allows for customized, employer-sponsored training programs where a worker can learn a specialized skill while on the job.

And the legislation also establishes a performance accountability and reporting system. A concern expressed to me by Maine officials has been that, without taking into account the economic conditions of the states, good systems could be erroneously judged bad due to an economic downturn of a state. By factoring-in this new criteria, we ensure that such a vital component of the overall picture is part of the equation.

Beyond these provisions, the TAA legislation also recognizes the fact that it is not only people but communities

that can be adversely impacted by job loss or plant relocations. It does so by creating a new Office of Community Trade Adjustment at the Economic Development Administration (EDA) that will work closely with state and local officials to develop a strategic plan when a community suffers massive layoffs. The Office can dispense grants that could prove critical in getting these communities back on track.

Moreover, this bill addresses another issue that has created problems in my state this year—the current budget for training assistance. Since last year, Maine has run short of training funds by approximately \$2.7 million, forcing them to apply for five different Department of Labor National Emergency Grants and potentially causing a freeze in retraining assistance. By providing \$300 million in funding, this shortfall will be fully addressed.

And we didn't stop there. Not only does this funding level address State shortfalls, but it also ensures expanded coverage for secondary workers affected by trade. Specifically, under the compromise developed by Senators GRASSLEY and BAUCUS, secondary workers with a direct relationship to the downsizing or closing of a plant will be covered by TAA, while so-called downstream workers covered now under a Statement of Administrative Action as part of the NAFTA-TAA program will also be covered through the SAA's codification.

And, as I stated earlier, bipartisan support also prevailed on the contentious health care issue. Since the end of last year, the health care provision seemed to be the one that would divide us and perhaps even bring down this trade package. Well, Madam President, through the hard work and dedication of many offices, this obstacle has been averted.

The health care compromise included in this agreement provides a 70 percent tax credit for trade-impacted workers to continue their health coverage for themselves and their family. This tax credit is "advanceable" so that people will receive this assistance immediately rather than paying up front to get a tax refund later. The tax credit is also refundable and, as such, provides the full level of the tax credit regardless of whether the individual will owe any taxes that year.

Trade-affected workers can use this tax credit toward the cost of COBRA health coverage from their former employer, if that is available, or they can purchase private health coverage through purchasing groups, state high-risk pools, or other group purchasing arrangements established by the states. Workers can also use the tax credit toward their current private health coverage.

Through these and other provisions, what we have before us today is a bill that recognizes that our desire to trade is dependent on our ability to assist those adversely affected by trade. An expanded TAA program will be part

and parcel of an extension of trade negotiating authority—and American workers will be provided with the assistance they need and deserve.

In that light, as the world grows ever closer, the implications of our trade agreements are more critical—and more magnified—than ever before. As I mentioned earlier, my past opposition to fast-track, due to concerns about the balance between free and fair trade and our enforcement of our trade laws, have been addressed in this bill.

The bottom line is that enforcement is an inseparable component of free and fair trade. If you don't believe me, just look at the record. In the past, when free trade and fair trade have been treated as mutually exclusive, import-sensitive industries in Maine and America were decimated by foreign competitors. Why? Because foreign businesses enjoyed the benefits of a lack of reciprocity in trade agreements—foreign industry subsidies—dumping in the U.S. market—and non-tariff trade barriers. That's why, as a Member of the House in 1986, I lamented that we were running up "the white flag of surrender in the international marketplace."

The "white flag" is perhaps best represented by the shoe industry, which is one that has borne the brunt of our trade policies. In 1986, for example, it experienced an 82 percent import penetration with over 750 million pairs of shoes entering this country annually. Japan, on the other hand, allowed only 1 million pairs of shoes to be imported and Brazil had a 100 percent tariff effectively barring imports. The U.S. industry filed a trade relief petition under section 201, and a five year temporary quota was recommended by the International Trade Commission (ITC), but the Administration did not act on it. In short, we abandoned our workers, our industry and our trade policy in the pursuit of free trade.

And the surrender of our rights under our own trade laws has had serious consequences in the lives of real people. In Maine alone, we lost nearly 15,400 manufacturing jobs since NAFTA's inception, including 2,400 textile jobs, 6,000 leather products jobs, 500 apparel jobs, 3,700 paper and allied products jobs, and 4,800 footwear jobs, excluding rubber footwear, and 5,200 manufacturing jobs so far just this year. We failed those people because we abdicated our responsibility to take a balanced, comprehensive and integrated approach to trade.

That is why I worked to ensure that the ATPA legislation contains at least a 15 year tariff phaseout for rubber footwear, which is supported by the domestic industry. As it was originally written, the ATPA would have signaled the end of our rubber footwear industry by setting a precedent for all other countries. How? By matching this tariff phaseout to the seven years left under the NAFTA, other countries in future agreements would unquestionably seek the same.

During negotiations over NAFTA, the U.S. industry fought to be excluded but grudgingly accepted a 15 year phaseout as a recognition of their import-sensitivity. This is exemplified over the past decades by the decrease we've seen in jobs in this industry from 26,000 workers in the early 1970s to 2,600 today. And I might add, more than a third of those remaining jobs are located in Maine. So to have subjected this industry to the same phase-out date as that required by NAFTA would have put them at yet another debilitating disadvantage by depriving them of another eight years of adjustment. So when it comes to ATPA, to do anything but provide at least the 15 years prescribed under NAFTA would have been unconscionable.

And while we cannot bring back these or other jobs that were lost due to the miscues of the past, we can learn from those miscues and apply the lessons to our present and future actions. We can change our approach at the negotiating table. We can enforce existing trade laws.

In the real world, we have to acknowledge that there are many nations that don't care about labor or environmental standards. And that creates a tilted playing field where it's harder for us to compete. In that regard, this bill makes significant progress on the issues of labor and the environment and I believe it is both a necessary and important distinction that separates this proposal from prior approaches to fast track. The bill before us today not only sets as an overall objective the need to convince our trading partners not to weaken their labor or environmental laws as an inducement to trade, but it also requires the enforcement of existing labor and environmental laws as a principal negotiating objective.

The legislation also recognizes the need to take steps to protect the import sensitive textile and apparel industry. It calls for reducing tariffs on textiles and apparels in other countries to the same or lower levels than in the U.S., reducing or eliminating subsidies to provide for greater market opportunities for U.S. textiles and apparels, and ensuring that WTO member countries immediately fulfill their obligations to provide similar market access for U.S. textiles and apparels as the U.S. does for theirs.

And this legislation includes new negotiating objectives to address the issue of foreign subsidies and market distortions that lead to dumping. As a result, many industries stand to benefit from the adoption of this legislation, including the forest and paper, agriculture, semiconductor, precision manufacturing, and electronic industries of my home state. According to Maine Governor Angus King the fast track approach is, "On balance—beneficial to Maine. There might be some short term problems, but in the long run, we have to participate in the world economy."

And Maine has been participating. From 1989 to 1999, total exports by

Maine companies increased by 137 percent from \$914 million to \$2.167 billion, with the largest industry sector for trade being semiconductors—employing about 2,000 in Maine. The computer and electronics trade, which includes semiconductors, accounted for 33 percent of Maine's exports in 1999, followed by paper and allied products at 17 percent.

The Maine industries that benefit from exports have also seen job gains in the state. From 1994 to 1999, the electrical and electronics industry had a job gain of 2.3 percent and the agriculture, forestry and fishing industry saw a 19 percent increase in jobs. In 2000, Maine's exports supported 84,000 jobs.

And two other Maine industries—the import-sensitive salmon aquaculture industry that was the target of dumping by Chile, and the rubber footwear industry that's been severely impacted by past trade agreements—stand to benefit from commitments I've received from the administration to stand firm on antidumping laws and to negotiate aggressively on their behalf in future agreements.

I have also worked in the Andean Trade Preference Act (ATP) to provide the rubber footwear industry with a comparable tariff provision to that which they received in the NAFTA. The original ATPA further threatened this industry by giving the four Andean nations a tariff phase-out schedule that was only half as long as the 15-year schedule contained in the NAFTA. I am pleased that this legislation now contains this same 15 year phaseout because without this we would be setting a precedent that would be demanded by other countries as well.

These measures and commitments represent a significant strengthening of our resolve and our ability to utilize existing remedies to protect American industries and workers. This comes not a moment too soon, as the success of our economy relies more than ever on fair and freer trade—U.S. exports accounted for one-quarter of U.S. economic growth over the past decade, nearly one in six manufactured products coming off the assembly line goes to a foreign customer, and exports support one of every five manufacturing jobs.

Given these facts, it is understandable concern that the U.S. has been party to only 3 free trade agreements while there are more than 130 worldwide. Since 1995, the WTO has been notified of 90 such agreements while the U.S. only reached one in the trade arena, the Jordan Free Trade Agreement. In contrast, the European Union (EU) has been particularly aggressive, having entered into 27 free trade agreements since 1990 and they are actively negotiating another 15. Perhaps not surprisingly, the Business Roundtable reports that 33 percent of total world exports are covered by EU free trade agreements compared to 11 percent for U.S. agreements.

Why should these facts raise concerns? Because every agreement made without us is a threat to American jobs. Nowhere is this better exemplified than in Chile which signed a free trade agreement with Canada, Argentina and several other nations in 1997.

Since that time, the U.S. has lost one-quarter of Chile's important market, while nations entering into trade agreements more than captured our lost share. According to the National Association of Manufacturers (NAM), this resulted in the loss of more than \$800 million in U.S. exports and 100,000 job opportunities. One specific industry affected was U.S. paper products which accounted for 30 percent of Chile's imports but has since dropped to only 11 percent after the trade agreements were signed.

We need to look to the future of our industries and open doors of opportunity in the global marketplace. In order to do so responsibly, we need to learn every economic lesson possible from the past, and this package provides for not only a study I requested of the economic impact of the past five trade agreements, but also an additional evaluation of any new agreements before TPA is extended.

And we need to make sure that everyone who can benefit from these agreements can get their foot in the door. Small businesses, for example, account for 30 percent of all U.S. goods exported, and in Maine more than 78 percent export, so I am pleased this bill includes my proposals placing small businesses in our principle negotiating objectives.

Small businesses also face the biggest hurdles to engaging in international trade, even as it provides them with best opportunity for growth. So we must ensure their views and needs are addressed in any agreement reached, and I want to thank the chairman and ranking member of the Finance Committee for including my provision to create an Assistant U.S. Trade Representative for Small Business and my proposal requiring the USTR to call for a small business advocate at the WTO in order to ensure that small businesses have advocates at the table during all negotiations.

Finally, the package now includes consultation rights for the House and Senate Committees with oversight of the fishing industry. As the past chair and current ranking member of the Commerce Subcommittee on Oceans and Fisheries, I can tell you that the actions of other countries with regard to fishing plays a crucial role in ensuring our industry has a level playing field on which to compete. Last year this country exported \$11 billion worth of edible and nonedible fish products, and in Maine the industry, which is our 5th leading exporter, generates 26,000 jobs.

The bottom line is international trade is inextricably linked to the economic future of the United States. The adoption of this comprehensive pack-

age will ensure that trade agreements will be pursued in a fair and balanced manner to the benefit of all Americans while also recognizing the need for expanded assistance for those who lose their jobs due to trade, and I urge its adoption. Thank you. I yield the floor.

Mr. REID. Madam President, I suggest the absence of a quorum, and I ask unanimous consent that the time under the quorum call be charged equally against both sides.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. SANTORUM. Madam President, I rise to voice my support for the pending legislation, the trade promotion authority, as well as the TAA, a bill that is before us, the Trade Adjustment Assistance Act. While it is not a perfect bill by any stretch of the imagination, it is important in two respects. It promotes trade and it gives the President the opportunity to craft free trade agreements and open markets.

Pennsylvania, for example, had exports in 2000 to the tune of \$24 billion. We export to over 204 foreign destinations. It is a very important part of Pennsylvania's economy, and it would be vitally important for Pennsylvania if we could open markets particularly with South America. We can begin to structure free trade agreements.

Several South American countries, for example, are very big users of the Port of Philadelphia. Free trade agreements would mean a lot to businesses in Philadelphia, as well as our transportation industry in Pennsylvania, which is a big part of the Pennsylvania economy.

We have tremendous opportunities in Pennsylvania with our manufacturing base, our high-technology industries, our agriculture, to export not just to South America but around the globe.

This is a great opportunity for this administration to structure deals, to bring down tariffs, and to allow us to compete better in the global marketplace.

While I do have some concerns about the Trade Adjustment Assistance Act, I do believe it is important for us to pass a trade adjustment assistance act that does deal with some of the downsides. I think there are a lot of upsides, a lot of good, quality jobs. But there will be some who will lose their jobs, and we need to be there to be helpful, to deal with those who are hurt by the actions of the Federal Government, by trade agreements that result in people losing their jobs.

In the end, there is no question that trade is a net positive for this country. It will improve the quality of life for millions of Americans, and not just for

those who will get better paying jobs because of trade but also people will be able to get better quality goods and less expensive goods as a result of trade with countries around the world.

So this is a win-win, in my opinion. We will be taking care of those who will be hurt and, at the same time, we will be expanding opportunities for millions of people and create a better way of life for our citizenry here at home.

Madam President, with that, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. DASCHLE. Madam President, we are about to begin a series of votes on amendments that have been pending on the trade package. I urge Senators to stay on the floor and to respect the need to discipline ourselves in regard to the amount of time allocated for the votes. Oftentimes, 10- or 15-minute votes turn into half-hour votes. So, please, stay on the floor. We have at least 8, perhaps as many as 10, rollcall votes that will be occurring momentarily.

UNANIMOUS CONSENT REQUEST—
S. 2551

Mr. DASCHLE. Prior to that, I urge our colleagues to consider the final piece of business. I am pleased the distinguished chair of the Appropriations Committee is on the floor. He and I have had many conversations with regard to the need to pass the supplemental.

The President has admonished the Senate to complete our work on the supplemental before Memorial Day. I have indicated to Senator BYRD that that would be my desire, to complete our work on the supplemental prior to Memorial Day. And I indicated on the Senate floor earlier today it would be my hope that we could complete our work.

Obviously, there are many pieces of legislation that await us when we return.

So for a lot of reasons, the fact that this money is going primarily to defense and homeland security—we have seen warnings now issued in the last couple of weeks with regard to the need to respond even more consequentially to our homeland security requirements—I think the urgency of the bill is very much in evidence.

Madam President, I ask unanimous consent that immediately following the disposition of the trade bill, the Senate proceed to the consideration of S. 2551, the Senate supplemental appropriations bill; that there be 10 hours for debate on the bill, equally divided be-

tween the chairman and the ranking member of the Appropriations Committee; that all amendments be relevant to the bill and limited to 30 minutes of debate, equally divided in the usual form, with the amendment debate time counting toward the 10-hour cap; and that upon the disposition of the amendments, the bill be read a third time and passed, without any intervening action or debate.

The PRESIDING OFFICER. Is there objection?

Mr. MCCAIN. Reserving the right to object—

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN.—and I will object—first of all, I believe it is the procedure in the Congress for all revenue bills to be passed by the other body first. Isn't that correct? We would wait for the other body to proceed with their completion of the appropriations bill, which they have not done.

Madam President, just last night my office received these two documents: one at 50-some pages and the other 50-some pages, which is an explanatory statement of the recommendations of the Senate committee. We have not had a chance, obviously, to go through that long appropriations bill.

I noticed, among other supplemental appropriations, there is \$5 million for individual quota fishing loans. I knew we were in an emergency here in the country—these fishing loans for halibut, I guess there is a halibut problem up in Alaska of which, unfortunately, the Nation has not been made aware.

But buried in this bill are other “emergencies,” such as the halibut emergency for \$5 million. There are fundamental changes made in the aviation loan program which was passed overwhelmingly by this body for the airlines, which really has nothing to do with supplemental appropriations. There are many other policy changes, as is the practice of the Appropriations Committee—as is the practice.

I am not going to agree to any unanimous consent request. This bill has been over since April. We just got it last night. And you expect us to agree to 10 hours of debate and passing this bill? No. No. It is disgraceful.

We are going to change the way we do business around here. The appropriators are going to understand that there are other Senators who need to be involved when in an emergency supplemental appropriations bill there are policy changes which have nothing to do with any national emergency—whether they be a change to the aviation loan program or whether they be an emergency for halibut.

I object.

The PRESIDING OFFICER. Objection is heard.

Mr. DASCHLE. Madam President, let me respond briefly, because I know the distinguished Republican leader would like to make a comment as well.

With regard to the House action, of course, we wouldn't complete our work

on the bill until the House has done its work. We expect that will be done shortly. We have done similar appropriations work on many occasions in the past. We need to move forward.

As I said, there is an urgency to many of the provisions of this legislation. We are talking about defense and homeland security in particular.

I would also note that this bill is subject to amendment. Senators wishing to offer amendments would be entitled to do so.

I am disappointed we were not able to get the unanimous consent agreement. I think it does again delay our chances to complete this work and to get it done in a way that accommodates the President's request and our appreciation for the urgency of addressing this work.

I yield the floor.

The PRESIDING OFFICER. The Republican leader.

Mr. LOTT. Madam President, we received this request at approximately 5:28 this afternoon. I will make a couple of points with regard to the legislation, some of it with regard to what Senator MCCAIN was just saying.

I understand the Senate bill was reported last night and we were only able to get a copy of the measure earlier today. Senator MCCAIN and others are going through the bill to see exactly what its present condition is. It is obviously in the legislative process. It is different from what the President had requested. It is different from what the House passed. Therefore, we need to make sure we know exactly the present condition of what is in the bill.

For instance, the President asked for this supplemental for defense and homeland security, about \$27.1 billion. The House-passed bill that we have not yet received is at approximately \$29.4 billion. This bill is approximately \$31 billion.

Mr. MCCAIN. Will the Senator yield for a question on that?

Mr. LOTT. I am glad to yield.

Mr. MCCAIN. Isn't it the Senator's recollection that when this side of the aisle was in the majority, the other side always insisted that the appropriations bills come over from the House before the Senate would be allowed to act? Is that not the recollection of the Senator?

Mr. LOTT. I know in the past my colleagues on the other side insisted we wait on the House appropriations bill in order to provide a defense of germaneness. So that has been the practice; the Senator is correct.

I understand we are going to get the House bill later tonight, but it may be, actually, in the morning before we get it. I also understand that no report was filed with the bill, although there is some sort of explanatory statement. Perhaps that will be helpful and maybe that is intended to be in place of the report. That is a concern, too.

The consent that was propounded asked for debate and amendment limits before Members even really knew what

we would be amending. It puts us in a very difficult position.

Having said all of that, certainly this measure is vitally important. I have already been talking to Senator DASCHLE about what is the best way to go to it, what is the earliest time we could go to it. Even if we took it up and some wanted time later on tonight or tomorrow, it looks to me as if it would take quite some time to get it done. We would not be able to get into conference with the House before we come back from the Memorial Day recess.

I am hoping we could go ahead and talk back and forth and try to get agreement that when we come back from the recess, if we don't get some agreement worked out otherwise, it would be the pending business or we would quickly get a process so we could start work on it Monday when we come back or Tuesday, the 4th, and hopefully get agreement relatively quickly, even with amendments, once people know what they are amending, and then be able to get it right on in to the conference with the House.

Clearly, we do need to get this done. I must say that it has been a slow process. The request from the administration was slow coming. The bill coming from the House has been slow. Now here we are right up against this recess. It has not been the best way to do it.

It is about \$4 billion more than what the President asked. I am sure the mix within that \$31 billion has been changed. We need to take a look at it. Hurriedly, we have been trying to go through what has been added. Clearly, a lot of it is not national defense or homeland security related: things such as the senior farmer's market nutrition program, money for a national polar orbiting operating environmental satellite system, some amount of money for attorney retention allowance for the District for attorneys that, even though they got a bonus for staying with DC, they subsequently became union members and were not entitled to the bonus. This would say they can keep the bonus. There is U.N. population fund language in here which always causes a fuss.

Just looking hurriedly over the amendments on agriculture, justice, commerce, DOD, education, a lot of issues that would not be described in any way as relating to national defense and homeland security, we need a little time to review all this and see what amendments may be necessary.

I must say—I know Senator BYRD understands this—I always am very antsy about proceeding without Senator STEVENS being around when we are doing appropriations bills. So that is a factor, too.

UNANIMOUS CONSENT REQUEST—
S. 2551

Mr. LOTT. Madam President, I ask unanimous consent—this is a modification of the earlier request—that the

Senate would proceed to the House supplemental appropriations bill on Monday, June 3, at a time to be determined by the majority leader after consultation with the Republican leader so we could get to this bill immediately upon our return.

The PRESIDING OFFICER. Is there objection?

Mr. DASCHLE. Madam President, I object, for two reasons. First, it seems to me the whole issue is urgency. We are talking about defense and homeland security. If there is any urgency to making the commitment to getting the work done, it ought to be now, not a week or 10 days from now.

Secondly, we don't know when the House will produce the bill. Perhaps the House will complete its work; perhaps it will not. We know we have a job to do. As we have done on so many other occasions, we have done our work and waited for the House to act. If the House completes its work, perhaps that is something we can do. But we are not in a position to know what the House is going to do. Obviously, it would be very difficult for us to build a consent agreement around House action that may or may not take place.

I do object. I do recognize, as the Senator from Mississippi, the distinguished Republican leader, has noted, we will have to reach some agreement. If it can't be done now, it will have to be done soon. It is disappointing that it cannot be done now.

The PRESIDING OFFICER. Objection is heard.

The Senator from Arizona.

Mr. MCCAIN. I want to mention just an example of why we need to go through this legislation. It has just been pointed out to me, here is \$2 million in this bill, which is entitled "Supplemental Appropriation Act for Further Recovery from and Response to Terrorist Attacks on the United States"—that is the title of this legislation—

Other related agencies, Smithsonian Institution construction, \$2 million: the committee recommends an amount of \$2 million within construction to initiate the planning and design of an alcohol collection storage facility. The Smithsonian holds the largest collection of this kind in the world, and at present a large portion of it is stored in the National Museum of Natural History. The Smithsonian has requested this amount and the fiscal year 2003 budget estimate indicates it is a most important safety and security project.

Given this information, the committee has advanced the appropriation of funds required in planning and design in order to accelerate the project.

All of those bugs that are stored in alcohol in the Smithsonian—when we are trying to recover from and respond to the terrorist attacks on the United States by moving some alcohol encased bugs from one facility to another—this is another example of why in the world we need to examine this legislation.

The Senator from Pennsylvania is going to be recognized. There is a pro-

vision in this bill that is far more serious than moving bugs stored in alcohol for \$2 million. That has to do with the aviation program. The legislation was passed by this body overwhelmingly because of the danger of airlines going bankrupt, and now one major airline at least will not be eligible for loans because there is not enough money there and we are going to see major airlines in America go bankrupt if we don't avoid that.

I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. Madam President, I want to pick up on what the Senator from Arizona said. He is ranking member on the Commerce Committee. They worked diligently on putting together the aviation loan program. One airline has access to the program, and that happens to be America West. There is another airline that is on the brink of bankruptcy that is hemorrhaging money right now, but it has brought in a management team to restructure the airline. Part of this restructuring plan is US Airways' access to this fund. What is in the appropriations bill will deny them access to this fund until the fall of this year, which may be too late for them to be able to get the adequate capital to continue operation. We may be bankrupting an airline that serves the whole northeastern quadrant of the United States for I don't know what reason.

I have no idea why this provision is in here, but we are pulling the rug out from under an airline that was probably the airline most affected by 9-11. This is the airline with its hub at Reagan National, which was shut down and flights were restricted. This is an airline that flew out of New York, and it served the area most impacted by 9-11. And now we have an appropriations bill that is going to probably deny them survival. It is the most impacted airline by 9-11 and we have a bill here that is supposed to help us recover from 9-11, and it may be the death knell of the airline.

The bottom line is, this bill is not ready for passage. There are serious changes that must be made in this legislation for this bill to go through the Senate.

ANDEAN TRADE PREFERENCE
EXPANSION ACT—Continued

Mr. REID. What is the order before the Senate?

The PRESIDING OFFICER. The last 10 minutes of debate are reserved by the Senator from West Virginia.

The Senator from West Virginia is recognized.

AMENDMENT NO. 3527

Mr. BYRD. Madam President, what is the question before the Senate?

The PRESIDING OFFICER. Amendment No. 3527 by the Senator from South Carolina to amendment No. 3447 offered by the Senator from West Virginia.

Mr. BYRD. Madam President, the purpose of my amendment is because we are on the verge of passing fast-track legislation that would tie the hands of Senators who wish to amend trade agreements that come before Congress. It is imperative that we as members of the legislative branch become more active in the negotiation of those agreements. We must establish the means for Senators and Representatives to be consulted on trade negotiations in order to allow them to advise the administration on how to best protect the interests of their constituents.

Based upon the trade act of 1974, members of the Senate Finance Committee and the House Ways and Means Committee are able to serve as congressional advisers for trade policy. Members of those committees can also exercise oversight on the implementation of trade agreements. But the rest of the Members of the Senate and the House are left out in the cold when it comes to being able to sit in on important trade negotiations and being consulted on the contents of a trade agreement before it is sent to Congress for approval.

My amendment corrects this situation by enlarging the congressional oversight group so that the group would be comprised of 11 Senators and 11 Representatives who do not serve on the Finance Committee or the Ways and Means Committee. The congressional oversight group can then serve with the members of the committee of jurisdiction to advise negotiators in the executive branch on how to craft a trade agreement that promotes fair trade practices and protects the interests of our constituents.

My amendment does not take any powers away from the committees of jurisdiction. To the contrary, the amendment contains specific language that directs the cochairman of the congressional oversight group to open their meetings and to share all information with members of the Finance Committee and the Ways and Means Committee.

These committees and the congressional oversight group should work together to promote consultation between the executive and legislative branches on trade agreements. I do trust the Finance Committee to consult with other Senators on the contents of trade agreements, but as Ronald Reagan once said, "Trust but verify."

Let the committees of jurisdiction do their work, but let us also allow a broader membership of the House and Senate to participate in the consultations on trade agreements. The particular needs of our individual States may not be apparent to members of the Finance Committee.

Incidentally, Madam President, proponents of the fast-track bill have argued that we need to pass this legislation to allow the President to negotiate trade agreements. But the President already has the power to nego-

ciate agreements with foreign countries. We do not need legislation to give the President his inherent powers.

What fast track really does, however, is to cut out the Senate and the House of Representatives from proposing amendments to trade agreements. If Congress cannot amend trade agreements, it is all the more important for Members of Congress to become more involved in the negotiating process by broadening the membership of the congressional oversight group, as my amendment does. Congress may have a better chance at influencing prospective trade agreements to take into account the interests of our constituents. I urge my colleagues to vote for the amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. NICKLES. Madam President, I advised my colleague from West Virginia several hours ago that I was going to move to table his amendment.

I ask unanimous consent to speak for 2 minutes.

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

Mr. NICKLES. Madam President, one, I didn't want to speak against the amendment of my friend and colleague and move to table it without him having a chance to make his presentation.

I happen to be a member of the Finance Committee, and the Finance Committee does have principal jurisdiction over trade. If we are going to have a trade advisory committee that would advise the administration and is composed of members appointed by the Senate President pro tempore, with the advice of the leaders, as proposed in this amendment, it also says to exclude members of the Finance Committee. I cannot imagine doing that. It sets up a separate committee, but we have a committee of jurisdiction that deals with trade. Now it says we are going to have a separate committee that will do the same thing. We don't do that in Appropriations or in the Judiciary Committee or Energy or in any other committee.

I think the committee process needs to work. This is as if to say let's have a duplicate committee outside of the Finance Committee. I think it is a serious mistake, a bad precedent. Maybe we should have two committees for everything, and if somebody doesn't like what comes out of the original committee, we can go to the other committee. I cannot imagine legislation that says let's have a separate committee and exclude members of the Finance Committee. I urge my colleagues to support a motion to table the amendment.

I move to table the amendment and 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 the motion.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from Hawaii (Mr. INOUE) is necessarily absent.

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

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

The result was announced—yeas 66, nays 32, as follows:

(Rollcall Vote No. 125 Leg.)

YEAS—66

Allard	DeWine	McCain
Allen	Domenici	McConnell
Baucus	Durbin	Miller
Bayh	Ensign	Murkowski
Bennett	Enzi	Murray
Biden	Fitzgerald	Nelson (NE)
Bingaman	Frist	Nickles
Bond	Graham	Roberts
Breaux	Gramm	Rockefeller
Brownback	Grassley	Santorum
Bunning	Gregg	Sessions
Burns	Hagel	Shelby
Campbell	Hatch	Smith (NH)
Cantwell	Hutchinson	Smith (OR)
Carper	Hutchison	Snowe
Chafee	Inhofe	Specter
Cochran	Jeffords	Stevens
Collins	Kyl	Thomas
Conrad	Lieberman	Thompson
Craig	Lincoln	Thurmond
Crapo	Lott	Voinovich
Daschle	Lugar	Warner

NAYS—32

Akaka	Feingold	Mikulski
Boxer	Feinstein	Nelson (FL)
Byrd	Harkin	Reed
Carnahan	Hollings	Reid
Cleland	Johnson	Sarbanes
Clinton	Kennedy	Schumer
Corzine	Kerry	Stabenow
Dayton	Kohl	Torricelli
Dodd	Landrieu	Wellstone
Dorgan	Leahy	Wyden
Edwards	Levin	

NOT VOTING—2

Helms	Inouye
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The motion was agreed to.

Mr. BOND. I move to reconsider the vote.

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

Mr. DASCHLE. I ask that the following votes be limited to 10 minutes each.

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

The Senator from Montana.

Mr. BINGAMAN. I call for regular order.

The PRESIDING OFFICER. The question recurs on amendment No. 3448.

Mr. BINGAMAN. 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 that the order for the quorum call be rescinded.

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

Mr. REID. Mr. President, there is no time under the rule for Senators to speak before their amendment is called up. I ask unanimous consent that Senator BYRD, who has two amendments, be given 5 minutes on each of those

amendments; and following that, we have 2 minutes, equally divided, on each amendment.

The PRESIDING OFFICER. Is there objection?

Mr. NICKLES. Reserving the right to object, let me see if I understand. For this amendment, we are saying 5 minutes on each side, and all subsequent amendments 2 minutes on each side.

Mr. REID. One minute on each side.

Mr. NICKLES. I won't object.

Mr. BUNNING. I object.

The PRESIDING OFFICER. The objection is noted.

Mr. BYRD. 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 dispensed with.

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

Mr. REID. I renew the unanimous consent request. I renew my unanimous consent request as amended by the Senator from Oklahoma.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from West Virginia.

Mr. BYRD. Mr. President, may we have order in the Senate.

The PRESIDING OFFICER. The Senate will be in order. Conversations will be taken off the floor so the Senator can be heard.

AMENDMENT NO. 3448

Mr. BYRD. Mr. President, this bill prevents the Senate from enacting a resolution of disapproval—

The PRESIDING OFFICER. The Senator will suspend.

The Senate will be in order. Conversations will be taken off the floor. May we have quiet in the Chamber so the Senator can be heard.

Mr. BYRD. I thank the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, this bill prevents the Senate from enacting a resolution of disapproval against a trade agreement that it finds objectionable, unless the Finance Committee chooses to report such a resolution to the full Senate. A resolution of disapproval enacted by the Senate would withdraw the application of fast track procedures to any bill the President submits to the Congress to implement a trade agreement.

Although, at first glance, the bill before us appears to permit a Senator to introduce a resolution of disapproval rejecting fast track procedures applied to a trade agreement that is brought back to the Senate by the President, the reality is that such a resolution most probably would never come to the floor of the Senate for a vote.

This is because the bill states that, once a resolution of disapproval is introduced and referred to the Senate Finance Committee, it will not be in

order for the full Senate to consider the resolution if it has not been reported by the committee. In other words, a disapproval resolution cannot be forced to the floor through a discharge of the Senate Finance Committee. The way this bill is currently written, if a resolution of disapproval is not reported out of the Senate Finance Committee, it might as well never have been introduced. The resolution may simply lie there until it dies.

This means that, so long as the Senate Finance Committee endorses the President's agreement, the views of the rest of the Senate are irrelevant. Enacting fast-track in this bill prevents the Senate from exercising its Constitutional responsibility to reject or modify trade agreement that are not in the best interests of the American people.

It is imperative that every Senator retain his or her right to introduce a resolution of disapproval that can be considered in the light of day by the full Senate. To this end, my amendments require that, upon introduction, any resolution of disapproval—including an extension resolution of disapproval—will be referred not only to the Senate Committee on Finance, but also to the Senate Committee on Rules and Administration. The Rules Committee is essential to this process, because it is charged with making the rules and procedures that govern this institution, and its expertise is essential to our enforcement of commitments undertaken by our trading partners in the trade agreements negotiated by the President.

Under these amendments, each of these committees will be required to report the resolution of disapproval that has been referred to it within 10 days of the date of its introduction and, if either of these committees fails to report the resolution of disapproval within that time, either of these committees shall automatically be discharged from further consideration of the resolution. The resolution shall then be placed directly on the Senate calendar. Once the disapproval resolution is placed on the Senate calendar, any Senator may make a motion to proceed to consider that resolution, and the motion to consider the resolution shall not be debatable.

If enacted as currently written this bill would effectively cut a majority of Senators out of the trade regulation process, preventing them from correcting sweeping changes in trade law that could unfairly affect the lives of their constituents who rely on the Senate to protect their interests.

I can't support surrendering the rights and prerogatives, the duties and responsibilities of the Senate to any President, Democrat or Republican. We in the Congress have an obligation to strike down trade agreements that adversely affect the American people. But it is impossible for us to do so if we do not provide ourselves the oppor-

tunity to adequately review, debate, amend, or reject their provisions as we are rightly empowered to do under the Constitution of the United States. These amendments ensure that we retain the power to modify or reject trade agreements that are not in the best interests of the United States and, in so doing, protect the economic well-being of the Nation and of the people we represent.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I strongly oppose this amendment. It does away with the very purpose of this legislation before us, and that is to give the President credibility at the negotiating table and to have a process by which Congress will consider the results of negotiation. So it strikes at the disapproval resolution process. This amendment adds language, then, directing the procedural disapproval resolutions be referred to the Committee on Rules and Administration. The effect of the amendment on trade promotion authority is threefold.

The PRESIDING OFFICER. The Senator will suspend.

Senators kindly take conversations off the floor so the Senator can be heard. The Senator has a right to be heard.

Mr. GRASSLEY. First, it wrests control over consideration of procedural disapproval resolutions from the Finance Committee and gives it to the Committee on Rules and Administration; second, to make procedural disapproval resolutions open for debate with automatic discharge from committee of jurisdiction; third, to provide for an unlimited number of procedural disapproval resolutions to be considered during any given session of Congress.

The intent is clear. It is an attempt to weaken trade promotion authority and create multiple and unlimited opportunities to derail trade promotion authority procedures during any given session of Congress. If the amendment is agreed to, a single Senator can put forward a resolution which would stop a particular trade negotiation in its tracks. We all know there are some Senators who do not like trade promotion authority and do not even like international trade. Should this amendment be agreed to, you can be assured that the Senate will be considering multiple procedural disapproval resolutions during any Congress.

Let us be clear. This amendment is designed to weaken trade promotion authority procedures, procedures which have effectively worked for over 50 years in advancing international trade interests. It really comes down to this: Either you believe in the proven effectiveness of the trade promotion authority procedures or you do not. If you do, then I strongly urge you to oppose this clever yet potentially devastating amendment.

I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, all Senators should be aware that we have 10-minute votes scheduled. The leaders have both indicated they would like the votes to be completed shortly after the 10-minute time. Everyone should be aware of that or they will not be counted.

Mr. GRASSLEY. I move to table.

Mr. NICKLES. 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 the motion. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from Hawaii (Mr. INOUE) is necessarily absent.

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

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

The result was announced—yeas 66, nays 32, as follows:

[Rollcall Vote No. 126 Leg.]

YEAS—66

Allard	Enzi	McConnell
Allen	Feinstein	Miller
Baucus	Fitzgerald	Murkowski
Bennett	Frist	Murray
Bingaman	Graham	Nelson (NE)
Bond	Gramm	Nickles
Breaux	Grassley	Roberts
Brownback	Gregg	Santorum
Bunning	Hagel	Sessions
Burns	Harkin	Shelby
Campbell	Hatch	Smith (NH)
Cantwell	Hutchinson	Smith (OR)
Chafee	Hutchison	Snowe
Cleland	Inhofe	Specter
Cochran	Jeffords	Stevens
Collins	Kohl	Thomas
Craig	Kyl	Thompson
Crapo	Lieberman	Thormond
Daschle	Lincoln	Torricelli
DeWine	Lott	Voinovich
Domenici	Lugar	Warner
Ensign	McCain	Wyden

NAYS—32

Akaka	Dodd	Levin
Bayh	Dorgan	Mikulski
Biden	Durbin	Nelson (FL)
Boxer	Edwards	Reed
Byrd	Feingold	Reid
Carnahan	Hollings	Rockefeller
Carper	Johnson	Sarbanes
Clinton	Kennedy	Schumer
Conrad	Kerry	Stabenow
Corzine	Landrieu	Wellstone
Dayton	Leahy	

NOT VOTING—2

Helms Inouye

The motion was agreed to.

AMENDMENT NO. 3449 WITHDRAWN

The PRESIDING OFFICER. Under the previous order, the Senator from West Virginia is recognized. There are 10 minutes of debate on the amendment, evenly divided.

Mr. BYRD. Mr. President, I ask unanimous consent to withdraw the second amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The amendment is withdrawn.

The PRESIDING OFFICER. The Senator from Montana.

AMENDMENT NO. 3451

Mr. BAUCUS. Mr. President, what is the regular order?

The PRESIDING OFFICER. The regular order is amendment No. 3451 offered by the Senator from West Virginia.

Mr. BAUCUS. I am sorry, amendment number?

The PRESIDING OFFICER. Amendment No. 3451 offered by the Senator from West Virginia.

Mr. BAUCUS. Mr. President, I make a point of order that the amendment is not germane.

The PRESIDING OFFICER. The point of order is sustained, and the amendment falls.

The Senator from West Virginia.

AMENDMENTS NOS. 3452 AND 3453 WITHDRAWN

Mr. BYRD. Do I have some remaining amendments?

Mr. BAUCUS. Yes.

Mr. BYRD. I thought I had withdrawn them. If I have not, I ask unanimous consent that I may withdraw them.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Montana.

AMENDMENT NO. 3458, AS MODIFIED

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Durbin amendment No. 3458 be modified with the text of amendment No. 3505, and that the amendment be considered and agreed to, and the motion to reconsider be laid upon the table, without intervening action or debate.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The amendment (No. 3458), as modified, was agreed to, as follows:

After section 3201, insert the following:

SEC. 3204. DUTY SUSPENSION ON WOOL.

(a) EXTENSION OF TEMPORARY DUTY REDUCTIONS.—

(1) HEADING 9902.51.11.—Heading 9902.51.11 of the Harmonized Tariff Schedule of the United States is amended by striking “2003” and inserting “2005”.

(2) HEADING 9902.51.12.—Heading 9902.51.12 of the Harmonized Tariff Schedule of the United States is amended—

(A) by striking “2003” and inserting “2005”; and

(B) by striking “6%” and inserting “Free”.

(3) HEADING 9902.51.13.—Heading 9902.51.13 of the Harmonized Tariff Schedule of the United States is amended by striking “2003” and inserting “2005”.

(4) HEADING 9902.51.14.—Heading 9902.51.14 of the Harmonized Tariff Schedule of the United States is amended by striking “2003” and inserting “2005”.

(b) LIMITATION ON QUANTITY OF IMPORTS.—

(1) NOTE 15.—U.S. Note 15 to subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended—

(A) by striking “from January 1 to December 31 of each year, inclusive”; and

(B) by striking “, or such other” and inserting the following: “in calendar year 2001, 3,500,000 square meter equivalents in calendar year 2002, and 4,500,000 square meter equivalents in calendar year 2003 and each calendar year thereafter, or such greater”.

(2) NOTE 16.—U.S. Note 16 to subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended—

(A) by striking “from January 1 to December 31 of each year, inclusive”; and

(B) by striking “, or such other” and inserting the following: “in calendar year 2001, 2,500,000 square meter equivalents in calendar year 2002, and 3,500,000 square meter equivalents in calendar year 2003 and each calendar year thereafter, or such greater”.

(c) EXTENSION OF DUTY REFUNDS AND WOOL RESEARCH TRUST FUND.—

(1) IN GENERAL.—The United States Customs Service shall pay each manufacturer that receives a payment under section 505 of the Trade and Development Act of 2000 (Public Law 106-200) for calendar year 2002, and that provides an affidavit that it remains a manufacturer in the United States as of January 1 of the year of the payment, 2 additional payments, each payment equal to the payment received for calendar year 2002 as follows:

(A) The first payment to be made after January 1, 2004, but on or before April 15, 2004.

(B) The second payment to be made after January 1, 2005, but on or before April 15, 2005.

(2) CONFORMING AMENDMENT.—Section 506(f) of the Trade and Development Act of 2000 (Public Law 106-200) is amended by striking “2004” and inserting “2006”.

(3) AUTHORIZATION.—There is authorized to be appropriated and is appropriated out of amounts in the general fund of the Treasury not otherwise appropriated such sums as are necessary to carry out the provisions of this subsection.

(d) EFFECTIVE DATE.—The amendment made by subsection (a)(2)(B) applies to goods entered, or withdrawn from warehouse for consumption, on or after January 1, 2002.

Mr. BAUCUS. Mr. President, I move to reconsider the vote.

Mr. REID. 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.

AMENDMENT NO. 3461

Mr. BAUCUS. Mr. President, once again, will the Chair please state the regular order?

The PRESIDING OFFICER. Amendment No. 3461 offered by the Senator from New Jersey.

Mr. BAUCUS. I thank the Chair.

Under the agreement, there is 1 minute equally divided?

The PRESIDING OFFICER. Two minutes equally divided.

The Senator from New Jersey.

Mr. CORZINE. Mr. President, this amendment is offered by myself and Senator DODD and others. It is an important and simple request for our trade negotiators to respect the role of Congress and elected State and local officials to determine the nature and scope of significant public services.

Regardless of my colleagues' view on TPA, it is one thing to delegate congressional authority on trade negotiations, but it is a serious leap beyond that to delegate constitutional responsibilities of elected officials when it comes to determining what public services should be privatized.

This amendment would establish as a principal negotiating objective that

trade agreements should not include a commitment by the United States to privatize significant public services, such as Social Security, national security, public health and safety, and education.

This is simple and straightforward. We should not be turning over, to the delegation of unelected trade negotiators, determinations about issues such as Social Security and national security. That should be determined here, with debate on the floor of the Senate and the House of Representatives, and by duly elected officials. Straightforward, simple.

Mr. President, as I have explained, my amendment establishes as a negotiating objective that trade agreements exclude commitments by the Untied States to privatize significant public services. The amendment specifies four types of public services that represent core functions of Government and that are specifically protected. These include national security, Social Security, public health and safety, and education.

I want to make clear for the record, however, that these four areas are not the only types of public services that would be protected by my amendment. Since this legislation establishes only broad negotiating objectives, not highly detailed requirements, I have not listed each and every affected public service with great specificity. However, it is my intention that the amendment would apply to a wide range of public services. These include, for example, public transportation, public utilities, the Untied States Postal Service, and law enforcement, as well as other significant public services provided at the federal, state and local levels.

For a public service to be protected under the amendment, it would have to be "significant." This is designed to ensure that the amendment not be interpreted too broadly to apply to even small and relatively marginal types of services. For example, if a local government decides to maintain a small snack bar at a local pool, I would not conclude that this is a significant public service that could not be opened to private competition. However, the provision of water or sewer services, which are provided on large scales by a substantial number of municipalities, and are important for the protection of public health, would be covered.

In any case, again note that the amendment deals only with trade negotiating objectives. It would not completely tie negotiators' hands or trigger any lawsuits. It simply says that our objective should be to leave the provision of significant public services as a decision for elected officials, not distant, unelected trade bureaucrats.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I oppose this amendment. And what troubles me most about the amendment is that it unnecessarily carves out privatization of particular service sectors

from negotiations. These service categories include national security, Social Security, public health and safety, and education, as well as other significant public services.

This language is so broad that it could be used by our trading partners to close off market access to U.S. service exports. This situation could be especially troublesome in the telecommunications sector where many of our trading partners maintain government-owned telecom companies.

Including this language, which is very sweeping, in the trade promotion authority bill could severely undermine our ability to open these markets. That is why I ask my colleagues to reject the amendment.

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

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be.

The question is on agreeing to the motion.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from Hawaii (Mr. INOUE) is necessarily absent.

Mr. NICKLES. I announce that the Senator from North Carolina (Mr. HELMS), the Senator from Kansas (Mr. BROWNBACK), and the Senator from Alabama (Mr. SHELBY) are necessarily absent.

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

The result was announced—yeas 49, nays 47, as follows:

[Rollcall Vote No. 127 Leg.]

YEAS—49

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

NAYS—47

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

NOT VOTING—4

Brownback	Inouye
Helms	Shelby

The motion was agreed to.

AMENDMENTS NOS. 3463, 3464 AND 3465 WITHDRAWN

Mr. BAUCUS. Mr. President, on behalf of Senator HOLLINGS, I withdraw amendments Nos. 3463, 3464, 3465.

The PRESIDING OFFICER. Without objection, the amendments are withdrawn.

Mr. BAUCUS. Thank you, Mr. President. What is the regular order?

AMENDMENT NO. 3470

The PRESIDING OFFICER. Amendment No. 3470 by the Senator from Louisiana, Ms. LANDRIEU.

The Senator from Louisiana is recognized.

Ms. LANDRIEU. Mr. President, I want to begin by thanking the chairman and ranking member of this committee. I do support the underlying bill. I have tried to be helpful through this process in passing this bill.

However, there are maritime workers in our Nation who have been adversely affected because of a recent ruling. They are not entitled to benefits under this bill. Instead of picking up employment checks, or paychecks, they will be picking up unemployment checks, unless this amendment passes. So for port communities such as New Orleans and Houston and New Jersey and New York and Seattle, where maritime workers could qualify, this amendment will help. It only costs \$10 million. It lasts for only 3 years. Out of an \$8 billion bill, our maritime workers deserve some help. They have earned it; they deserve it. That is what my amendment does.

Thank you, Mr. President.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. GRAMM. Mr. President, I make a point of order that the Landrieu amendment No. 3470 violates section 311(a)(2)(B) of the Congressional Budget Act of 1974.

Ms. LANDRIEU. Mr. President, pursuant to section 904 of the Congressional Budget Act, I move to waive the applicable section of the act for the purposes of the pending amendment, and 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 the motion.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from Hawaii (Mr. INOUE) is necessarily absent.

Mr. NICKLES. I announce that the Senator from North Carolina (Mr. HELMS), the Senator from Alabama (Mr. SHELBY) and the Senator from Kansas (Mr. BROWNBACK) are necessarily absent.

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

The yeas and nays resulted—yeas 50, nays 46, as follows:

[Rollcall Vote No. 128 Leg.]

YEAS—50

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

NAYS—46

Allard	Enzi	Miller
Allen	Feingold	Murkowski
Bennett	Fitzgerald	Nelson (NE)
Bond	Frist	Nickles
Bunning	Gramm	Roberts
Burns	Grassley	Sessions
Campbell	Gregg	Smith (NH)
Chafee	Hagel	Smith (OR)
Cochran	Hatch	Stevens
Collins	Hutchinson	Thomas
Craig	Inhofe	Thompson
Crapo	Kyl	Thurmond
Daschle	Lott	Voivovich
DeWine	Lugar	Warner
Domenici	McCain	
Ensign	McConnell	

NOT VOTING—4

Brownback	Inouye
Helms	Shelby

The PRESIDING OFFICER. On this vote, the yeas are 50, the nays are 46. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected. The point of order is sustained, and the amendment falls.

The Senator from Montana.

AMENDMENT NO. 3521

Mr. BAUCUS. Mr. President, I do not see Senator JEFFORDS. On behalf of Senator JEFFORDS, I offer amendment No. 3521.

The PRESIDING OFFICER. The amendment is pending.

Who yields time?

The Senator from Vermont.

Mr. JEFFORDS. Mr. President, I do not think there is any objection to this amendment. This is in proper order, and I ask for it to be accepted.

Mr. BAUCUS. I urge adoption of the amendment.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to amendment No. 3521.

The amendment (No. 3521) was agreed to.

AMENDMENT NO. 3467

Mr. BAUCUS. Mr. President, it is my understanding the next amendment is No. 3467 by Senator WELLSTONE.

The PRESIDING OFFICER. The Senator is correct.

The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I am a first-generation American. My father fled persecution from Russia, and I am always most proud of our country when we promote human rights.

This is an amendment that simply says surely one of our objectives should be to promote human rights and democracy, and we call on our trading

partners to strive to meet these human rights standards.

There are somewhere in the neighborhood of 70 governments in the world today that systematically practice torture. At the very minimum, we can at least say one of our objectives in trade policy will be to promote human rights and democracy. That is all this amendment does. I think it means our country leads with our own values. I think it is important we make that statement, and I hope there will be a strong vote in favor of the amendment.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Opportunity is the greatest of human rights anywhere in the world. Trade is all about opportunity, so this whole bill is all about human rights. This amendment upsets a carefully crafted bipartisan compromise dealing with these complex relationships between international trade, workers' rights, and the environment, and it does so by undermining the fundamental purpose and proven effectiveness of our trade promotion authority.

This amendment offers vague new standards stating that the countries should strive to protect "internationally recognized civil, political, and human rights," without even defining those rights. It sets our negotiators up for failure and jeopardizes this bill.

If we really want to promote democracy and human rights abroad, then we should all oppose this amendment and pass the bill because history shows that time and again open markets help foster a more open political system and the human rights that go with it. Mexico is an example. There is Taiwan and South Korea, all sorts of examples of human rights being better today than they were 50 years ago, all because of more open markets and international trade.

I yield back my time.

The PRESIDING OFFICER. All time has expired.

The Senator from Nevada.

Mr. REID. Mr. President, following the vote on the Wellstone amendment, we will immediately go to a vote on the substitute that is now before the Senate. I ask if that needs a rollcall vote because we are going to have to vote on the bill itself, so I do not know if we need to vote twice. I again ask, do we need a rollcall vote? I ask Senators to make that decision during the time we are voting on the Wellstone amendment. It would seem to me this would be a good time to voice vote that and wait until there is final passage on the bill itself.

The PRESIDING OFFICER. Is there objection?

The Senator from West Virginia.

Mr. BYRD. Reserving the right to object, Mr. President, earlier today I saw some language that indicated that the committee, in an amendment—I assume it was going to be included in the managers' amendment, or under the rubric of "technical amendments"—

was making direct appropriations. I ask the manager of the bill right here and now, is there any amendment in either the technical amendments or the managers' amendment that purports to make a direct appropriation?

Mr. BAUCUS. I inform the chairman of the Appropriations Committee, the answer is no, there is not.

Mr. GRASSLEY. I have the list in front of me. As I recall discussions of this list, I don't remember anything that has any appropriations in it whatsoever and it is not our intent to appropriate money in these amendments.

Mr. BAUCUS. If I might further respond to my good friend from West Virginia, I have just been informed we don't believe there are any such provisions, but we are scrubbing it right now to make sure. We don't believe, at this point.

Mr. BYRD. Mr. President, I think we ought to have a quorum call so we can take a good look and be absolutely sure.

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. I ask unanimous consent that the order for the quorum call be rescinded.

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

VOTE ON AMENDMENT NO. 3467

The PRESIDING OFFICER. The question is on agreeing to the Wellstone amendment.

Mr. WELLSTONE. I want a vote.

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

Mr. BAUCUS. I move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second on the motion to table? There is a sufficient second. The question is on agreeing to the motion.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from Hawaii (Mr. INOUE) and the Senator from Connecticut (Mr. LIEBERMAN), are necessarily absent.

Mr. NICKLES. I announce that the Senator from North Carolina (Mr. HELMS), the Senator from Alabama (Mr. SHELBY), and the Senator from Kansas (Mr. BROWNBACK), are necessarily absent.

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

The result was announced—yeas 42, nays 53, as follows:

[Rollcall Vote No. 129 Leg.]

YEAS—42

Allard	Cochran	Gregg
Allen	Craig	Hagel
Baucus	Crapo	Hatch
Bennett	DeWine	Hutchison
Bond	Domenici	Inhofe
Breaux	Ensign	Kyl
Bunning	Enzi	Lott
Burns	Frist	Lugar
Campbell	Gramm	McCain
Chafee	Grassley	McConnell

Miller	Santorum	Thomas
Murkowski	Sessions	Thompson
Nickles	Smith (NH)	Thurmond
Roberts	Stevens	Warner

NAYS—53

Akaka	Durbin	Mikulski
Bayh	Edwards	Murray
Biden	Feingold	Nelson (FL)
Bingaman	Feinstein	Nelson (NE)
Boxer	Fitzgerald	Reed
Byrd	Graham	Reid
Cantwell	Harkin	Rockefeller
Carnahan	Hollings	Sarbanes
Carper	Hutchinson	Schumer
Cleland	Jeffords	Smith (OR)
Clinton	Johnson	Snowe
Collins	Kennedy	Specter
Conrad	Kerry	Stabenow
Corzine	Kohl	Torricelli
Daschle	Landrieu	Voinovich
Dayton	Leahy	Wellstone
Dodd	Levin	Wyden
Dorgan	Lincoln	

NOT VOTING—5

Brownback	Inouye	Shelby
Helms	Lieberman	

The motion was rejected.
 Mr. WELLSTONE. Mr. President, I ask to vitiate the yeas and nays on the amendment.

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

The question is on agreeing to amendment No. 3467.

Without objection, the amendment is agreed to.

The amendment (No. 3467) was agreed to.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, it is my understanding we are now at the point where we could vote on the substitute; is that right?

The PRESIDING OFFICER. The Senator is correct.

Mr. REID. It is my understanding the chairman of the Appropriations Committee has met with the chairman and ranking member of the Finance Committee and they have worked out the problem that existed. Is my understanding correct?

Mr. BYRD. Mr. President, may I respond?

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. The language is being changed so it makes a reference to an authorization, not to an appropriation. It earlier made appropriations in this bill. That was not the intent, Mr. BAUCUS has assured me. That change has been made now, and the full understanding between the chairman of the Finance Committee and myself and the ranking member of the Finance Committee is that there was no intent to make an appropriation. Therefore, I have no objection to the request by the majority whip.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. NELSON of Nebraska). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAUCUS. 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. BAUCUS. Mr. President, I send a technical amendment to the desk amendment and ask unanimous consent that it be agreed to, and that the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Is there objection?

Mr. MURKOWSKI. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

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

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

AMENDMENT NO. 3548 TO AMENDMENT NO. 3401

Mr. BYRD. Mr. President, if I may have the attention of Senators, several references to appropriations have been found in the language. But I am constrained to believe, on the assurances of the distinguished chairman of the Finance Committee and the ranking member, that these were inadvertences. So we have stricken several of them.

Just to make doubly sure that this bill does not make any appropriations, I offer the following amendment, which, is agreed to, would save a lot of time:

At the end, add the following:
 "Notwithstanding any other provision of this Act, no direct appropriation may be made under this Act."

I ask unanimous consent that the amendment be agreed to.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The amendment (No. 3548) was agreed to.

Mr. BYRD. I thank all Senators.

U.S. TRADE LAWS

Mr. BAUCUS. Mr. President, last year, nearly two-thirds of the Senate sent a letter to President Bush emphasizing that new trade agreements must not weaken trade remedy laws such as antidumping and countervailing duty law.

The fast track bill we are considering today reemphasizes that point. Section 2(c)(9) of the bill instructs the President to preserve, in all trade negotiations, the ability of the United States to enforce rigorously its trade remedy laws and to avoid any agreement that would require weakening of the current U.S. antidumping, countervailing duty and safeguard remedies.

Today, I would like to make two key points about this provision. First, the Committee on Finance regards strict adherence to the section 2(c)(9) directive as critical in advancing the economic interests of the United States in future trade agreements. The bill's lan-

guage here is unambiguous in the sense that, rather than establishing preservation of our trade remedy laws as simply a "negotiating objective," it bluntly states that the President "shall" preserve those laws.

Second, the negotiating instruction encompasses any weakening of the existing remedies, whether at the level of statute, regulation or agency practice. This means that the President "shall" reject any new international rule or obligation whose acceptance would lead to relief under our existing trade laws becoming more difficult, uncertain, or costly for domestic industries to achieve and maintain over time.

I am very concerned about the Administration's decision in Doha last year to put U.S. trade laws on the negotiating table. Many of our trading partners have only one goal to weaken our trade laws so they can gain an unfair competitive advantage. A number of WTO Members have put forward some specific proposals. I want to highlight today a few examples of new international obligations that have been proposed by WTO Members, and that would obviously result in a weakening of U.S. trade laws, including: One, a "public interest" rule politicizing and encumbering the administrative processes under which these laws are currently applied; two, a requirement to exempt from trade remedy measures items alleged to be in "short supply" in the domestic market; three, a so-called "lesser duty" rule limiting antidumping and countervailing duties to some amount less than the calculated margin of dumping or subsidy, such as the amount supposedly necessary to offset the injury; and four, any extension of faulty dispute resolution models such as Chapter 19 of the NAFTA.

Mr. President, there are other examples, but these are some of the key concerns that I have and I know many of my colleagues share. I also want to emphasize that this is very much a bipartisan issue. Members on both sides of the aisle feel strongly about protecting U.S. trade laws. And along those lines, I believe my good friend and ally in protecting U.S. trade laws, would like to express some of his concerns about this issue.

Mr. ROCKEFELLER. I certainly share the Senator's concern regarding the potential for new trade agreements to weaken U.S. trade remedy laws, in particular the antidumping and countervailing duty laws. These essential laws level the playing field on which our firms and workers compete internationally, and serve the crucial function of offsetting and deterring some of the most harmful unfair trade practices affecting international trade today.

The steady leadership the Senator has provided on this issue has been admirable, and I certainly hope the message has gotten through. It would be a serious mistake indeed to think that an agreement or package of agreements can be successfully presented to

Congress for approval, under fast-track rules or otherwise, if it includes any weakening changes to our trade remedy laws.

I believe the Senator has accurately captured the general definition of a “weakening” change, and I agree fully with the examples he has laid out. I want to ask about some other proposals which have already surfaced at this early stage of the WTO negotiations, and which in my view must be rejected under the standard set out in section 2(c)(9).

These proposals include:

One, changes to the rules for “sunset” reviews of antidumping and CVD measures which would make it more difficult to keep relief in place; two, additional constraints or criteria for dumping calculations, in areas where current WTO rules and U.S. law vest discretion in the administering authority; and, three, special rules and standards that would make it easier for a particular group of countries, such as developing countries, to utilize injurious dumping or subsidies as a means of promoting their own industries at our expense.

Am I correct in my view that accepting any such changes, as some trading partners have requested, would weaken our existing trade remedies?

Mr. BAUCUS. Yes, those are certainly changes that would weaken our current remedies, and which would fail the test set out in section 2(c)(9). I also understand that my colleague and friend, Senator ROCKEFELLER, who has worked very closely with me on the defense of our trade remedy laws over the years, has some points to add concerning section 2(c)(9).

Mr. ROCKEFELLER. I also wish to clarify with my colleagues that section 2(c)(9) is a “no weakening” provision, and not a “no net weakening” provision. In other words, the President is directed to reject any new international obligation whose acceptance would impair our current trade remedies in the way you have described—by making relief costlier, more uncertain, or otherwise harder to achieve and maintain over time. An agreement that includes such changes must be rejected, and it is no answer—insofar as section 2(c)(9) and the intent of the Congress is concerned—to contend that the agreement in question also includes some “strengthening” provisions.

That would include any revisions that intended to “strengthen” the disciplines governing other countries’ trade laws, including those in the developing world.

I personally believe that until the United States has a documented record of challenging those foreign trade laws at the WTO—and for some inexplicable reason we do not—there is no justification for saying existing WTO rules are not sufficient to ensure due process and transparency in foreign trade laws.

Additionally, I think it is important to clarify that this negotiating direc-

tive does not preclude U.S. negotiators from addressing the very serious shortcomings that have become apparent in the operation of the WTO dispute settlement system. As explained in the Finance Committee’s report on the TPA measure, in a series of decisions involving trade remedy measures, the WTO Appellate Body and lower dispute settlement panels have fabricated U.S. obligations which our negotiators never accepted and have blatantly disregarded the discretion which the Uruguay Round negotiators intended for national investigating authorities to retain.

These WTO tribunals have violated their mandate not to increase or reduce the rights and obligations of WTO Members; have imposed their preferences and interpretations, and those of a biased WTO Secretariat, on the United States and on other WTO Members; and have issued decisions with no basis in the legal texts they supposedly were interpreting.

I believe this may be because other countries have been far more aggressive about challenging our trade laws at the WTO than we have been in challenging theirs. The effect has been to upset the careful balance achieved in the Uruguay Round by adding new, and wholly unwarranted, constraints on the use of trade remedies.

Before we vote on the bill, am I correct in understanding that section 2(c)(9) does not preclude a forceful U.S. agenda to address the problems plaguing WTO dispute settlement?

Mr. BAUCUS. The Senator is perfectly correct. I might add that the TPA bill includes several additional provisions designed to ensure a forceful U.S. response to the WTO dispute settlement problem, and section 2(c)(9) presents no barrier whatsoever in that regard.

LIVESTOCK AND MEAT PRODUCTS AS PERISHABLE AND CYCLICAL PRODUCTS

Mr. ENZI. Mr. President, I rise to enter into a colloquy regarding the coverage of trade promotion authority. My understanding is that TPA includes special provisions regarding perishable and cyclical products. It is my understanding that this language would clearly cover livestock and fresh meat products as they are perishable and cyclical agricultural products.

I believe that the language and the coverage are clear, but want to make sure that our negotiators are well aware of our intent and coverage of this legislation and the expectations we have for inclusion in future trade agreements.

Reasonable people know that fresh meat is perishable, but many people may not be aware that livestock can be perishable as well. Cattle ready for slaughter, for example, must be processed within two to three weeks of reaching their optimal weight. Once above the optimal weight, cattle gain fat and not muscle. With this quality loss, livestock producers suffer drastic price discounts that can wipe out their

profits. Clearly meat production and livestock are also cyclical. Again, taking cattle as an example, the price follows a 10-year-cattle-cycle—the expansion and contraction of the nation’s cattle herd have historically affected cattle prices.

Mr. DASCHLE. Mr. President, I rise in support of my colleague’s interpretation. It seems quite clear to me. This is important to the meat and livestock industry. For example, TPA addresses eliminating the practices of foreign governments that adversely affect the trade of perishable and cyclical products, and the elimination of such practices in the livestock and meat sector would be to the advantage of U.S. producers. No reasonable person would suggest that the definition of perishable and cyclical agricultural products would fail to cover livestock and meat production.

TPA also calls for improving import relief mechanisms to recognize the special characteristics of perishable and cyclical products, which would include livestock and meat. Such improvements to import relief mechanisms could include faster and more effective time frames for imposing import relief measures as well as improved means of determining industry support in import relief investigations. Along the same lines, TPA provides that U.S. import relief measures for perishable and cyclical agricultural products should be as accessible and timely as those of other countries.

TPA also states that the U.S. Trade Representatives, prior to commencing negotiations concerning agriculture, shall work to develop a position on perishable and seasonal products that will lead to an international consensus on the treatment of these products in dumping and safeguard investigations “and in any other relevant areas.” I understand that livestock and meat production would be included in these negotiations as they are clearly covered under the definition of perishable and cyclical agricultural products.

Mr. GRASSLEY. Mr. President, I thank my colleagues for their comments and I agree completely with them that the definition of perishable and cyclical agricultural products includes livestock and meat production. It is clear to me that there can be no other reading of the legislation and I believe that our colleagues intended for these products to be covered. We expect our negotiators, to include these products under these provisions.

Mr. BAUCUS. Mr. President, I also agree with my colleagues, views on this important issue. The intention of the members on this matter is clear: The definition of perishable and cyclical agricultural products includes livestock and meat production.

ENFORCEMENT OF PROPER LABELING OF BASA FISH

Mrs. LINCOLN. Every authorization of fast-track authority since the Trade Act of 1974 has been accompanied by a strong confirmation of Congressional

intent that U.S. law will be vigorously enforced to ensure that the increased trade enabled by agreements reached under the negotiating authority is fair.

This year, Congress has responded to a failure to enforce existing law by twice enacting provisions to ensure that imported species of fish are not illegally passed off in the U.S. market as "catfish." The Food and Drug Administration has consistently authorized only North American Freshwater Catfish to be marketed as "catfish" in the United States, a practice that has existed commercially for over thirty years. U.S. law now prevents other species from using the term catfish in labeling or advertising. Let me be clear, the vast majority of this imported species of fish has never, and I repeat, never, reached American consumers under any legal name. It has reached the consumer in significant quantities only being misbranded as "catfish."

Congress most recently addressed this illegal misbranding in the farm bill, known officially as the Farm Security and Rural Investment Act of 2002, which was signed by the president last week. The fraud of misbranding seafood is referred to as "economic adulteration." Under U.S. law, economic adulteration is illegal at every level of commerce. Misbranding at the time of importation, or changing a legal name after importation, is a violation of U.S. law. These laws have simply not been enforced. The relevant provision in the 2002 farm bill now makes it clear that false labeling or advertising of another species of fish as "catfish" is illegal. There is also an original provision in the 2002 farm bill that applies to seafood, including the species that have been misbranded as "catfish." These provisions of law are a clear expression of congressional intent that applicable law must be vigorously enforced.

This is a necessary condition to the success of open trade.

I would like to confirm that in granting Trade Promotion Authority for trade agreements, Congress intends that: Government agencies with relevant enforcement authority will exercise their authority *sua sponte* to prevent the illegal practices that have plagued our catfish industry; effective enforcement action will be undertaken at all levels of trade to prevent the economic adulteration that has adversely affected U.S. catfish farmers and the consuming public; and enforcement action will include addressing violations of law with respect to misbranding and other improper labeling, Customs marks of origin, including misbranding that indirectly indicates a false origin, false or misleading representations in advertising and other practices.

We recognize that problems occur when our markets are open. However, our enforcement authorities must address those problems quickly and effectively in order to ensure that the increased competition from imports into our market is on fair terms. It is only

fair competition that provides the benefits we seek for our economy, and that helps our producers remain internationally competitive.

Mr. BAUCUS. I can confirm the Senator's understanding, and I would like to express my personal support with respect to preventing the unfair practices that have threatened our U.S. catfish industry. Our clear intent is that U.S. law be fully enforced, not only as it concerns our catfish farmers but all U.S. producers, to ensure that trade is fair.

CERTIFICATION OF TRADE-AFFECTED INDUSTRIES

Mr. BAUCUS. Mr. President, I want to take a moment to talk with Senator GRASSLEY about the trade adjustment assistance bill and the important amendments that have been offered by Senators BAYH and EDWARDS.

These amendments would provide automatic certification for trade-affected industries. I believe that the Secretary of Labor already has the discretion to certify particular industries under the TAA program. And I believe that she would have the discretion under the TAA bill we are now considering.

Mr. GRASSLEY. As the Senator knows, I support the trade adjustment assistance program, and recognize that—beyond some individual companies and workers—there are also particular industries that face dislocation as a result of trade. The recent finding by the International Trade Commission regarding the steel industry further emphasizes this point. In that vein, there appears to be a need for further coordination between ITC determinations and Federal assistance given to workers impacted by trade.

Mr. BAUCUS. This is an important issue. As a Senator EDWARDS has spoken about many times, the textile industry has been adversely affected by increased imports and by companies shifting production overseas.

And the steel industry, as Senator BAYH has emphasized, suffers from a flood of unfairly trade imports. Indeed, many steel products are covered by the President's recent decision to impose restrictions under our safeguard laws.

So in this case, the ITC has already made a finding of trade-related injury. I would encourage the Secretary of Labor to expeditiously implement procedures regarding industry-wide certification.

Mr. GRASSLEY. I agree there needs to be a stronger tie between ITC findings and worker assistance—specifically Trade Adjustment Assistance. It is my understanding that the ITC is currently required to notify the Secretary of Labor of any affirmative injury determination, and that the Secretary must give expedited consideration to petitions for TAA certification by workers in the domestic industry.

Mr. BAUCUS. In closing, let me add that I appreciate the help of you and your staff in working to reach a bipartisan compromise on this package. I

hope we can continue to move together in a bipartisan fashion.

Mr. GRASSLEY. I am also pleased that we were able to come to agreement on a bipartisan trade package. It was the right thing to do for our nation's farmers, workers, and companies.

Mr. VOINOVICH. Mr. President, I rise today in support of an amendment which recognizes the importance of the automotive industry to the U.S. economy and to our international trade agreements. The auto industry is a cornerstone of the U.S. economy, directly or indirectly supporting one out of every 15 jobs in America. Auto manufacturing and related industries account for 6.5 million jobs nationwide, nearly a quarter million of which are in my home state of Ohio. Ohio boasts the 2nd highest auto industry employment in the country, and that industry represents \$22.6 billion in wages and benefits for Ohioans. Furthermore, the production assembly line that characterizes the modern automobile industry was invented in the American Midwest and is now used in factories across the globe.

Currently, the U.S. automotive market is the most open and competitive in the world. Our allies in Europe and our trading partners in developing nations alike have free access to American markets and consumers. Unfortunately, that is not true for American auto manufacturers. United States companies face significant pre-mediated trade barriers in the same countries that enjoy free trade and exports to the United States. In fact, the automotive industry trade deficit has accounted for one-third of the total U.S. trade deficit since 1992.

These results do not represent the intent or spirit of the free trade agreements signed in recent years, such as NAFTA and GATT, and the time has come to remove the barriers to free and open trade for American automobile manufacturers.

I know firsthand how difficult it is to open trade for American auto manufacturers. I vividly recall the free trade mission that I led in 1997 to South Korea. I spent two days with top government leaders and private sector groups urging them to open their markets to non-Korean made automobiles. Quite frankly, although they listened, I felt I was talking to a brick wall and received absolutely no satisfaction whatsoever. On the contrary, the Korean officials were proud to report that their imports doubled yet the actual number of those imports was a mere fraction of Korea's total auto sales.

That was 1997 and today—May 22, 2002—5 years later there has been no progress since I visited. Mr. President, I would have hoped that things would have improved. Last year, South Korea exported more than 1.5 million vehicles to the world, while importing only 7,747. Also last year, South Korea exported more than 618,000 vehicles to the U.S., while importing a mere 2,854 from

the U.S. In fact, South Korea sells more cars in the U.S. per day than U.S. manufacturers sell in South Korea all year.

In addition to unfair trade regulations, the Korean authorities use another barrier to prevent their citizens from buying American cars: intimidation. According to auto industry sources, Koreans caught driving American-made cars can anticipate such punitive measures as getting pulled over by the police, being subject to more parking violations, and even experiencing more frequent and severe tax audits than their neighbors who drive Korean-made automobiles. Why would any Korean citizen choose to drive an American vehicle when faced with consequences like these?

Currently, the Baucus-Grassley TPA bill includes 14 major objectives for U.S. trade negotiators. The first of these objectives is to expand competitive market opportunities for U.S. exports in foreign markets by reducing or eliminating tariff and nontariff barriers that prevent U.S. goods from entering these markets. Our amendment states that as trade agreements are negotiated in the future, U.S. trade negotiators should specifically aim to open up export markets for U.S. automakers and vehicle parts manufacturers.

Opening up export markets for U.S. automakers and parts manufacturers is critical, because in the future, the majority of growth in these industries will not be in the U.S., but in the developing nations of Asia, Latin America, and Eastern Europe. Our amendment will tell trade negotiators that they need to make sure that U.S. automakers are in a position to compete fairly in these high-growth markets.

Today, sales of new passenger vehicles account for nearly 4 percent of total U.S. GDP. Clearly, the automotive industry is important to the economic growth and stability of our economy and we must take action to protect and strengthen an industry so vital to our nation.

Our amendment will make a difference for American manufacturers, consumers and our economy as a whole. Without it, one of America's most important manufacturing industries could soon take second place to foreign competitors. Opening new markets for our products helps create jobs and stimulate our economy, both of which are especially important as we seek to move out of recession. I urge my colleagues to join in this growth and vote for this amendment.

Mr. BUNNING. Mr. President, I rise today in support of the trade promotion authority bill.

I am glad that we are finally debating this legislation. For years, the Senate has given lip service to the need for TPA. It's about time we got down to it.

I believe in free and fair trade, and I believe that TPA is crucial to our nation's economic future, and it has the potential to benefit the United States greatly. Trade creates better jobs. It

creates economic opportunity. And while some people see free trade as a zero-sum game where there are winners and losers, they're wrong. Healthy trade makes winners out of everyone and enables nations to make the best use of their resources. Strong, vibrant trade provides a rising tide that lifts all boats.

We understand this in Kentucky. Last year, we sold over 48.8 billion worth of exports in more than 100 nations abroad. This includes over \$1 billion in agricultural products. Mr. President, this provided a real and meaningful boost to our local economy.

Best of all, countries that trade together do not fight and are less likely to work against each other. Instead, trade helps bring nations together in working toward a common goal of mutual economic benefit instead of armed conflict. In the wake of September 11th, this is more important than ever.

The United States needs Trade Promotion Authority. It expired almost eight years ago, and our trade policy has been adrift since then. If America is going to continue as the world's economic superpower, and to remain fully engaged in the international marketplace, we need to give President Bush the ability to effectively negotiate trade agreements with other nations.

Currently, the United States only has three preferential trade compacts; the North American Free Trade Agreement with Canada and Mexico; a free trade agreement with Israel; and, our trade agreement with Jordan. But in recent years our trading partners around the world have at last count entered into almost 150 preferential trade compacts.

These are missed opportunities for us. Other nations are talking and negotiating. They are enacting treaties to help their economies and their peoples. But, we are being left behind.

Passing a good, clean TPA bill would give us a chance at getting in on the action. It would lead to better paying jobs for our workers, and give them the opportunity to prove once again that they are the best and most productive in the entire world. Only by passing TPA and entering into new and better compacts will we be able to knock down discriminatory, unfair trade barriers and to increase the flow of goods and services we can sell abroad.

If we want a seat at the negotiating table. If we want to offer more economic opportunity to American workers, we have to pass TPA. If we don't, we will literally be missing the boat.

Until we pass TPA, other nations are going to be very hesitant about entering into compacts with us. No other country is going to want to negotiate with a President who then has to submit a treaty to a Congress which has the power to nitpick every single line of an agreement to death. Trade treaties are complex, interwoven agreements. Each individual bit is not perfect. But taken together as a whole, they typically promote our national interest.

I am sure that if every Member of Congress has their way, they would rewrite line by line provisions in each of the major treaties we have passed in recent years. That sort of politicking might play well to individual constituencies back home, but it doesn't serve the larger economic interest of America.

To my colleagues who don't like TPA and think that it is an unwise delegation of congressional authority, I have to disagree with them. Passing this bill still gives every single member of Congress the right to support or oppose a treaty they don't like. Under TPA, I have voted for treaties I like, and against treaties I don't like. It might not be the perfect way to legislate, but it is effective and fair.

Every President since Gerald Ford has had TPA. I supported TPA—or "fast track" or whatever you want to call it—for President Reagan. I supported it for the last President Bush. I supported it for President Clinton. And I support it for our current President. I voted for it the last time I had the opportunity, in 1998 when it came to the floor and lost in the other body.

And I support TPA now.

Like I said before, TPA is not perfect, but it's effective. And the bill in front of us today is not perfect.

I have supported amendments to help steel workers and textile workers that failed on the floor. I wish they hadn't. In Kentucky, we have a good steel industry, and I want to nourish it along. It's been hard hit in the last few years by the dumping in the United States of cheap foreign steel that has unfairly and illegally cut the legs out from under our domestic producers.

In south-central Kentucky, many of my constituents who used to work in the textile mills have been left high and dry when companies moved abroad in the wake of NAFTA, by the way an agreement that I opposed under the old fast-track rules.

I would like to do more in this bill for them. Workers in those industries need our help. They show that all trade agreements aren't perfect.

We are at least including some meaningful trade adjustment assistance in the package to help those who are forced to transition to different jobs because of trade. Expanded trade usually leads to better jobs for workers. But they often need smart, effective assistance to make the change to new occupations. I support trade adjustment assistance to help them. The last time Congress considered TAA provisions was in 1998 when the other body looked at this issue. I was a member then, and I voted for \$1 billion in trade adjustment assistance for dislocated workers. Fortunately, this type of assistance often helps workers move more quickly back into the workforce.

I support the training and education provisions in this legislation. They will help. Will they be enough? I don't know.

As for the rest of the TAA package, I believe there are some problems with

the structuring of the new health and wage benefits that I would like to see cleaned up in conference.

After years of budget surpluses, we are back to looking square in the face of a budget deficit in 2002 and beyond. Now the pending legislation proposes to add potentially billions in new entitlement spending to the deficit each year. A budget crunch is not the time to guarantee new entitlements no matter how well intentioned they are.

By passing this legislation before us now, we would be cutting off our nose to spite our face, encouraging free trade and more economic activity on the one hand, and growing the federal budget deficit by leaps and bounds on the other hand. That doesn't make economic sense, and that sort of contradiction would eventually catch up to us and lead to even bigger problems.

Also, if you read the fine print of the health and wage sections, I think you will find that it is so complicated that it might not even work. I am afraid that it might offer a false promise of assistance to workers who need help the most.

For instance, the wage supplemental provision would require the federal government to pay up to \$5,000 for up to two years to workers over 50 years old if they lose their jobs due to trade activity and they take a lower paying job.

I am afraid that this proposal would actually discourage workers from taking similar paying or higher paying jobs. It just doesn't make sense to me to encourage people not to work. Instead of this approach, it would help more if we ploughed this money back into education and retraining.

Everyone knows the old saying about providing a man a fish so he can eat today or teaching him how to fish so he can feed himself forever. I think that applies here.

We also have to ask how well will these new entitlements be managed and who will do it. Who's going to be in charge of determining whether or not a worker lost their job because of trade? What agency is going to manage the nuts and bolts of this potentially gigantic program? How will the IRS respond to the administration if another health tax credit is being dumped on its plate? There are just too many unanswered questions.

In the end, I am afraid we might not be able to keep many of the promises my colleagues want to make under the Trade Adjustment Assistance section. For many workers who are struggling now, that would be the cruelest thing we could do to them.

The TAA provisions still pose many unanswered questions, and I hope that we will first focus on the areas that have worked before—job training and education—before going off into new entitlement programs that might not really work and actually serve to undermine the larger goals of the overall legislation.

In conclusion, this isn't a perfect bill. I, like all of my colleagues, would

write it differently. But is a good effort on an important subject that America must address if we are going to secure our economic future. As I noted earlier, it's been four years since either body voted on TPA, and the failure of the House to pass a bill in 1998 has led to years of delay. We cannot let that happen again. We have to vote to pass this bill.

I am not willing to let the perfect be the enemy of the good, and I urge support for the legislation.

Mr. VOINOVICH. Mr. President, I rise in opposition to the Dayton-Craig amendment. This amendment reduces Trade Promotion Authority to something that exists in name only. With all due respect to the sponsors of this amendment, it is a backdoor attempt to gut this bill and still allow people to say they voted for free trade. It would have a chilling effect on international trade negotiations.

Supporters of the Dayton-Craig amendment claim that unless you support their amendment then you do not support upholding U.S. trade laws. Nothing could be further from the truth.

I stand before you as a strong free trader who is a proponent of vigorous enforcement of our country's trade laws. I supported NAFTA and GATT as Governor and PNTR for China as a Senator. I've seen Ohio benefit from NAFTA with a net increase of approximately 55,000 jobs and I've seen it also lose out as a result of our President not having Trade Promotion Authority.

At the same time, no one cares more about making sure our trade laws are followed. Ohio has lost tens of thousands of steelworker jobs as a result of foreign steel dumping, which led me to urge the President to use Section 201 authority to help provide relief to our nation's steel industry. He did so and our steel industry now has a breather to reconstitute itself and regain its competitive footing.

I also have been a committed advocate of strengthening enforcement of our trade laws by addressing the human capital needs in the Commerce Department's international trade divisions. I recently held a hearing in which I pushed Undersecretary for International Trade Grant Aldonis on the need to address these very concerns.

In little more than a year in office this Administration has already demonstrated its commitment to U.S. trade laws. In a letter to Congress this week, Commerce Secretary Don Evans, Agriculture Secretary Ann Veneman and U.S. Trade Representative Robert Zoellick point out:

We have been committed not just to preserving U.S. trade laws, but more importantly, to using them. The Administration initiated an historic Section 201 investigation that led to the imposition of wide-ranging safeguards for the steel industry. The Administration's willingness to enforce vigorously our trade laws, in Canadian lumber and other cases, sends the clearest signal of

our interest in defending these laws in the WTO.

Our trade laws are part of the overall trade equation that enhances American competitiveness by helping to guarantee new access to world markets. They require the approval of Congress before any changes are made. To buy the argument that opposition to this amendment equates to relinquishing control of our trade laws is to believe that Congress is simply going to give up its legislative duty to the executive branch. That is not going to happen. The argument is simply groundless and without merit.

Additionally, logic dictates that no trade negotiator is going to agree to something which will automatically be rejected by Congress. The congressional observers guarantee that Congress is aware of what is being negotiated as it is happening. Congress has the final say in approving trade deals with its final vote and if I am confident of anything it is that this body is willing to hold up any and all legislation that gives a member even the most minor case of heartburn.

Trade Promotion Authority does not equate to gutting our trade laws. This Administration has already proven itself to be a strong defender of our trade laws and, regardless, Congress has the final say over legislation, not the executive branch.

Furthermore, this amendment should be opposed because of the chilling effect it will have on the negotiating process. Sufficient safeguards already exist in the TPA legislation to guarantee the legitimate and constitutional role of Congress as the final guardian of trade law. This amendment goes beyond that, however, with limits which would essentially allow additional and superfluous votes to hold hostage international trade negotiations.

As a manager, I would never assign a task to someone without also empowering them with the tools and authority to get the job done. Dayton-Craig takes those tools away. Its effect wouldn't be felt somewhere down the road, it would have an impact now, today. The very fact that this amendment has been offered has had an impact already on our trading partners, I am sure.

Again, Ambassador Zoellick writes that:

The rest of the world will determine that the U.S. Congress has ruled out even discussion of a major topic. Other countries will refuse to discuss their own sensitive subjects, unraveling the entire trade negotiation to the detriment of U.S. workers, farmers and consumers.

Without the ability to engage our trading partners effectively on their own trade laws, we cannot hope to see other countries raise their laws to U.S. standards. Our country's exports are frequently targeted by foreign trade interests for action. Between 1995 and 2000, our exports were targeted for action in foreign countries 81 times. Other governments do not necessarily

share our commitment to fair and open procedures, such as those conducted by our International Trade Commission.

To prevent unfair trade actions against our exporters, we must have the leverage to engage them constructively. This amendment strips us of that ability, which is one reason 79 agricultural groups urge us to reject the Dayton-Craig amendment.

If anyone is opposed to free trade, I urge them to vote their conscience. While I disagree with them, I respect their position, but don't pretend to be for free trade and then call for an amendment which guts the ability of our President to negotiate the agreements that make free trade a reality.

Mr. REED. Mr. President, it had been my hope that the Senate would vote today on my amendment to the Baucus substitute amendment No. 3401 to the trade bill, H.R. 3009. Sadly, that will not be the case because of procedural roadblocks that foreshadow the kinds of obstacles that passage of the underlying bill will raise when we consider future trade agreements in the Senate.

My amendment is about fairness for secondary workers who I believe are being treated unfairly. This is why I voted against cloture for the underlying substitute, and one of the reasons why I will vote against the bill on final passage.

Nonetheless, I want to take a few moments to point out the plight of secondary workers, and urge my colleagues to pay close attention to the issue as it continues to develop after we pass this bill later today. Several things have been said on the Senate floor about trade adjustment assistance, TAA, and secondary workers during the length of this discourse on trade, and I think it is important to go back and highlight some of them and reiterate what the truth is in this debate.

Most importantly, I think it is imperative that we realize that however many jobs we may create through export-related activities, we may lose many more due to the impact of imports. The choice before us is, how do we treat those workers adversely impacted by trade agreements in the future? Is it not fair to try to change the rules governing our trade policy to make a more fair and equitable distribution of benefits to those harmed?

If my colleagues believe that is the case for some workers, as demonstrated by the support for TAA in NAFTA and the reauthorization of the program in the legislation before us, then it should be the case for all workers. It continues that this should mean that TAA is available for a particular worker whether they are employed by a factory that is directly shut down by trade, or if they work for a company that supplied parts to that first factory, only if that particular worker has become unemployed due to the effects of trade.

I mentioned in my earlier remarks that the TAA Program has been a suc-

cessful one since its inception, and I want to reiterate that. In fact, since April 1975 through December 2001, almost 3 million workers were certified as TAA eligible. However, almost 2.5 million workers were also denied certification. This demonstrates the demand for this important program, but also reflects the fact that it is a difficult process—something that would not be altered should we allow secondary workers to be a part of it.

Another point I would like to reiterate from my earlier remarks is the fact that since the ratification of NAFTA, TAA has applied to secondary workers that lose their jobs as a result of the NAFTA trade agreement. In fact, a total of almost 700,000 workers applied for NAFTA-TAA certification from January 1994 through December 2001, and over 400,000 were granted certification.

Although the exact numbers of how many of those beneficiaries were secondary workers are unknown, the fact remains that they have the right to apply for eligibility. Unfortunately, under the pending bill, secondary workers whose jobs have been lost due to a possible trade agreement with Chile, or Singapore, or any other country, will not be eligible to even apply for certification under TAA.

Now let me relay some facts about secondary workers and TAA. A GAO report from October 2000 estimated that there could be from 34,000 to 211,000 secondary workers annually who could potentially apply for TAA benefits. This reflects the depth and reach of trade's effects on the livelihoods of American workers.

Another GAO report from July 2001 showed that \$494 million was expended on re-training for about 170,000 workers under TAA. This breaks down to less than \$3,000 per worker. I think many would agree that is a small sum comparatively speaking, particularly when one considers the amount of training or schooling an individual can gain from that amount of money.

It is precisely these kinds of workers that so need this type of investment in training and schooling. The GAO reports I earlier referenced cited the fact that about 80 percent of workers using TAA benefits in fiscal years 1999 and 2000 had a high school education or less, compared to 42 percent in the labor force as a whole.

In other words, this is a modest increase in funds for TAA benefits that will go a long way toward a worker's developments of new skills, and re-entry into the workforce to be a productive citizen once again.

It is not an excuse to claim that the Department of Labor does not have adequate resources and staffing to deal with an expansion of the TAA Program to secondary workers. First of all, the Department has the experience in dealing with this issue, since it already decides on certification for secondary workers under NAFTA. Second, I believe we have a responsibility to add

funding for the Department of Labor in order for it to be able to deal with a potentially larger increase in its workload.

This issue is part of our choice here—do we discount these workers who have added to the economy, who pay taxes, and who provide for their family, just because they do not happen to be directly employed by a particular firm that was shut down by trade? Again, this is unfair treatment to a segment of our population that deserves our help.

I thank the Chair.

Mrs. MURRAY. Mr. President, I rise to join the debate over trade promotion authority legislation before the Senate.

I am in my 10th year as a member of the U.S. Senate and I have consistently voted for measures to open new markets to our exporters and our workers.

Today, I will vote for trade promotion authority, or TPA. New export opportunities for Washington State will support economic recovery and expansion.

Washington State is the most trade-dependent State in the country. International trade matters tremendously to each and every region of my State and to every sector of our economy. Trade matters to my State in good and bad economic times. We are an export State. We have a trade surplus. We are also a port State and gateway to Asia and the world.

My constituents benefit from trade at every point. We grow the commodities. We move containers and cargo from ships to rail to destinations throughout the country. We manufacture, build, design, develop, finance and insure goods and services traded globally each and every day. Trade jobs—estimated to be one in three jobs in Washington State—are good family wage jobs in my State.

Importantly, this legislation also significantly expands trade adjustment assistance. I have always supported trade adjustment assistance. I commend the Finance Committee, the Democratic leader and the bipartisan work which led to the expanded TAA package in this legislation.

I was a cosponsor of S. 1209, the Trade Adjustment Assistance for Workers, Farmers, Fisherman, Communities and Firms Act of 2002. The TAA language in this legislation is really a product of S. 1209 and the bipartisan work of many in the Senate to expand TAA.

More workers will be eligible for trade adjustment assistance. Some workers from secondary industries will be covered for the first time under the Senate TPA bill.

The Senate legislation provides community assistance, particularly to rural communities, who see significant job loss related to trade. Communities will have the opportunity to seek grant assistance to implement economic diversification plans.

Farmers and fishermen will also be eligible for TAA assistance.

Importantly, the Senate bill provides new health benefits to displaced workers. A new 70 percent up-front, refundable tax credit for COBRA coverage will enable many workers and their families to keep their health insurance.

The Senate has considered a number of important amendments and issues in this debate over trade promotion authority. I voted for a number of important message amendments. I encourage the administration as it eventually moves forward with trade talks to give serious consideration to the expressed will of the Senate.

I expect a significant bipartisan vote for trade promotion authority today. Then the legislation must go to conference with legislation adopted by the House of Representatives. The House TPA bill is very different from the Senate bill. Conference committees require compromise, and I anticipate changes to the Senate-passed version.

Regardless of the conference committee outcome, the administration should not disregard the Senate TPA debate. The Senate addressed some very difficult issues. In future trade talks, the administration will be called upon to address issues like those raised on the Senate floor. Some in this body will judge trade agreements submitted to the Congress on these issues. The administration now knows a great deal about the concerns of the Congress. There will be fewer surprises for either the Congress or the administration as the future negotiations occur thanks in part to the Senate debate.

I want to be very clear about my expectations for the upcoming TPA conference committee. I strongly believe any agreement between the House and the Senate must include the Senate trade adjustment assistance package.

It is tremendously important to me that we do all we can to boost jobs and create jobs that rely on international trade. Expanded trade is a recipe for economic growth in Washington State. That is why I will vote for trade promotion authority and advocate for my State's many trade interests with the President and this administration.

At the same time, I know that every worker, every industry, every community does not share the benefits of expanded trade equally. Where dislocation and hardship occurs, as a result of international trade, our government should play an activist role in helping workers and communities through these changing and challenging economic times.

The Congress has an opportunity to do both on this legislation. We can move forward to create and protect trade jobs. And we can do the right thing in helping workers and communities combat unfair foreign trade practices and the changes in the global economy.

TPA, or fast track, has been granted to every administration since President Gerald Ford was in office. Congress has granted this authority to

Democratic and Republican Presidents. Granting this authority which I will support does not obligate any Senator to support an agreement. And I will certainly scrutinize any agreement submitted to the Congress by the President under TPA.

My vote for trade promotion authority is a vote to open markets to U.S. exporters and their workers. It is a vote for equitable and reciprocal access to foreign markets. The U.S. marketplace is the world's largest market, and our market is open with few restrictions to the world. I want to see the President go abroad on behalf of the American people with the goal of opening markets and supporting U.S. workers.

My vote for trade promotion authority is a call on the President and the administration to strengthen the international trade system and particularly, to strengthen the dispute settlement process for trade disputes. The Senate legislation contains important transparency guidance to the administration calling for public access to WTO and other international trade proceedings.

My vote for trade promotion authority represents my continued belief that environmental protection and worker rights are legitimate trade issues. These issues must be included in trade negotiations if the Congress is to continue to have bipartisan support for international trade initiatives.

The Senate legislation contains a number of negotiating objectives of great importance to Washington. The legislation directs U.S. negotiators to seek a revision of WTO rules that disadvantage the U.S. in tax cases like foreign sales corporations which benefit U.S. exporters. Additionally, the Senate bill provides guidance to the administration in a number of important Washington state industries like agriculture and high-technology.

Of great importance to me and to Washington State is the Senate language on trade in commercial aircraft. This legislation directs U.S. negotiators to address the use of unfair subsidies and non-tariff barriers by Airbus. I continue to believe Airbus manipulates the commercial aircraft market through subsidies and an assortment of non-competitive practices. I have met with the U.S. Trade Representative regarding Airbus. I fully support the language in this bill to address unfair trade practices in commercial aircraft.

I will vote for passage for this legislation, and I encourage my colleagues to send a strong message of support for trade and economic expansion.

Ms. STABENOW. Mr. President, I rise today to express my strong concerns about the trade difficulties suffered by our Nation's asparagus growers, and to discuss an important amendment I attempted to offer to the trade bill. Unfortunately, my amendment was blocked by some of my colleagues on the other side of the aisle.

I know that in many respects global trade holds great promise for agri-

culture by opening new markets and building new demand for the bountiful, nutritious food and fiber that is grown in America. But, some commodities have been harmed by past trade agreements. That is an important fact that should have been acknowledged and addressed during the Senate's debate on trade agreements.

Under preferential treatment provided through the Andean Trade Preferences Act (ATPA), Andean countries, like Peru, have been shipping duty-free asparagus to the United States since 1992. The asparagus market is extremely sensitive to these imports. Many of the growers in my state forecast an end to domestic asparagus production if something is not done soon to help. Last year alone, growers in Michigan lost \$2.9 million due to competing duty free asparagus imported from Peru.

I support the goal of the ATPA B to encourage economic growth in Andean nations as an alternative to the production and export of illegal, narcotic drugs to the United States B but not at the expense of the entire domestic asparagus industry. Since enactment of ATPA, shipments of fresh asparagus from one Andean nation, Peru, have increased from 14.5 percent of total imports to 41.3 percent. Since 1992, shipments of frozen asparagus from Peru have increased from 3 percent of total imports to 71.4 percent.

I authored an amendment that would have helped to resolve this trade situation and that would have provided some relief to domestic asparagus growers. My amendment was cosponsored by Senators LEVIN, MURRAY, CANTWELL, BOXER, and FEINSTEIN.

The amendment would have allowed preferential treatment of Andean asparagus up to a certain point and then established a safeguard for domestic growers. In sum, my amendment allowed Andean imports of duty free asparagus up to 30 percent of the total imports of asparagus into the U.S. per year. Once the 30 percent threshold was met, duty free treatment would be suspended for the remainder of the calendar year.

This was a reasonable solution that would have helped both our nation's asparagus growers and would have allowed imported Andean asparagus to compete on a level playing field. It is unfortunate that this amendment was not included in the trade bill. I intend to continue to work on this issue and consider other programs, such as market loss payments, that may provide some relief to the asparagus growers in my state and across the nation.

Mr. KYL. Mr. President, I rise today in support of final passage of this trade legislation. But I do so with the understanding and the hope that a number of items in the bill now before us will, in the coming weeks, be adequately addressed in conference with the House. I therefore voice my support, but not unconditionally.

The first element of this legislation, which frankly should have been passed

separately earlier this year on the basis of its nearly unanimous support, is the extension and expansion of the Andean Trade Preference Act (ATPA).

The Andean Trade Preference Act was conceived a decade ago as part of a mutual effort between the United States and the Andean countries to strengthen our economies, which in turn, would help us in the war against drugs. In 10 years of existence, ATPA has become an essential tool for the commercial interchange between the United States and the Andean region. Approximately 140,000 new jobs have been created in the Andean region over this time period, and the steady flow of investment has helped to double two way trade between the United States and the region. Furthermore, great strides have been made in the war against drugs; important drug cartels were disbanded, and hundreds of cocaine labs were destroyed.

Today, the Andean region faces a very critical moment. ATPA is essential to guarantee sustainability of the achievements we have made over the last decade, and to encourage further progress toward the shared goal of negotiating the Free Trade Area of the Americas (FTAA). I am very pleased that the Senate will act, albeit late, to extend this critical trade act.

Before I dwell on the concerns I have with trade-promotion authority portion of this bill, let me first speak to its strengths. Since trade-promotion authority lapsed in 1994, America has stood on the sidelines while other countries have brokered trade agreements that benefit their workers, their businesses, and their economies. Soon after taking office, President Bush called on Congress to grant him trade-promotion authority to reassert America's leadership in promoting U.S. goods and the expertise of our workforce to more markets. The need for expanded markets dramatically intensified after our nation's economy underwent a decline last March, and the events of September 11th forced so many Americans out of their jobs.

Trade-promotion authority provides the President with the flexibility he needs to negotiate strong international trade agreements on behalf of U.S. workers and farmers while maintaining Congress' constitutional role over U.S. trade policy. It represents a thoughtful approach to addressing the complex relationship between international trade, worker rights, and the environment without undermining the fundamental purpose and proven effectiveness of trade-promotion authority procedures. The bill before us will help us to achieve this goal. It not only sends a message that we are serious about the principle of open markets, but it will be a powerful example, to nations around the world, of what trade-promotion authority can deliver: economic prosperity on a grand scale.

Specifically, it gives the administration the authority to negotiate and bring back trade agreements to Con-

gress that will reduce trade barriers, especially those based on unsound science, relating to the manufacturing, services, agriculture, intellectual property, investment, and e-commerce industries. It helps to eliminate subsidies that decrease market opportunities for U.S. agriculture, and unfairly distort markets to the detriment of the United States. It preserves U.S. sovereignty while enabling new trade agreements that will create solid economic growth, higher-paying jobs for hard-working Americans, improved efficiency and innovation, and increased availability of attractively priced products in the U.S. market.

The Office of the U.S. Trade Representatives is similarly directed to vigorously enforce U.S. trade-remedy laws and avoid agreements which lessen the effectiveness of U.S. anti-dumping or countervailing duty laws. This bill contains negotiating objectives on investment to increase transparency for the dispute settlement process, calling for standards for expropriation and compensation that are consistent with United States legal principles and practice in an effort to eliminate frivolous claims. Perhaps most importantly, it expands and improves consultations between the administration and Congress, before, during, and after trade negotiations and in the development of an implementing bill.

Also included in this legislation is language I authored to suspend for a period of five years the 4.9 percent tariff on steam generators for nuclear facilities. These generators are not manufactured in the United States. Tariffs should never be imposed on products that are not domestically manufactured, especially those products that are critical for maintaining the U.S. domestic supply of energy.

This tariff amounts to a "tax" of approximately \$1.5 million per generator on consumers of electricity in those states where utilities will have to import from overseas to meet the immediate need to replace aging steam generators, which cost would be passed on to ratepayers. In the case of the Palo Verde, Arizona plant—the nation's largest nuclear power facility in terms of production—the additional cost, due to the tariff, is over \$8.2 million for the six generators that it will need to import.

Failure to suspend this tariff will unfairly result in higher energy prices for consumers, as the utility companies will almost certainly pass on this tax to its customers.

This bill also includes the Kyl Customs Border Security Act amendment, added unanimously by the Senate Finance Committee in December 2001, which will provide significant authority to help facilitate legitimate trade, reduce illegal drug and contraband trafficking and eliminate threats of terrorism.

The Kyl amendment authorizes funding to increase the very tools by which

the Customs Service facilities cross-border trade, and fights terrorism and narcotics trafficking. Under the amendments, Customs on the Southwest border will receive funding for high-technology equipment, including container inspection equipment, automated targeting systems and surveillance systems, all of which will help to stop terrorism and illegal drug trafficking. The northern border is also authorized to receive similar valuable equipment, as are our Gulf Coast seaports.

The Kyl amendment also mandates that cargo and passenger manifests be provided in advance to Customs, whether such cargo or passengers enter by land, air or sea. I have learned that this provision is Commissioner Bonner's number one anti-terrorism legislative priority. Advanced electronic manifest data delivered to Customs is absolutely necessary for the agency to identify individuals and cargo that should not enter the United States. The amendment also authorizes funding for personnel, technology and for Customs' new computer system, ACE, Automated Commercial Environment, to bring the agency's tracking of business and their goods entering the country into the 21st century.

Under the Kyl amendment, the U.S. Customs Service itself, for the first time in over a decade, will also be reauthorized. As our nation's oldest law enforcement agency, this is particularly important.

Finally, the Kyl amendment will close longstanding outbound smuggling threats by clarifying that the Customs Service is authorized to search outbound international mail. I strongly believe that this section of the amendment is integral to our efforts to combat money laundering, technology export violations, and terrorist funding crimes.

Currently, inbound mail, and most everything else leaving the country—cargo containers, luggage, boxes, individual persons—and stamped mail on a person—is searchable by the Customs Service. The Customs Service is only precluded from searching outbound mail. Smugglers may send drugs, finance terrorism, or send explosives on aircraft by simply mailing their contraband or money out of the country. My amendment, added to the trade adjustment assistance bill during that bill's consideration in the Finance Committee, would authorize the search of all first class mail by Customs, as long as the Customs Service has reasonable suspicion about such mail. The amendment also clarifies, through codification, that all mail besides that considered first-class—referred to as "mail not sealed against inspection"—can be searched without reasonable suspicion. Under this provision, none of the mail that is allowed to be searched is allowed to be read without a warrant.

During floor consideration of this trade package, Senator JON CORZINE

raised objections to the outbound mail provision. Although I fully support the original outbound mail provision, and will support such provision in conference, I appreciate the efforts of Senator CORZINE and his staff to work with me and my staff toward resolution in this particular debate. Substitute language has been accepted by the Senate, to replace my original language, that would exempt first-class mail with a weight of under 16 ounces from the reasonable search authority that we are attempting to authorize for the Customs Service. In addition, under this new language, a requirement has been placed requiring the State Department to issue a report about whether or not the "in-transit" mail authority provision, which will allow appropriate searches of international mail destined for a third country but which travels through the United States on its way, is consistent with international law.

Less than three weeks ago the Congress passed, and the President signed into law, the Enhanced Border Security and Visa Entry Reform Act, which will provide all areas of the Justice Department and the State Department with personnel and resources to fight the war on terrorism. In that bill, an interoperable data sharing system will aid all federal law enforcement to better track and identify would-be terrorists. Because of jurisdictional concerns about customs, that vitally important bill does not include resources for the Customs Service. That is why it is so important that this bill include such funding. The Kyl Customs Border Security Act does so and is an integral part of my decision to support the overall package.

Many have spoken about how trade-promotion authority will help the United States. I want to speak for a moment about how trade-promotion authority will help my home state of Arizona specifically. This bill will open new markets worldwide to Arizona goods and services. That, in turn, will boost local communities' economies, provide job security for the hundreds of thousands of Arizonans whose work depends on exports—the backbone of the Arizona economy.

One out of every five manufacturing jobs in Arizona is tied to exports. An estimated 70,400 Arizona jobs support the manufactured-goods-for-export industry directly. Wages of workers in jobs supported by exports are 13 to 18 percent higher than the national average. Roughly 5,060 Arizona citizens hold jobs related to agriculture exports. Arizona exported \$333 million in agriculture in 1999. And last year, Arizona sold more than \$10 billion worth of exports to nearly 200 foreign markets, and produced and exported more than \$9.4 billion worth of manufactured items such as computers, electronics, machinery, transportation equipment, fabricated metal products and appliances. Arizona relies on its exports with export sales of nearly \$2,000 for every state resident. Clearly, trade-

promotion authority only brings more good news to Arizona's entrepreneurs and small businesses.

But as I mentioned above, there is much that needs to be done before we can deliver this good news. Let me briefly elaborate on my specific concerns that will need to be addressed in conference. First, it is imperative that we remove the so-called "Dayton-Craig" language that would permit the raising of a point of order if the implementing legislation negotiated under trade-promotion authority amends U.S. trade remedies law, however technical or even beneficial the change. This language, if kept in the final legislation, will unravel successful trade negotiations, and it is wholly unnecessary to add it on top of language already included and explicitly states in the bill, i.e., the directive to "preserve the ability of the United States to enforce rigorously its trade laws" and "avoid agreements that lessen the effectiveness of domestic and international disciplines on unfair trade."

I am also disappointed by the multitude and details of the trade adjustment assistance (TAA) provisions in this legislation. I firmly believe that, rather than enacting a whole host of new entitlements, the best assistance we can provide to unemployed (or displaced) workers is enhanced free trade, which will in turn provide greater job opportunities. However, this legislation has become burdened with a variety of new and expended entitlements that, while well-intentioned, will only serve to distort the free-market and delay the inevitable benefits of freer trade for our citizens.

One of these provisions is a "wage insurance" entitlement, which would provide up to a \$5,000 subsidy for older TAA-certified workers who are subsequently employed at lower-paying jobs. Aside from a complete lack of data supporting the efficacy of such a proposal, this provision would create significant disincentives for workers to forgo needed training and/or a more intensive job search. Instead, it will likely result in workers choosing lower paying and perhaps lower-skilled jobs with the taxpayers liable for the difference.

Another provision in this legislation provides an advanceable, refundable health insurance tax credit to TAA-certified workers. The credit is set at an arbitrarily high percentage of the premiums' cost—70 percent—and can only be used to subsidize the cost of company-based COBRA or pooled health insurance policies. Additionally, it can not be used for the purchase of individual market policies, which might better suit the workers' health needs at a reduced cost. I believe that it is unfair for American taxpayers, many of whom may not have health insurance themselves, to provide such a generous health insurance subsidy.

Despite the serious concerns I have expressed about these provisions, I intend to vote in favor of this overall leg-

islation at this time. But, as I mentioned earlier, this is a qualified vote. Unless substantial improvement is made to this legislation during conference, I will not vote for the bill when it returns.

With few exceptions, I believe that the House-passed language on TPA, TAA and ATPA is far superior to the Senate-passed language. And there are some specific items that must be addressed in a House-Senate conference before I can vote in favor of a final bill.

First, the conference report must maintain the 2002-2006 suspension of 4.9 percent tariff on steam generators for nuclear power facilities.

Second, the conference report must remove the so-called "Dayton-Craig" language.

Third, it must either eliminate or substantially improve the language creating a "wage insurance" program for TAA-certified workers age 50 and older.

Fourth, the conference report must also make significant improvements to the health insurance tax credit for TAA-certified workers.

I look forward to working with my colleagues on addressing these concerns, and I hope to be able to vote for final passage of this important legislation.

As a matter of principle on the one hand, and of sound economic policy on the other, I believe that we must grant the President trade-promotion authority. And, as has been stated by many of my colleagues, we must be careful to ensure that the final language of the bill preserves this authority. So while I believe that this bipartisan effort represents a strong vote in favor of trade-promotion authority, I caution that there is still work to be done before it can be sent to the White House.

Mr. LEVIN. Mr. President, when fighting for American working men and women, most members of Congress want to go into the ring with both arms swinging. That is why I am at a loss to understand why some members of Congress are willing to tie one hand behind their back when it comes to trade. The way I see it, fast track ties one hand behind our collective back when trade agreements come before the Congress.

I have some serious concerns with the Baucus-Grassley fast track legislation being considered by the Senate. Granting the President broad fast-track authority to negotiate trade agreements means Congress must adopt a law to implement any trade agreement on a straight up of down vote, without the ability to offer amendments. I believe in free trade. I support the Jordan Free Trade Agreement, the Vietnam Free Trade Agreement and granting China PNTR. But I am reluctant to give up the Congressional right to amend trade legislation, sight unseen. When we do that, we are throwing away one of the most effective tools in forcing fairer trade practices.

We should negotiate trade agreements to protect human rights as well

as labor and environmental standards. The Senate should have acted to ensure that these and other provisions addressing fairness in trade practices are included in future trade agreements. The Baucus-Grassley approach doesn't provide us with the means to do that and in fact fall far short of achieving these goals.

America's trade policy over the past 30 years has helped create a one-way street. The U.S. market is one of the most open in the world, yet we have failed to achieve foreign markets being equally open to American products. Some of the trade agreements the U.S. has entered into have fallen far short of opening foreign markets. To ensure free and fair trade will be achieved in any future trade agreement, Congress must not give up its ability to amend the legislation implementing the agreement.

I have fought hard to strengthen U.S. trade laws to help open foreign markets to American and Michigan products such as automobiles, auto parts, communications equipment, cherries, apples, and wood products.

The North American Free Trade Agreement (NAFTA), enacted January 1, 1994, is a good example of a trade agreement negotiated under "fast track" authority. It contained provisions allowing Mexico to protect its auto industry and discriminate against U.S. manufactured automobiles used cars and auto parts for up to 25 years. It allowed Mexico to require auto manufacturers assembling vehicles in Mexico to purchase 36 percent of their parts from Mexican parts manufacturers. It also allowed for 25 more years the Mexican law against selling American used cars in Mexico, a highly discriminatory provision against U.S. autos.

When NAFTA was presented to Congress, it was an agreement which discriminated against some of the principle products that are made in Michigan. I surely could not vote for the bill the way it was written, nor could I try to amend the bill because the fast-track authority the President had at that time prohibited implementing legislation from being amended. Consequently, after NAFTA was enacted, the U.S. went from a trade surplus of \$1.7 billion in 1993 to a trade deficit of \$25 billion with Mexico in 2000. Over the same period, our trade deficit increased from \$11 billion to \$44.9 billion with Canada. Since NAFTA was enacted, the automotive trade deficit with Mexico has reached \$23 billion.

Moreover, between January, 1994 and early May 2002, the Department of Labor certified over 400,000 workers as having suffered job losses as a result of increased imports from or plant relocations to Mexico or Canada. These job losses occurred all over the country as well as from around the State of Michigan. For example, 27 employees from the Blue Water Fiber company in Port Huron who produced pulp for paper lost their jobs as a result of NAFTA im-

ports. 129 employees of Alcoe Fujikura Limited in Owosso who made electronic radio equipment lost their jobs to Mexico. 1,133 employees of the Copper Range Mine in the UP lost their jobs when operations were moved to Canada. 300 employees of Eagle Ottawa Leather in Grand Haven who made leather for automobile interiors lost their jobs when their jobs moved to Mexico. The list of NAFTA-TAA certified jobs losses goes on and on. These are not job losses from a level playing field. These are losses from a sloping field tilted against us.

We have lost too many manufacturing jobs because our trade policies have been so weak over the decades. I've always believed that when countries raise barriers to our products that we ought to treat them no better than they treat us. Fast track authority makes it more difficult for Congress to insist on fair treatment for American products and equal access to foreign markets.

Calling NAFTA a free trade agreement was disingenuous. NAFTA protected Mexican industries and it also gave special treatment to certain industries. For example, leather products and footwear got the longest U.S. tariff phase out—15 years—and it include safeguard provisions against import surges in these sectors. Agricultural Commodities/Fruits and Vegetables including sugar, cotton, dairy, peanuts, oranges, also got a 15-year U.S. tariff phase out, a quota system, and the reimposition of a higher duty if imports exceed agreed-upon quota levels. It is clear that those who are represented at the negotiating table are able to strike favorable deals to protect certain industries and products. That is not free trade.

NAFTA was not the only trade agreement that included specially tailored provisions for certain products. The trade bill we are being asked to vote on contains special provisions to protect textiles, citrus and some other speciality agriculture commodities.

The Andean Trade Preferences Act also protects certain industries. ATPA expands duty free access to Andean nations for some previously excluded categories of products but there are significant exclusions or special rules that continue to protect them. The exclusions in the Senate ATPA bill include: most footwear; textiles and apparel are included but are subject to a number of special rules and limitations such as requiring that certain apparel products be sewn with U.S. thread in order to receive duty-free access, requiring the use of a certain spandex product made exclusively by the DuPont company, requiring the use of U.S. yarn throughout in order to qualify for duty-free access; and canned tuna is included but the Senate bill allows duty free treatment for very limited quantities of cannot tuna to be imported and subject to a very restricted rule of origin.

These are special protections being granted to specific industry sectors.

Why are these products be treated in a privileged manner over other important U.S.-made or grown products? This is not free trade.

I believe that writing labor and environmental standards into trade agreements is an important way to ensure that free trade is fair trade. Regrettably, this legislation does not go far enough to assure international labor and environmental standards will be present in trade agreements. We need trade agreements with enforceable labor and environmental provisions but this bill does not provide it.

This is unfortunate given the U.S. Senate is already on record supporting strong labor and environmental standards in trade agreements. The Senate passed the Jordan Free Trade Agreement on September 21, 2001. The Jordan agreement broke new ground in its treatment of labor and environmental standards in trade agreements. For the first time, it required that the parties to the agreement reflect the core internationally recognized labor rights in their own domestic labor laws.

The bill the Senate is considering today does not require countries to implement the core ILO labor standards. It only requires them to enforce their existing labor laws, however weak they may be. It also specifically states that the U.S. may not retaliate against a trading partner that lowers or weakens its labor or environmental laws.

This language undercuts our ability to negotiate strong labor and environmental standards in future trade agreements because our trading partners know we can not enforce what we negotiate through the use of sanctions and the dispute settlement process.

American workers already compete against workers from countries where wages are significantly lower than in the United States. They should not have to compete against countries that gain an unfair comparative advantage because they pollute their air and water and fail to allow their workers to exercise rights that are fundamental. The United States enacted environmental standards that protect our air and water. We have enacted labor standards that allow for collective bargaining and the right to organize, that prohibit the use of child labor and provide protections for workers in the work place. These are desirable standards that we worked hard to get. Why should we force American workers to compete against countries with no such standards or protection for its workers?

There are many ways to improve this fast track legislation to address some of the concerns I've outlined. I supported many of these efforts. For Congress to give up its role under the Constitution without those protections is to fail to learn from our past mistakes. To do so means we have willingly tied one hand behind our back in the fight for free and fair trade. That is something I am simply unwilling to do.

Mr. FITZGERALD. Mr. President, I rise today to detail some of the benefits of trade promotion authority to American agriculture.

Our President, regardless of party, has not had trade negotiating authority since 1994. While other countries have been busy negotiating trade agreements, the world's superpower has been sitting on the sidelines. Today, over 150 trade agreements exist worldwide; the United States is party to only three. This disparity must be remedied, but without trade promotion authority, U.S. exporters and our nation's farmers may be left stuck in the mud. The question is not whether the U.S. should have free trade or no free trade. The question is, will the U.S. participate in the world economy or will we be left behind?

TPA is critical to the administration's credibility at the negotiating table. Without TPA, our negotiators may not even get a seat at the table, much less have the opportunity to negotiate vigorously for our national interest. With 96 percent of consumers living outside the United States, the absence of negotiating authority is a price we cannot afford to pay.

One third of U.S. farm acres is planted for export, 25 percent of gross farm income is export dependent, and over 12 million U.S. jobs depend on exports. Nearly 100 commodity and agricultural groups and a bipartisan group of ten former U.S. Secretaries of Agriculture support Trade Promotion Authority.

Where would American agriculture be without international trade? Last year, U.S. agricultural exports totaled \$51 billion. This year, federal officials expect this number to grow to \$53.5 billion, an agricultural trade surplus of \$14.5 billion. Can we find an additional \$14.5 billion a year in the federal budget to offset these losses?

According to the USDA, U.S. agriculture is 2½ times more trade dependent than the general economy. American agriculture needs trade promotion authority to reduce worldwide tariffs. While the average tariff assessed by the United States on agricultural products is less than 5 percent, the average agricultural tariff assessed by other countries exceeds 60 percent.

As a Senator from Illinois, I represent a big agricultural state with total cash farm receipts totaling \$7 billion in the year 2000. With a 42 percent reliance on agricultural exports, Illinois ranks sixth with agricultural exports of \$3 billion. My State's top agricultural exports include—soybeans and soybean products at \$1.1 billion, feed grains and feed grain products at \$946 million, live animals and red meats at \$277 million, and wheat and wheat products at \$124 million. When it comes to Illinois agriculture, open markets and trade promotion authority are of tantamount importance.

Illinois is the largest soybean producing state in the nation. Under the Uruguay Round, South Korea is required to reduce its tariffs on soybean

oil by 14.5 percent from 1995 to 2004. USDA has reported that this "tariff reduction has supported a threefold increase in export volume."

Illinois is also the fourth largest pork producing State in the Nation. Since the Uruguay Round agreement went into effect, U.S. pork exports have increased by almost 90 percent in volume and approximately 80 percent in value from 1994 levels.

Additionally, Illinois ranks second in corn production. While Brazil, Chile, Paraguay, and Uruguay can trade corn with Argentina duty free, U.S. corn is assessed an eleven percent import tax.

Voting against fast-track authority means you endorse the status quo of high tariffs and limited access for U.S. goods, while voting for fast-track gives the administration the tools needed to remedy some of these egregious inequities.

Mr. KERRY. Mr. President, the legislation that we are about to pass is the most difficult bill that the Senate has considered this year. Like nothing else that we have seen this year, trade promotion authority has put some of my most deeply-held beliefs in conflict with each other.

TPA does two things. First, it makes a broad statement about the importance of international trade. Accurate or not, there is a belief in this city that you must support TPA to demonstrate your unflinching support for greater opportunity for U.S. businesses abroad. The Washington view is that you must support TPA if you believe that political liberalization comes from economic liberalization.

The facts suggest that, certainly, lowering barriers to trade in the world is good for U.S. businesses and good for the U.S. economy. Businesses in Massachusetts sold more than \$19.7 billion worth of goods to more than 200 foreign markets last year. That is more than \$3,000 worth of goods sold abroad for every resident. And, while we tend to think of international trade as being the playground of big business, almost 75 percent of my State's exporting businesses are small businesses. Of larger businesses which have overseas subsidiaries, almost three-fourths of profits earned abroad are returned to parent companies in the United States. That means more jobs and higher wages at home. Today, one-tenth of all jobs in this country are directly related to our ability to export goods and services. When you consider multiplying effects, that number rises to nearly one-third. So there are clear benefits at home to increasing America's access to markets abroad.

I also believe that trade and trade agreements have a role to play in helping us achieve our foreign policy goals. The direct American investment that comes to foreign countries as a result of free trade agreements can reduce corruption and promote strong democratic institutions, like an independent judiciary and vibrant non-governmental organizations. And by making

other countries stakeholders in a rules-based system of trade, we can diminish the possibility of trade disputes escalating into open conflict.

I do support improving Americans' access to foreign markets, and I firmly believe in the power of open markets to create open societies. And so, reluctantly, I will support this bill.

I say "reluctantly" because I do not believe that the TPA equation is balanced. Granting TPA to any President requires a significant amount of trust. Granting TPA means that you trust the President to negotiate trade deals that are consistent with our American values.

The statistics I just recited show that trade is good for the economy. And, certainly, economic development is one important element of those values. But I am afraid that, in recent years, some of our other core beliefs have not been a part of the national debate over trade.

When the President negotiate agreements that will lower tariffs and other barriers to trade, it is, in my judgment, equally important that he make sure that our Nation's strong environmental and labor laws are upheld. It is equally important too that he ensure that we have a forum to export our views on these issues to the nations with whom we engage in expanded commerce.

I do not mean to suggest that we can simply direct other countries to develop environmental laws or labor laws that equal our own. True reform in developing nations, be it the development of democratic infrastructure, or the growth of a vibrant labor movement, cannot simply be exported from the United States. These concepts must come to fruition through the will of the people.

However, no one disputes that the United States has a significant role to play in helping other countries breathe the air of political freedom. So, too, should the United States play a leading role in helping developing countries breathe clean air and help create programs that provide workers with a safe workplace and the chance to earn a decent wage.

Unfortunately, it is clear that, despite the best intentions of NAFTA and in developing the World Trade Organization, labor and environmental issues have not been treated at the same level in our trade policy as investment rights or intellectual property rights. That is disappointing.

I regret that this President's track record on domestic labor issues and domestic environmental issues does not fill me with confidence that our Nation's trade policy will be a tool used to help other nations improve their political, environmental and social climates. At every turn, he has sought to diminish the gains of the labor movement and roll-back environmental regulations in his own country. I surely hope that this is not the message that

he intends to carry with him as he negotiates free trade agreements with Chile, Singapore and others.

Some of us in this body have put forth amendments which we believe could have helped us to trust the President more. These amendments would have elevated labor and environmental protections to the same level of intellectual property protections, or, as my amendment would have, guaranteed that future trade agreements would not corrode American legal principles and Constitutional rights. All but one of these were unsuccessful.

The defeat of these amendments leave us with no safeguards for legitimate public health and safety laws. We have no assurances that other nations with whom we forge agreements under this bill will honor their existing labor or environmental laws. We have no reason to suspect that the President will be a forceful advocate for some of our country's most cherished beliefs: that clean air, clean water and preservation of the outdoors are worth fighting for; that workers should have the right to organize; and that U.S. sovereignty must be protected.

In spite of these glaring weaknesses, I intend to support this bill. That is how strongly I believe in the principle of free trade, and the belief that we can help other countries improve their political environment by embracing them, not isolating them. But I would caution this President and others that we need to pay much more attention to some of these other trade issues, issues that have been on the margins of trade policy for too long. If we do not heed these warnings, then that fragile coalition that holds supporters of free and fair trade together will crumble, as it nearly did in the House and nearly did here in the Senate.

I would like to make one final point about this legislation. The bill that we will pass shortly contains an enormous improvement in the trade adjustment assistance program. This is much-needed. In the long-run, more international trade means more opportunity and jobs for Americans. In the short-term, however, it creates changes in communities. Some people lose jobs. Factories, the lifeblood of some towns and cities, close. Eventually, new employment opportunities are created. But it is imperative that we have a way to ease that transition. This TAA package does just that. For the first time, we are subsidizing health care for laid-off workers. That is a remarkable step forward. We are attempting something new by creating a wage insurance program to make sure that older workers do not suffer sudden and destabilizing pay reductions. These are critical expansions of TAA, and they could not be more timely for some of my constituents.

In Northampton, MA, the Techalloy plant that processes wire rod steel will close on July 1. They've been hurt by the President's decision to impose 15 percent duties on raw wire rod steel

from abroad. Now, I know that the 42 workers currently at the Techalloy plant would much rather have a job than TAA benefits. They want to work. It's not the same as maintaining their job, but this new package will help these folks stay on their feet while they seek new employment.

The TAA package that we will approve is welcome, and I am proud to support this provision. I particularly want to thank Chairman BAUCUS, Senator GRASSLEY, and Senator BINGAMAN for all of their hard work in helping shape this reauthorization of the TAA program.

Ms. MIKULSKI. Mr. President, I rise in opposition to the trade bill. I oppose this trade bill because it seeks trade that is more free than fair. It sends a very mixed message to America's working men and women and their families.

The good news is that the bill includes a real expansion of trade adjustment assistance benefits for Americans who lose their jobs as a result of trade agreements. The House trade bill doesn't provide these trade adjustment assistance benefits. I am proud to be a cosponsor of the TAA bill and I commend Senators BINGAMAN and DASCHLE for their leadership to help workers harmed by trade.

The Trade Adjustment Assistance for Workers, Farmers, Communities, and Firms Act strengthens the existing TAA program. It broadens eligibility to cover workers who lose their jobs due to increased imports, even if they don't directly work for a company that closes down due to trade. It extends benefits to laid-off workers from 52 weeks to 78 weeks and increases job training funds. This bill also helps communities adjust, because when a factory shuts down, it isn't just the workers at the plant who are affected.

Healthcare is a critical addition to the TAA program. People who lose their jobs can't afford healthcare on their own. This bill will help laid-off workers buy healthcare coverage by covering 70 percent of the cost. I would have been happier with the 75 percent level in the Committee-passed bill, but this is a very important step.

Wage insurance for older workers is another key addition to the TAA program. Experienced workers, even with training in new skills, often cannot get another job that pays them anything close to what they were earning. This bill will supplement wages to help these workers get a new start in a new job. That is the good news.

The bad news is that the bill includes a renewal of Fast Track negotiating authority. That means more Americans will lose their jobs in the name of free trade. More people will get TAA benefits, but more people will need them.

Let me be very clear on one point. I support trade. I encourage trade. Trade is very important to my state. Maryland workers can compete successfully in a global marketplace, if they're

given a level playing field. That's why I support expansion of fair trade.

I oppose fast-track trade promotion authority now for the same reasons I opposed fast track when a Democrat was in the White House.

I don't believe Congress should give away our right and responsibility to fully consider trade agreements.

The Bush administration has the authority to negotiate trade agreements. U.S. Trade Representative Bob Zoellick doesn't need fast track. He went to Doha to start another round of multilateral trade talks without fast track. He can negotiate a free trade agreement of the Americas without fast track. Hundreds of trade agreements have been reached and implemented without fast track.

What the Bush administration wants is to cut trade deals and limit the power of Congress to review those deals. That is what fast track really means.

Why is the role of Congress so important? To make sure the American people get a good deal. I am ready to support trade agreements that are good for America, agreements that are good for workers and good for the environment. Congress should consider trade legislation—and amendments—to it using the same procedures we use to consider other international agreements and implementing legislation.

Proponents of trade agreements say it is inevitable that there will be winners and losers.

The problem is America's workers and their families always seem to be the losers. They lose their jobs. They lose their healthcare. If they keep their jobs or find new jobs, they lose the wage rates they have earned.

American workers aren't the only losers.

American consumers also lose.

I am particularly concerned that we don't regulate and inspect the safety of imported food the way USDA regulates and inspects domestic food products. Our trading partners set their own meat inspection standards. Shouldn't we use our trade policy as leverage to make our food safer?

Workers and children around the world also lose.

We should use the leverage of our trade agreements to ensure fair competition. That means workers in other countries should have the right to organize into unions. Without the strength of collective bargaining, their wages will always be below ours. They should also have worker safety protection and retirement and healthcare benefits.

Children should be in school, learning the skills to be good citizens and participants in the global economy. Instead, children as young as six years old put in full days of work. More than 350 million children under the age of 18 work, according to the International Labor Organization. More alarming is the fact that over 111 million of them are children between the ages of 5 and

14 engaged in "hazardous work." And 5.7 million children are in forced and bonded labor.

How can we enter into trade agreements with countries that do nothing to protect their children? Is it fair for a 45-year-old on Maryland's Eastern Shore to compete with a 12-year-old in Southern China?

Protecting against child labor and forced labor should be the core of any trade agreement.

I am proud to have cosponsored and supported amendments on labor rights, child labor, environmental protection, and other issues which I firmly believe must be addressed in agreements to strengthen fair trade.

I am particularly proud to have joined with colleagues on both sides of the aisle in an effort to provide a safety net for steel retirees who lose their healthcare coverage due to unfair trade. A clear majority in the Senate supported that amendment. We were blocked procedurally by Senators who support trade and are unwilling to address its human consequences.

I have said before that I don't want to put American jobs on a Fast Track to Mexico or a slow boat to China but that is exactly what is happening as a result of NAFTA and China's admission to the World Trade Organization. Black and Decker closed down a manufacturing plant on Maryland's Eastern Shore because they could get cheaper labor abroad. They literally moved those jobs to Mexico and China. I am glad the expanded trade adjustment assistance will help these workers but they shouldn't have lost their jobs in the first place.

I intend to stand up for American workers and consumers. I intend to stand up for the right and responsibility of Congress to fully consider trade agreements. I urge my colleagues to join me in opposing the trade bill.

Mr. McCAIN. Mr. President, as we prepare to vote on this historic trade package, our country is precariously positioned in the international trade arena. Many of our friends and allies no longer see the United States as a nation that champions global free trade, but rather as a nation that increasingly fears foreign competition and seeks to erect barriers to trade in order to protect domestic industries and advance narrow political agendas. A series of short-sighted, protectionist actions in recent years has jeopardized our relationships with our most important trading partners.

Given our recent double standards on trade, it is not surprising that the United States is quickly losing its credibility and leadership in championing free trade principles around the world. Our staunchest allies and most important trading partners are now doubting our dedication to the free trade principles we have long championed.

Many of the nations that engage in the free exchange of commerce are also our staunchest allies in the war on ter-

rorism. Over the past eight months, those countries have joined in our worthy cause, some making substantial sacrifices to advance our shared values. During that time, even as our allies have deployed their forces to stand alongside our own in Central Asia, we have pursued protectionist policies on steel and lumber, and passed into law a regressive, trade-distorting farm bill. We are already fighting one war on a global scale. We cannot simultaneously fight a trade war.

The United States simply cannot afford to follow the dangerous path of protectionism. I hope that the passage of trade promotion authority, TPA, and the Andean Trade Preference Expansion Act, both of which are included in this package, will represent a turning point. Now is our chance to put a stop to our short-sighted protectionism and recognize that such behavior has consequences.

As the rest of the world negotiates free trade agreements without our participation, the citizens of this country are losing out. Free trade stimulates economic growth, creates higher paying jobs, reduces the cost of goods and services, and promotes stability in regions of strategic interest to the United States. Somehow, we seem to have lost sight of these overarching goals.

The Doha round of World Trade Organization, WTO, negotiations provide an opportunity for the United States to demonstrate to the countries of the world our dedication to reducing barriers to trade on a global scale. Passage of this bill will enable the Administration to negotiate the best possible agreements for America. Beyond the WTO, I look forward to the completion of bilateral trade agreements with Singapore and Chile, the opening of formal negotiations on new trade agreements with nations like Australia, regional accords with the nations of Central America, and ultimately, a Free Trade Agreement of the Americas—a goal articulated by President George H.W. Bush fully a decade ago, and one which we must recommit ourselves and our Latin friends to achieving.

One of the most critical and time-sensitive components of this trade package is the extension and expansion of the Andean Trade Preference Act, ATPA. In 1991, ATPA was created to expand the economies of the drug-plagued nations of the Andean region. By granting duty-free and reduced-rate treatment to various products from Bolivia, Colombia, Ecuador, and Peru, we hoped to strengthen the fragile economies of the region, expand their export bases, and provide Andean farmers and workers with legitimate employment outside of the drug trade. The Andean Trade Preference Act has worked. It has created new industries in the Andean region, and with them hundreds of thousands of jobs outside the drug trade. As the region's leaders will attest, it is a success story.

Regrettably, ATPA expired on December 4, inflicting immediate harm on the region, because Congress had not taken timely action on legislation to prevent its expiration. The House of Representatives passed an extension and expansion of ATPA over six months ago. On February 15 the President, citing national security concerns, took the unprecedented step of extending a 90-day duty deferral of products under ATPA, giving Congress time to pass an extension. That 90-day deferral expired last week while the trade bill remained mired in partisan debate before the Senate.

Our delay in extending and expanding ATPA impacts our national security, stability in the hemisphere, and economic growth in Bolivia, Colombia, Ecuador and Peru. These nations are on the front lines of the war on drugs, their democracies threatened by criminals and terrorists, their people suffering from economic deprivation. It is time we realized the impact our actions and inactions have, not just on the United States, but on the rest of the world as well. Our delayed action has sent the very dangerous message that the United States is no longer engaged in the region.

Our hemisphere is in serious trouble. Democracy and free markets are tested by social instability, lack of economic opportunity, and the violence wrought by drug traffickers and terrorist groups. From the FARC and the ELN in Colombia to Hezbollah in Ecuador and elsewhere in our hemisphere, terrorists take advantage of state failure and economic underdevelopment to operate freely, and at grave risk to American interests and those of our allies.

The Andean trade act is part of our active engagement in the region, a gateway to economic opportunity and a symbol of America's commitment to the democratic stability and security of our Andean partners. The elected leaders of Ecuador, Colombia, Bolivia, and Peru know that delivering economic opportunity to their people is the best means of protecting democratic institutions and defeating terrorism and the drug trade. They ask not for substantial American assistance, but for access to the American market through free and open trade. This serves not only their interests but our own.

Unlike other efforts which provide direct grants, loans, or military assistance, ATPA costs the U.S. nothing. In fact, American workers and consumers benefit from it through reduced prices on goods and services. The U.S. International Trade Commission, ITC, has estimated that U.S. consumers annually save over \$20 million due to the benefits of ATPA. In addition to cost savings, the Act also enhances American security. By creating legitimate jobs outside the drug trade, bolstering state institutions, and expanding national economies, terrorists and drug traffickers will no longer find such easy refuge in the Andean region.

I regret that we had to consider three very important, and very different, pieces of trade legislation in one package; I believe the end product suffered as a result. Passing these bills in this manner prevented us from adequately debating complicated and questionable provisions. Indeed, this bill is far from perfect. I know that I am not alone in expressing my concern over some of the provisions now contained within this trade package, particularly those which are clearly antithetical to the spirit of free trade.

The conferees certainly have their work cut out for them. Although recent actions indicate that we may be taking steps backwards in certain areas, it is incumbent upon the conferees to reaffirm the principles of free trade, and to receive the strongest support from the Administration for their efforts. We must all ensure that we do not sacrifice free trade principles for a bill that is called "free trade," but does something else entirely. Even before Senate passage, efforts in the other body are underway to weaken provisions contained within this package. I hope that these efforts do not succeed.

That said, I believe this bill represents an opportunity to end America's dispiriting slide backwards into protectionism. Passage of this imperfect but important trade bill is a good start. It is time for America to again lead the world on trade.

Mr. EDWARDS. Mr. President, I thank Senators BAUCUS and GRASSLEY for working with me on my amendments to this legislation. They and their staffs were very helpful.

There was one amendment that I filed to this bill that I had intended to offer dealing with tax incentives to help communities affected by trade. I did not offer it because I know that the leaders of the bill as well as the leadership of the Senate all agreed that there would be no tax amendments to this bill. However, I would like to speak about the amendment very briefly, because I intend to look for future opportunities to see it passed.

The amendment is designed to help communities devastated by foreign trade get back on their feet by providing incentives for businesses to locate in these areas.

Already, the Federal Government has policies to help communities in trouble attract new business through tax incentives. The programs are called Empowerment Zones and Renewal Communities.

Here is the problem: These designations do not help struggling rural communities that have been hit with dramatic job losses only recently. A decade ago, these communities were home to busy textile plants. Today, they are being devastated as their major employers shut down and thousands of jobs disappear. Many of the people in these communities have lived in these towns for generations. They should not have to move away just because the textile plant where they worked has closed down.

Retraining will help. I am pleased that my amendment to help improve training programs was passed by the Senate last week, but that training is not going to matter if there are not new jobs to take the place of the ones they lost. We need to encourage investment in these trade-affected areas so workers do not have to pack up their families and move to the city just to get a new job.

That is what my proposal is about. It is modeled after Empowerment Zones and Renewal Communities. We'd create new Economic Revitalization Zones for areas hard-hit by trade. Economic Revitalization Zones, or ERZs, would be areas that have experienced major job losses in a critical industries as a result of trade agreements or shifts in production. Communities would be eligible for designation as ERZs if they are in a trade-affected state and a significant portion of their employment base was dependent on an industry substantially affected by trade. Benefits in ERZs would be similar to those in Renewal Communities and Empowerment Zones.

Here are five examples:

One, a 20-percent wage credit for the first \$15,000 of wages paid to a zone resident who works in the zone;

Two, commercial revitalization tax incentives [write-offs for companies that revitalize abandoned or dormant industrial property];

Three, increased write-offs for capital investments;

Four, authority to issue tax exempt bonds to promote business development; and

Five, the New Market Tax Credit, which already provides incentives for businesses to invest.

Economic revitalization zones would be a lifeline for communities that are suffering from the negative effects of trade agreements. We owe this to the hardworking families in these communities. As the industries they've relied on for decades are destroyed, the least we can do is to help them plan for the future.

I believe this is an important proposal. I look forward to working with my colleagues who are on the Finance Committee to find other opportunities to advance this important initiative.

Mr. DODD. Mr. President, I have a long-held interest in Latin America, and, in my opinion, the renewal of the Andean Trade Preferences Agreement is one of the most important actions this Congress can take to promote economic growth, political stability, and prosperity in the Andean region.

I have come to this floor many times in the past year to draw my colleagues' attention to the fact that Latin America is a region in crisis, that we ignore at our peril. I believe that it is imperative that we remain engaged with our neighbors to the South lest our neglect encourage even more instability in the region and foster conditions ripe for terror, destruction, and the collapse of democratic institutions. While I could

speak for hours about the dangers posed by the horrors of drought and famine in Central America, the Argentine economic crisis, or the turmoil in Venezuela, I will limit my comments today to the problems faced by the Andean region, and my belief that we must have a multi-faceted approach to alleviating the crisis in the region through military, humanitarian, and economic aid.

The Andean region is reeling from economic crises, natural disasters, and the effects of the war against drugs. Peru, Ecuador, Colombia, Venezuela, and Bolivia confront economic and social problems that threaten the very fabric of Democracy in the region. Up till now, with the possible exception of Venezuela, the governments of these countries have done a good job of managing their problems in the face of near-impossible odds. But, I believe, without consistent and steady U.S. involvement, and a greater willingness of Ecuador, Bolivia, and Peru to coordinate their efforts in drug eradication with Colombia, the situations in these countries could become quickly unstable. We must remain continuously engaged and stop the cycle of neglect by which attention is focused on Latin America for short bursts of time, only to recede when a crisis is over. We cannot allow the region to languish and fester while we ignore warning signs.

I have spoken about Colombia numerous times on this floor, and, in fact, just held a hearing on the Colombia situation in the Foreign Relations Committee last month. I would like to take a moment to restate some of my comments from that hearing and alert my colleagues to some horrific statistics about the state of violence in Colombia. Colombia's democracy is in crisis, and it didn't happen over night. Colombia's civil society has been ripped apart for decades by violence and corruption, and has long been characterized as having one of the most violent societies in the Western Hemisphere. Historically, Colombian civil leaders, judges and politicians have put their lives in jeopardy simply by aspiring to positions of leadership and responsibility. The introduction of illicit drug cultivation and production has only heightened further this climate of violence. Despite fears that must be pervasive in every Colombian's heart, tens of thousands of men and women have still allowed their names to appear on electoral ballots in election after election. These are truly courageous people who deserve our respect and admiration.

Two years ago, I supported US efforts to become partners with the Pastrana administration's efforts to address Colombia's problems. I said at the time that I believed that it was critically important that we act expeditiously on the Plan Colombia assistance package because our credibility was at stake with respect to responding to a genuine crisis in our own hemisphere. We also needed to make good on our pledge to

come to the aid of President Pastrana and the people of Colombia in their hour of crisis, a crisis that has profound implications for institutions of democracy in Colombia and throughout the hemisphere.

No one I know claims that things have dramatically "turned around" in Colombia since the United States endorsed Plan Colombia and began providing significant resources to support its implementation. Narcotraffickers, in concert with right and left wing paramilitary organizations, continue to make large portions of the country ungovernable. Until recently their activities were restricted to sparsely populated rural areas of the country—places where government order and services have never existed. Now, with the end of the FARC/Government peace process and in an effort to disrupt upcoming elections, the FARC is increasingly focused on urban areas, especially critical economic infrastructure.

In the last 15 years, more than 200 bombs have exploded in Colombian cities. The number of assassinations is egregious. More than 300,000 ordinary citizens, 4 presidential candidates, 200 judges and investigators, one half of Colombia's Supreme Court, 1,200 police, and 151 journalists, have been murdered. Politicians such as Senator Martha Daniels have been killed while trying to negotiate peace, and municipal officials are constantly running for their lives. As if this were not bad enough, Colombia also holds the world's kidnapping record, with 3,700 abductions last year alone. Among those abducted, 50 were political candidates, such as Ingrid Betancourt, who is running for President, and one was a governor.

The rebel groups in Colombia have declared war on democracy and on the people of Colombia. According to recent news reports, on May 2 the largest single massacre of civilians in the recorded history of the conflict in Colombia took place. It began on May 1, in the village of Bellavista, over 300 people sought refuge in St. Paul the Apostle church from door-to-door fighting between left and right-wing paramilitaries. But, in the violence-charged atmosphere of Colombia, even the refuge of a holy place was not enough to protect the townspeople of Bellavista. Shortly before noon on May 2nd, a bomb thrown by leftist rebels of the FARC collapsed the roof of St. Paul the Apostle, and 117 innocent civilians were killed—over a third of them children.

I grieve for the families of the deceased, and want them to know that their pain and sacrifice has not gone unnoticed in the United States. The massacre of Bellavista is just yet another event in a series that illustrates why the United States has a responsibility to remain actively engaged in Colombia's struggle. We must help prevent atrocities such as this massacre from ever happening again through a combination of economic, humani-

tarian, and military aid. This nonsensical murder of civilians in Colombia must stop, and it must stop now. While we are doing all we can to help stop these killings through Plan Colombia, the ripple effects of the region's crisis are felt by all of Colombia's neighbors—Ecuador, Peru, Bolivia, Venezuela. Colombia's problems have a profound impact on the stability and security of the entire region.

The region's economy is in distress, causing significant unemployment and hardship among the middle class. The economic situation in the countryside is equally troublesome—a significant percentage of its rural population is barely able to eke out a living—with millions already displaced from their villages from economic necessity or fear of civil conflict. Not surprisingly, these displaced persons have become the innocent foot soldiers in the ever-expanding illicit coca production that gets processed into cocaine and ultimately finds its way into America's schools and neighborhoods.

United States financial assistance has been heavily focused on the military component of Colombia's counter narcotic effort with lesser amounts available for other programs such as alternative development programs, protection of human rights workers, resettlement of displaced persons, and judicial and military reforms. The United States can do more to assist the region, particularly its economies by reauthorizing and expanding the coverage of the Andean Trade Preference Agreement. This would help the region work its way out of its current economic recession by giving a boost to key domestic industries while creating more jobs for average citizens—other than in the coca fields.

Since 2000, the United States has committed almost \$2 billion to the Andean region in support of Plan Colombia and the Andean Regional Initiative. As I have stated, although I continue to support these initiatives, they alone will not resolve the region's problems. We must complement this assistance with extension of ATPA. By addressing the economic needs of the area, as well as the military and humanitarian needs we can begin to address the root causes of the narcotics industry and violence, while assisting Colombia's neighbors in protecting their nations from allowing the same problem to spread.

ATPA has been constructive in stimulating increased trade with Bolivia, Colombia, Ecuador, and Peru, but there is still a lot of work to be done. The full impact of ATPA has been somewhat lessened by the exclusion of key economic sectors from the agreement. A more robust ATPA is needed if we are truly going to make a difference with respect to the lives of people in that region. Extension of the ATPA will offer more opportunities to our Andean trading partners, while also enabling us to further pursue our own national interests in the region. Poverty

and hopelessness are the incubators for lawlessness and civil strife. The job creation and economic development that is part and parcel with expanded trade opportunities are vital to enfranchising the middle class in the political process and preventing rural residents from turning to cocoa as a crop of desperation.

With the ATPA, we can encourage the growth of legitimate businesses that will benefit producers and consumers in our country and within the Andean pact. Since the ATPA was enacted in 1991, the primary goal of the agreement has been to promote export diversification and broad-based, sustainable economic development throughout the region. There is evidence that this initiative has borne fruit. From 1992 to 2000, the years of implementation of ATPA, total coca cultivation in Bolivia declined by 68 percent, and in Peru by 74 percent. This decrease is the result of aggressive eradication programs coupled with crop substitution by farmers in the region who have then taken advantage of ATPA provisions to market their products in the US. In so doing, ATPA has done more than expand trade, it has strengthened America's War on Drugs and the Andean region's fight against drugs and traffickers. The renewal of the ATPA is a lifeline to Andean farmers and workers who want to have legal employment but will do whatever they have to in the absence of mainstream job opportunities to feed their families—including the cultivation of illicit crops.

ATPA has accomplished all this without negative effects at home. Between 1991 and 2000, Andean exports to the U.S. increased 124 percent. According to the U.S. Department of Commerce, in 2000, bilateral trade was valued at more than \$18 billion and the Andean Community was the 16th largest consumer of U.S. exports. In comparison, the value of U.S. exports to the Andean Community was 1.3 times greater than that which was exported to the Central American Common Market. This is nearly twice as large as exports to Eastern Europe.

As we move forward to extend the ATPA, I realize that for some, the issues of textile and tuna are delicate and contentious. I think that it is important to note that the extension of trade preferences to tuna in airtight containers would promote employment in the local industries, and help depressed areas in the beneficiary countries through higher value-added exports with a true potential and minimal impact on U.S. industry. Unfortunately, the ATPA bill before the Senate contains restrictions which would grant the duty free benefits to imported canned tuna from the Andean countries, but limit the quantity to 20 percent of the U.S. domestic canned tuna production in the preceding calendar year. The quota that would be imposed makes the duty free benefit virtually meaningless.

The principal beneficiary of the tuna provision is Ecuador—a government that has been extremely cooperative in our efforts to implement first Plan Colombia and now the Andean Regional Initiative, although controversial among Ecuadorans, the Government of Ecuador has permitted to use the airfield at Manta as a forward operating location for critical activities in our regional counter rug programs. They have suffered from the spill over effects of Plan Colombia as guerrillas and peasants have crossed into Ecuador's territories and sanctuary. The Senate provisions falls far short of what Ecuador deserves in light of all its support. In my view the House provision granting duty free treatment to all imported canned tuna from the Andean countries is the more appropriate response to Ecuador's friendship and support for U.S. policies in the region. The argument that American Samoa will be harmed by the granting of this preference is bogus. One of the major employers in American Samoa, StarKist, has already indicated that it has no intention of reducing employment there even if the most generous version of the ATPA Tuna preference language is enacted into law.

Expanding the ATPA to include textiles and apparel would not have a substantial negative impact on the U.S. economy. In 1999, textile/apparel exports from Andean countries represented only 1.1 percent of the total textile and apparel exports to the United States. On the other hand, the United States is by far the largest market for Andean apparel exports, buying between 38 percent and 61 percent of all Andean apparel exports. In fact with the expansion of opportunities for Andean textile and apparel imports come increased opportunities for US fabrics, thread and even cotton exports to that region.

By extending ATPA, the United States is sending a clear signal that we are going to continue the close and essential relationship we have established with our partners in the Southern Hemisphere. Given the extremely difficulties facing the region and the implication of those difficulties on US interests working to make that relationship work is very important. Taken together, these steps will generate jobs, strengthen civil society, and deter illegal narcotics trade. All steps strongly supported by the Congress and the American people.

Mrs. FEINSTEIN. Mr. President, I rise today to express my support for trade promotion authority. My decision to support this bill has not been an easy one. I respect the opinions of my colleagues who do not support trade promotion authority and I share many of their concerns.

However, two issues have changed my thinking on this matter: the necessity of trade promotion authority to conclude multilateral trade deals and the substantive worker protection provisions contained in the bill.

Therefore, I believe we must grant the President the trade promotion authority to reclaim U.S. leadership in the global trade arena and provide him the support he needs to conclude multilateral trade agreements that will benefit California and the United States as a whole. And, as this bill does, we must do so in a way that provides protection and support for workers who may be displaced from their jobs due to increased globalization.

I have long supported free trade. Like many of my colleagues, I believe that expanding free trade and the exchange of goods, ideas, and services across the global marketplace is vital to the success of American industries, the creation of new jobs, and the economic well-being of all Americans.

My home State of California, which ranks among the top economies in the world and leads the country in exports, has greatly benefitted from past free trade agreements and stands to gain even more from future negotiations.

Now, I understand that many of my colleagues will point out that this administration and its predecessor have concluded and signed trade agreements since fast-track expired in 1994. No doubt this is true and no doubt it will continue to be true.

Yet those agreements have been bilateral trade agreements. Many bilateral agreements have been signed without fast track authority.

One recent and noteworthy example is the United States-Jordan Free Trade Agreement. I voted for that agreement and I believe it is important tool to advance the cause of peace and stability in the Middle East.

But while the United States-Jordan Free Trade Agreement is politically vital, economically it is rather small bilateral trade between the two countries is approximately \$600 million.

Multilateral negotiations, on the other hand, such as those aimed at establishing a Free Trade Area of the Americas or the Doha round of global trade talks, involve far more countries, far more negotiators, and far more billions of dollars worth of trade.

As former Deputy U.S. Trade Representative Richard Fisher told me, our trade negotiators need fast track to tackle the difficult, complex, and diverse issues that inevitably arise in multilateral talks and get our partners to put the best deal on the table. Without it, we simply can't close out these deals.

If our partners know that they will have to negotiate with Congress after negotiating with the administration, the most sensitive issues, and the keys to unlocking new and expanding markets, will be taken off the agenda.

Imagine if you were a party to a multilateral trade negotiation and you knew that a final agreement would be open to amendment by the U.S. Congress. You would never agree to put your best offer on the table and you would never agree to sign any agreement if you thought that the deal you

negotiated—one that would provide multiple benefits to both sides—would be change.

So, fast track becomes an imperative, if multilateral agreements are to be negotiated successfully.

But we must also remember that some workers and some firms do suffer as a result of increased trade and we have an obligation not to leave them behind as global trade moves forward.

So protection for workers is important and vital to any trade promotion authority bill.

Consequently, I support the robust and expanded trade adjustment assistance package that will assist those workers in their time of need and help them find new jobs. Since 1962, trade adjustment assistance has been a bridge between the global economy and the local economy.

Let their be no doubt that this bill is a step forward for American workers. It provides assistance, training, and support for workers as they move into a new career. Specifically, the bill expands eligibility for benefits to secondary workers such as suppliers and downstream producers who lose their jobs or may lose their jobs due to a loss of business with a firm whose workers are TAA certified; extends income support from 52 to 78 weeks; provides a 70 percent advanceable, refundable tax credit to help TAA workers make COBRA payments; increases assistance for job relocation and job searches; increases the training budget to \$300 million; establishes a wage insurance program to provide support to older workers who lose their job due to trade and are forced to take a lesser paying job; establishes trade adjustment assistance programs for farmers, fisherman, and communities affected by trade, and finally; establishes a training program through the Small Business Administration for TAA-certified workers on how to start their own business.

Finally, let me turn now to my role as a Senator from the State of California. California is like no other State. It is the fifth largest economic engine in the world with a \$1.33 trillion economy. From high tech to agriculture, California is a leader in the U.S. and the global market, and it has greatly benefitted from free trade initiatives.

In 2001, 14.6 percent of U.S. exports came from California, totaling \$106.8 billion, tops in the Nation. Exports support more than one million jobs for Californians.

Yet if California is to maintain its status as a global economic leader, our businesses and working people must have access to new and expanding markets around the world. Trade promotion authority, as I have indicated, is an important tool in that effort.

Global trade is with us. We simply can not ignore that fact. Turning inward, building barriers, and shutting out the outside world is not realistic. We must deal with globalization and we must deal with it in a way that enhances the ability of American exports

to reach new and expanding markets, while at the same time promoting respect for labor rights and the environment and ensuring that no worker is left behind.

Trade promotion authority is the best vehicle for Congress and the administration, working as partners, to build an effective trade agenda that advances U.S. interests at home and abroad.

Mr. GRASSLEY. Mr. President, this legislation which has passed the Senate today is a great bipartisan success. I am thankful to my colleagues for their support and willingness to work together in order to do this for the workers, farmers and companies of this country.

I would first like to thank Senators GRAMM and BREAUX and their staff for helping to make this final vote possible. If it were not for their help in brokering a deal, we may not have reached this point today.

I would also like to thank Senator BAUCUS and his excellent staff for all the hard work and dedication which has gone into this bill over the past year. I want to specifically thank Mike Evans and John Angell as well as the trade staff—Greg Mastel, Tim Punke, Ted Posner, Angela Marshall-Hoffman, Shara Aranoff, and Andy Harig. I appreciate their willingness to work with my staff to accomplish so much.

I would also like to thank Polly Craighill of the Office of Senate Legislative Counsel, for her hard work, and great expertise in drafting this bill.

Finally, I would like to thank my staff, beginning with my Finance Committee staff director, Kolan Davis and my trade counsels Everett Eissenstat and Richard Chriss, who have worked tirelessly to bring this bill to fruition. I credit them with much of today's success. It was their hard work, along with the help of Carrie Clark and Tiffany McCullen-Atwell, that helped us to this point.

I look forward to a productive conference, and swift passage of the conference report, so we can get this to the President's desk, and enacted into law.

Mr. THURMOND. Mr. President, I rise today to express my opposition to H.R. 3009, the Andean Trade Preference Act and the Baucus-Grassley amendment granting the President trade promotion authority and renewing the trade adjustment assistance.

While I do not support this particular bill, I am not opposed to trade and recognize the great economic benefit it has brought to my State. In South Carolina, many foreign firms have made substantial investments in manufacturing facilities. These plants, and the workers they employ, produce goods for domestic consumption and for export. Also, numerous American firms export their products. The volume of goods moving through the port of Charleston is an indication of the importance of trade to South Carolina. Charleston is one of the busiest seaports in America.

History has taught us that in order for countries to buy from us, we must buy from them. Indeed, our continuing trade deficit shows just how much of this we as Americans do. The problem is that too many of our trading partners refuse to trade with us fairly. They want to export to the American market, but they do not want to let our products into their domestic markets. I would note that the United States Trade Representative has published his 2002 National Trade Estimate Report on Foreign Trade Barriers. In this annual report, numbering 455 pages, he catalogs the barriers "affecting U.S. exports of goods and services, foreign direct investment by U.S. persons, and protection of intellectual property rights." Clearly, this report indicates our trade negotiators have much to do to get our trading partners to open their markets to U.S. exports.

The United States has long been the leader in promoting trade. In 1994, the United States entered into the North American Free Trade Agreement, NAFTA, and 1 year later became a charter member of the World Trade Organization, WTO. NAFTA established a free trade area between the United States, Canada, and Mexico. The WTO was an endeavor to establish an international organization and procedures to reduce and hopefully eliminate capricious and arbitrary barriers to trade.

NAFTA opened the doors to imports of textiles and apparel from Mexico. While the potential for cheap textile and apparel imports was greater under the WTO, the WTO contains an Agreement on Textiles and Clothing, ATC, which would eliminate all quotas on textile and apparel products beginning on January 1, 2005. The ATC provides the U.S. textile and apparel industries with a ten-year transition period to prepare for this elimination. However, this ATC adjustment phase has been repeatedly breached by legislative actions such as the African Growth and Opportunity Act, the Caribbean Basin Initiative, as well as Executive Branch decisions permitting additional import quotas for nations such as Pakistan and Turkey. Additionally, American textile and apparel industries have been seriously harmed by substantial transshipments of apparel. As a result, U.S. textile and apparel industries are being subjected to more and more unfair international competition without the full benefit of the transition period permitted under the ATC.

Because of these unfortunate and short-sighted policies, almost 700,000 U.S. textile and apparel workers have lost their jobs. Nearly 55,000 jobs were lost in South Carolina with a devastating effect on my State's economy. This is compounded by the thousands of jobs that have been lost in Alabama, Georgia, North Carolina, and Virginia as well as other States. These numbers do not include the lost jobs in the steel, furniture, and other manufacturing industries. In addition there are

the job losses in secondary industries such as equipment makers, service firms, and transportation enterprises. Finally, there are the community job losses in the local businesses, including department and grocery stores, pharmacies, and automobile dealerships, to just name a few. The cost to local communities is staggering. While the toll on all those who lose their jobs and their families is horrendous, it is even worse on older workers who have little chance of finding meaningful employment.

The underlying bill, H.R. 3009, the Andean Trade Preference Act, ATPA, seeks to renew a program that provided preferential, mostly duty-free, treatment of selected U.S. imports from Bolivia, Colombia, Ecuador, and Peru that expired on December 4, 2001. The purpose of the ATPA is to encourage growth of a more diversified Andean export base, thereby promoting development and providing an incentive for Andean farmers and other workers to pursue economic alternatives to the drug trade. While this is a laudable goal, my objection is to those provisions of this legislation that would give Andean textile and apparel products the same preferences given to those from Mexico and the Caribbean Basin. This action will further erode the quota protection provisions guaranteed to the U.S. textile and apparel industries under the ATC. These increases in textile and apparel imports into the United States will further destabilize the American textile and apparel industries during the critical ten-year transition period and result in the loss of more American jobs.

This bill also reauthorizes Trade Promotion Authority. Trade promotion authority allows the President to negotiate trade agreements and submit them to the Congress for approval or defeat. No amendments are allowed, therefore no improvements can be made to such agreements.

My concerns are that future trade negotiators will be more interested in getting an agreement, any agreement, no matter what the cost to American manufacturing, rather than protect the best interests of the United States. The emphasis of American representatives in previous trade talks has clearly been for free trade at the expense of fair trade. The current state of U.S. manufacturing is evidence of this sad fact. So granting the President TPA will result in the Congress being presented with no alternative other than to vote for or against the total agreement. I do not believe this is consistent with the Constitutional responsibilities of the United States Congress.

Particularly troubling about this grant of TPA is that our trade negotiators have, and continue to place in negotiation, U.S. trade remedy laws. What we need, Mr. President, are not weaker trade remedy laws but stronger ones. In addition, to the responsibility of protecting U.S. workers and their employers, we have a strategic defense

interest in promoting and strengthening American manufacturing as opposed to letting it wither away. Again, what I am advocating is fair trade not free trade.

Finally, included in the legislation is the renewal of Trade Adjustment Assistance, TAA. I support TAA without reservation, and I have in the past attempted to strengthen TAA by making the certification process easier. I regret that this TAA renewal provision is part of this legislation and was not considered separately.

In closing, I wish to state that I am for trade, fair trade. The sad experience of our Nation with so-called "free trade" is that it results in the loss of American manufacturing jobs. Unfortunately, this legislation will pass the Senate and will undoubtedly be signed into law by the President. I call upon the President and administration officials to negotiate for fair trade. I hope in the future negotiations are conducted which result in rules that do not discriminate against American industry and agriculture, and which require our trading partners to open their domestic markets to U.S. products.

Because of the thousands of jobs that have been lost, not only in my State of South Carolina but in the Nation as a whole, and because of the jobs which will be lost in the future, I will vote against this legislation.

I yield the floor.

Mr. BYRD. Mr. President, I have been astonished that the Senate—the very institution in which Daniel Webster, John C. Calhoun, Henry Clay, Robert Wagner, and Richard Russell once made important national policy, even if it meant defying presidents—would sit back and humbly and meekly allow the interests of the workers in their states to be sacrificed upon the altar of the false promise of free trade.

These past few weeks, I have been even more disturbed that some would allow their concerns and their opposition to fast-track authority to be bought off with another false promise—the false promise of enhanced trade adjustment assistance for workers impacted by trade.

I am not opposed to trade adjustment assistance in its intent and purpose. Trade adjustment assistance provides an important service when and where it is needed. But trade adjustment is not a panacea. Trade adjustment assistance is not a substitute for a job. Trade adjustment assistance is not a substitute for good trade policies. Trade adjustment assistance should never, never, be considered as a substitute for Congressional input into trade agreements, input that is essential for members of this chamber to be able to protect and promote the interests of our constituents.

My opposition to giving fast-track authority to the executive branch is long-standing and unchanging. The Constitution obligates Congress to regulate foreign commerce. This means,

at the least, that Congress must be an active participant in trade agreements, not a rubber stamp.

Trade impacts every citizen of our country. It cuts across nearly every aspect of our lives and livelihoods. The way of life and work for millions of American workers, for tens of thousands of American communities, are affected by the trade agreements. That is why trade issues must be debated and shaped by the legislative representatives of the people. It is the hardworking, responsible people back home who will keenly feel the impact of our trade policies.

I was sent here to represent the interests of my State. I am going to do that to the best of my ability and this includes promoting and protecting the thousands of West Virginia workers whose lives are affected by trade agreements.

It is difficult for me to understand why any member of this body of either political party, would surrender our constitutional prerogative to regulate trade to the executive branch.

The devil, as the saying goes, is in the details. And fast track is asking the Congress of the United States to ignore the details, at great peril to the workers of our States.

It is especially difficult to understand in this era when globalization has rendered the industries and workers of our States more and more vulnerable to the unfair, predatory trade practices of foreign countries.

Our States are drowning under a flood of cheap foreign imports, and it is not just manufacturing industries. Free trade with Mexico has led to a flood of Mexican imports that devastated Florida's tomato industry and forced thousands of agricultural layoffs. China is dumping garlic on the United States and destroying the garlic industry in California.

Since 1994, when NAFTA created the free trade zone, North Carolina has lost more than 125,500 jobs in the textile and apparel industries. The Mississippi Business Journal reports that the garment industry in Mississippi has virtually disappeared in the post-NAFTA era in that State.

Last May, the New York Times told of the closing of a cotton factory in Jacksonville, AL, and the devastating impact of that plant closing on the town and its people. "The good-paying textile jobs that built many of the towns in the industrial South," the story reported, "have been vanishing for decades as manufacturers improve profits by moving to countries where labor is cheaper. The North American Trade Agreement . . . was a death knell for working people like the millers in Jacksonville."

The American trucking industry is being clobbered by unfair and unregulated Mexican trucking.

The steel industry in Pennsylvania and West Virginia has been absolutely devastated by the dumping of cheap foreign steel and of foreign, govern-

ment-subsidized imported steel. A few weeks ago, President Bush pointed out that, "Fifty years of foreign government intervention in the global steel market has resulted in bankruptcies, serious dislocation, and job loss."

Estimates of job losses in the United States from NAFTA range from a half-million to more than a million.

The impact of job dislocation is devastating communities across the country. The impact of being displaced, that is, losing your job due to a change in trade policy—that is, losing your job through no fault of your own—is devastating both psychologically and financially to the individual worker. For too many American workers, free trade has been and continues to be a long and frightening slide to financial disaster.

Additionally, there is the risk of loss of health insurance. When one does not have insurance and, therefore, cannot pay for proper treatment, the result can be devastating.

Compound this with the loss of retirement security. When people lose their jobs, they can no longer contribute to their retirement account. Worse, they are too often forced to take out their retirement savings in lump sum payments in order to make mortgage payments or to feed their families, or to pay their health insurance, thus wiping out the family's future economic security. Americans are living longer now. Many of them fear that they will not be able to depend upon Social Security for a decent retirement. They know that they will need these supplemental retirement savings. But, when displaced, and forced to drain their retirement accounts, that economic security is difficult to make up, if not lost forever.

And, of course, there is the loss of income. In addition to the obvious loss of income between jobs, there is the additional loss of income when the displaced worker returns to lower-paying employment. Workers who lose higher wage, industrial jobs are often forced to take low-paying service jobs. Service jobs are notoriously lower paying jobs that offer limited opportunities for advancement.

Studies of counties in Colorado, Missouri, and Mississippi have found a declining standard of living for workers and their communities as they moved from manufacturing to service jobs.

For many workers, the erosion in earnings after landing new employment is telling. In the latter part of the 1990s, the weekly earnings of all re-employed workers fell 5.7 percent on average. Workers displaced from high-tenure jobs showed an average drop in earnings of over 20 percent after they found new, full-time jobs.

Even workers who manage to retain their jobs feel the impact of trade as the decline in American manufacturing has meant a declining standard of living, not just for the affected workers and their families but also for their communities and their States. With the rise of international competition

and the shift to lower wage service jobs in the United States, real wages have stagnated, making life much more difficult for all American workers. Today, even with some recovery in real wages due to the rapid growth in the economy in the 1990s, the average weekly wage is nearly 12 percent less than at its peak in the 1970s. As I said, the devil is in the details, and these families see these details every day as they work harder and run faster, only to continue falling further behind.

Is it any wonder that polls and surveys reveal that: 57 percent of all working adults oppose giving President Bush fast-track authority; 78 percent of Americans believe that protecting American jobs should be a top priority in deciding U.S. trade policy; and 68 percent of Americans believe that trade details with low-wage countries such as Mexico lead to lower wages for American workers.

Yet, I have sat back and watched in astonishment and shock as members of Congress have auctioned off this important constitutional obligation and the economic interests of their constituents for increased trade adjustment assistance benefits.

Last year, the nonpartisan United States Trade Deficit Review Commission pointed out that, "workers adjustment assistance has often been the last component of a package intended to increase Congressional support for approving new trade agreements. As such, it has often been viewed simply as an afterthought rather than as an integral component of our trade policy."

Trade adjustment assistance has become a labyrinth of rules and regulations. When the Trade Deficit Review Commission surveyed the states for ways to improve trade adjustment assistance training programs, the state agencies came up with more than 80 different recommendations.

Now, Congress is about to be bought off for the promise of enhanced trade adjustment assistance; that is, more band-aids to cover a gaping hemorrhaging of the livelihoods of American workers!

There is the promise of tax credits for health insurance—I am not sure how important tax credits are to unemployed workers who have no income.

There is the promise of more retraining, but I am concerned that we may be retraining for jobs that will not be there.

There is the band-aid of wage insurance. I point out that Congress tried this gimmick before with the 1988 Omnibus Trade and Competitiveness Act (OTCA), and it failed miserably. Two States were selected to test the program. One state rejected the program because they viewed it as too costly, bureaucratic and confusing. A single State was not considered enough of a sample from which to test the program, so the U.S. Department of Labor canceled the pilot program all together.

The Trade Deficit Review Commission—the commission this Chamber

created to make recommendations for changes in trade policy—made the important point that, for trade policy to be truly effective, trade adjustment assistance "must be a comprehensive safety net available to all who need it." If trade adjustment assistance is to work, it must be comprehensive, flexible, and, according to the Trade Deficit Review Commission, it must be "triggerless"—that is, it must provide benefits to workers who lose their jobs whether it is due to trade dislocation, technological changes, or other reasons." This means, among other things, that there must not be distinctions between primary or secondary workers. We must realize that trade impacts the community as well as the individual. Everyone is impacted and affected.

Under the fast track legislation as it now stands, American truckers are ineligible for Trade adjustment assistance benefits because they are not considered "worthy" secondary workers.

In promoting the Trade Expansion Act of 1962, the legislation that also established trade adjustment assistance, President John F. Kennedy declared: "There is an obligation to render assistance to those who suffer as a result of national trade policy."

It is an obligation, not a lever. It is an obligation, not a bone to be thrown to a Congress acting more like administration lap dogs than the legislative representatives of the American people.

I repeat myself. Trade adjustment assistance is no substitute for a job.

Trade adjustment assistance is no substitute for good trade policy, and good trade policy will only come from open debate, and the amending process—that is, the input from the members of this body who represent the interests of the people of our states and the United States.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. It is my understanding that no one is requesting a vote on the substitute or on cloture on the bill itself, and that the final action before the Senate will be a vote on the bill itself. Hearing no objection, Mr. President, I therefore ask unanimous consent that the cloture vote be vitiated.

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

The question is on agreeing to the substitute amendment, as amended.

The amendment (No. 3401), in the nature of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass?

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

The PRESIDING OFFICER. Is there a sufficient second?

Mr. GRAMM. Is this final passage?

The PRESIDING OFFICER. This is final passage.

Is there a sufficient second?

There is a sufficient second.

Mr. DASCHLE. Mr. President, this will be the last vote of the evening.

Mr. GRAMM. Let's stay.

Mr. DASCHLE. I move to reconsider that.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from Hawaii (Mr. INOUE) is necessarily absent.

Mr. NICKLES. I announce that the Senator from North Carolina (Mr. HELMS), the Senator from Alabama (Mr. SHELBY), and the Senator from Kansas (Mr. BROWNBACK) are necessarily absent.

The result was announced—yeas 66, nays 30, as follows:

[Rollcall Vote No. 130 Leg.]

YEAS—66

Allard	Domenici	Lott
Allen	Edwards	Lugar
Baucus	Enzi	McCain
Bayh	Feinstein	McConnell
Bennett	Fitzgerald	Miller
Biden	Frist	Murkowski
Bingaman	Graham	Murray
Bond	Gramm	Nelson (FL)
Breaux	Grassley	Nelson (NE)
Bunning	Hagel	Nickles
Burns	Harkin	Roberts
Cantwell	Hatch	Santorum
Carper	Hutchinson	Smith (NH)
Chafee	Hutchison	Smith (OR)
Cleland	Inhofe	Snowe
Cochran	Jeffords	Specter
Collins	Kerry	Stevens
Craig	Kohl	Thomas
Crapo	Kyl	Thompson
Daschle	Landrieu	Voinovich
Dayton	Lieberman	Warner
DeWine	Lincoln	Wyden

NAYS—30

Akaka	Durbin	Reed
Boxer	Ensign	Reid
Byrd	Feingold	Rockefeller
Campbell	Gregg	Sarbanes
Carnahan	Hollings	Schumer
Clinton	Johnson	Sessions
Conrad	Kennedy	Stabenow
Corzine	Leahy	Thurmond
Dodd	Levin	Torricelli
Dorgan	Mikulski	Wellstone

NOT VOTING—4

Brownback	Inouye
Helms	Shelby

The bill (H.R. 3009), as amended, was passed.

(The bill will be printed in a future edition of the RECORD.)

Mr. DASCHLE. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. DASCHLE. Mr. President, I compliment the distinguished chairman and ranking member of the Finance Committee for their outstanding work on getting to this point. This has not been easy. We have spent a lot of time. Obviously this is a very difficult measure. We have accomplished it. It is something I think we can look back on

with great satisfaction and great pride. It would not have happened were it not for the leadership of the Senators from Montana and Iowa.

I must say, even though he doesn't want me to—he is embarrassed and gets frustrated when I do this—I thank the Senator from Nevada. As with so many pieces of legislation, this simply would not have happened without his masterful work on the Senate floor as well. I congratulate him.

I thank all of the staff involved, my staff, Chuck Marr, and the staff of the committee and others.

We now must turn to the schedule when we return.

There will be no further votes this evening, and we will not be in session tomorrow.

UNANIMOUS CONSENT

AGREEMENT—H.R. 4775 AND S. 625

Mr. DASCHLE. Mr. President, I have been in consultation with the distinguished Republican leader during the course of these votes. We have reached agreement on proceeding to the supplemental and then to the hate crimes legislation when we return. I know of no objection. So I will propound a unanimous consent request.

I ask unanimous consent that on Monday, June 3, at 2 p.m., the Senate proceed to the consideration of H.R. 4775, the supplemental appropriations bill; that after the reporting of the bill, the text of the Senate companion, S. 2551, be substituted in lieu thereof and considered original text, provided that no points of order be considered as having been waived by its adoption; that upon the disposition of H.R. 4775, the Senate proceed to the consideration of S. 625, the bill to assist local jurisdictions to prosecute hate crimes; further, that if on Monday, June 3, the Senate has not received from the House the supplemental appropriations bill, the Senate proceed to S. 625 and it remain the pending business until the Senate receives H.R. 4775, at which time it be temporarily laid aside, the Senate begin consideration of H.R. 4775, and that no call for the regular order serve to displace H.R. 4775.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. DASCHLE. Mr. President, I thank my colleagues and the distinguished Republican leader for his help in working through this procedural arrangement. I also thank the chairman of the Appropriations Committee and the ranking member.

This will afford us the opportunity, at the earliest possible date, even though we are disappointed we are not able to take it up now, to take it up as soon as the House completes its work, hopefully, on the Monday we return from the Memorial Day recess.

I yield the floor.

The PRESIDING OFFICER. The Republican leader is recognized.

Mr. LOTT. Mr. President, I will be brief. First of all, I, too, want to thank

the managers of the trade legislation. It has taken a lot of time and effort. There have been a number of problems along the way, but the managers have been persistent. I commend Senator BAUCUS and Senator GRASSLEY for their work. A lot of people have been involved and it was the right thing to do. The proof of that is the vote of 66 to 30.

A lot of people would have thought 10 days ago that we could not get it done. We have a few barnacles, I am sure, that will be sheared off in conference, and a good bill will come out of conference. I commend the managers for doing good work.

With regard to the unanimous consent request, I have a couple of comments. I am glad we were able to work this out. We need to go to the supplemental as soon as possible. This is an urgent supplemental for defense to replace a lot of what has already been spent, and also for homeland security. I was concerned that if we could not get it worked out today or tomorrow, if we came back, other issues might intervene. Senator DASCHLE has a commitment to try to move the other legislation, S. 625, dealing with hate crimes. This way, we could go to the supplemental appropriations bill—assuming it is over here from the House—and complete it and then go to the next issue.

If we don't have a supplemental, for whatever reason, received from the House, we can go to the hate crimes. When the supplemental comes, we can interrupt that, get it done, and then go back to the other issue.

There will be a lot of debate about both of these issues. This seems like a fair way to proceed. I want to emphasize the necessity to move as quickly as possible to the Defense authorization bill. The Armed Services Committee reported that bill out a couple weeks ago. We can't get started with our appropriations bills very well without that defense authorization bill. It would make it possible to do the Defense appropriations bill.

I am not trying to set up the order. I just want to remind the majority leader that we need to do these defense issues as soon as possible so that we can go on to the appropriations bill so our men and women will know what they can count on in the defense bill.

This is a good arrangement at this time. Hopefully, we can complete both of these bills the first week we are back, so we can get the supplemental into conference and get it done and out of conference before the Fourth of July recess. I wanted to make those points.

I thank the Chair and I thank Senator DASCHLE for his cooperation. I yield the floor.

The PRESIDING OFFICER. The Senator from Montana is recognized.

PASSAGE OF H.R. 3009

Mr. BAUCUS. Mr. President, I thank all Senators who worked so hard on

this trade bill. I particularly thank the majority leader, Senator DASCHLE. I think he is one of the main architects of the key provision, trade adjustment assistance. He and Senator BINGAMAN have worked long and hard to help forge that portion of the bill. So I thank him and Senator BINGAMAN.

Also, I thank my friend from Nevada, Senator REID. I don't know how we would be here at this point without him. He has worked tirelessly and has done a super job with such equanimity and an even temper. I don't know how he does it.

Also, I want to point out that a lot of work has gone into this bill. I don't think many people realize just how much work and dedication goes into something such as this. There are a lot of people whose names are not well known. A lot of us here on the floor get some gratification from seeing our names in newspapers and on TV when something is accomplished. But the fact is the real work is done by people who perform the most noble human endeavor—which is service to their country—virtually all day long, and many times with sleepless nights. Many are here tonight. I want people to know how hard they have worked.

I especially want to say thanks to Greg Mastel. I hired Greg specifically to help get this legislation passed—and he has done a tremendous job.

I also want to thank many other committee staff, who have worked tirelessly on this legislation—John Angell, Mike Evans, Timothy Punke, Ted Posner, Angela Marshall, Shara Aranoff, Andy Harig, Liz Fowler, Kate Kirchgraber, and Mitchell Kent.

Senator GRASSLEY also has a great team, and I thank them: Kolan Davis, Everett Eissenstat, and Richard Chriss.

And finally, it is an understatement to say that we all appreciate the efforts of our skilled and patient legislative counsel—Polly Craighill, Stephanie Easley, and Ruth Ernst.

Although he is not here, I compliment my colleague, Senator GRASSLEY, who did a tireless job.

This is the most progressive and far-reaching trade bill that this Senate has passed in 15 years. This is a landmark bill. It is also very well balanced. It modernizes fast-track trade promotion procedures, brings them up to date. On the other hand, it includes very significant assistance to people who were dislocated under trade.

I think it will be a bill that, when looked back upon several years from now, is one of the landmarks and major benchmarks that has moved the United States more directly and appropriately to engage the world in trade. I am proud of all the efforts of those here on the floor.

With that, I yield the floor.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

THE SUPPLEMENTAL
APPROPRIATIONS BILL

Mr. BYRD. Mr. President, I wish to express my gratitude to the two leaders for the order that has been entered with respect to the supplemental appropriations bill. That bill is a good bill. It was reported out of the Senate Appropriations Committee on yesterday by a vote of 29 to 0. It had unanimous support in the reporting of it on yesterday. That unanimous vote could not have been possible without the cooperation and support and leadership of the distinguished Senator from Alaska and the ranking member of the Appropriations Committee, Mr. TED STEVENS.

The committee held extensive hearings, and the Senator from Alaska and I joined in issuing the request for witnesses. Every witness that came before the committee had been agreed upon jointly by the Senator from Alaska and myself. Those hearings were important, they were productive, and they brought forth exceedingly valuable information to the members of the committee. And that information is reflected in the makeup of the appropriations bill.

We had the local responders, the firemen, the police, the emergency health employees. We had seven Cabinet officers from the administration, and we also had the Director of FEMA. We had mayors. We had Governors. I was pleased with the hearings. I am very grateful and appreciative of the efforts that were made by Senator STEVENS and the Members on both sides of the aisle. The hearings were very well attended. So it is a good bill.

The war on terrorism proceeds. The Congress is receiving top secret briefings from the Secretary of Defense and the FBI Director almost weekly. The country is on a heightened state of alert.

On March 21, 2002, the President submitted a supplemental budget request to prosecute that war.

The principal components of the President's budget request included \$14 billion for the Department of Defense; \$5.3 billion for homeland defense, including \$4.4 billion for the recently established Transportation Security Administration, \$5.5 billion for New York in response to the September 11 attacks, \$1.6 billion for international emergencies.

This supplemental bill provides for those emergencies, as requested by the President.

Just today, President Bush said, "We've still got threats to the homeland that we've got to deal with, and it's very important for us not to hamper our ability to wage that war. . . ."

That is exactly what the supplemental appropriations deals with—homeland security.

The supplemental bill includes \$8.35 billion for homeland defense, and increase of \$3 billion over the budget request. This \$3 billion focuses on problems that were identified during our homeland defense hearings.

Our committee held very extensive hearings. We heard from the first responders, the state and local law enforcement personnel, the fire and medical personnel, individuals representing the ports, and those who had concerns about cyber security and the security of our nuclear weapons facilities and nuclear labs. We heard from those who are concerned about border security, airport security, food and agricultural safety, nuclear non-proliferation programs, and the vulnerability of our water systems. We heard from seven cabinet secretaries and the director of the Federal Emergency Management Agency.

All of this information led us to formulate a supplemental appropriations bill which cleared the Senate Appropriations Committee by a recorded vote of twenty-nine to zero.

Highlights include: \$1.0 billion, \$646 million above the request for first responder programs such as firefighting grants, State and local law enforcement grants, grants to State and local governments to fix the interoperability problem between State and local police, fire and medical personnel, emergency planning grants, funds to increase the number of FEMA search and rescue teams that have the training and equipment to combat biological, chemical and nuclear attacks and funds to make sure that we have standards for interoperable equipment; \$970 million, \$716 million above the request for port security including grants to improve security at ports, for increased Coast Guard surveillance, for increased Customs funding to improve container inspections overseas and to improve our technology on inspecting containers; \$387 million of unrequested funds for bioterrorism, including funds to improve our toxicology and infectious disease lab capacity at the Centers for Disease Control; \$200 million, \$174 million above the request for security at our nuclear weapons facilities and nuclear labs; \$154 million, \$135 million above the request for cyber security, with a special emphasis on helping the private sector defend itself from attack; \$125 million, \$84 million above the request for border security, including resources for INS facilities on the borders and for deploying the system for rapid response criminal background checks to 30 more ports; \$100 million of unrequested funds for nuclear nonproliferation programs; \$265 million of unrequested funds for airport security, including \$100 million to help airports meet the new Federal standards for airport security; \$200 million for USDA for food safety labs, additional food inspectors, and for vulnerability assessments for rural water systems; \$100 million for EPA to complete vulnerability assessments on the security of our water systems; and \$286 million is provided for other homeland defense items such as Secret Service efforts to combat electronic crime, FBI counterterrorism efforts and funds for the Justice Department to develop an integrated information system.

The bill fully funds the President's \$4.4 billion request for the new Transportation Security Administration, unlike the House which cuts the request by \$550 million.

Just within the past few days, Vice President CHENEY warned that a terrorist strike within our shores is "almost certain." Defense Secretary Rumsfeld stated that it is inevitable that terrorists will acquire weapons of mass destruction. Secretary of State Colin Powell warned that "terrorists are trying every way they can" to get nuclear, chemical or biological weapons. Security has been tightened around New York City landmarks. And Homeland Security Director Tom Ridge said that, "While we prepare for another terrorist attack, we need to understand that it is not a question of if, but a question of when."

The warnings are real. The danger is real. We should act, not delay. We should protect lives, not play politics. I urge Senators to move forward with this supplemental bill and to do so quickly.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, I thank the distinguished chairman of our Appropriations Committee for his kind remarks and join him in recommending the bill to the Senate that we will debate when we return.

DUTCH HARBOR

Mr. STEVENS. Mr. President, I have sought recognition today because, on Sunday, I will travel to the Island of Unalaska and attend the first in a series of meetings that will take place to commemorate and to honor those who died in the attack by the Japanese in June of 1942 against what was then known as Dutch Harbor.

Dutch Harbor is a harbor within the Bay of Alaska. It is an area not quite 2,000 miles out from Anchorage. It is a very interesting place. It is a wonderful place to be.

The people of Dutch Harbor will start a weeklong series of events to honor the people who served in our military during the time of the Japanese attack against Dutch Harbor.

I am indebted to the University of North Carolina online library for its Aleutians Campaign Web site which I researched today to make certain I would properly report this attack to the Senate today.

On June 3, 1942, the Japanese, having come into Alaska at Attu and Kiska, where they invaded our islands and occupied them, moved on up the Aleutian chain and attacked Dutch Harbor. There was located near Dutch Harbor an Army fort known as Fort Mears.

This attack, by the way, to give it some historical reference, was about the same time as the attack on Midway Island. It was about 6 a.m. when four bombers approached Dutch Harbor and released 16 bombs on the fort and into

the area of Fort Mears. Fourteen actually fell into the congested area of Fort Mears occupied by Army personnel. Two barracks and three Quonset huts were destroyed, and several buildings were damaged by the hits and resulting fire. About 25 men were killed and about the same number wounded that day.

About 15 fighters and 13 horizontal bombers participated in the raid. There were fighters from Fort Glenn that tried to intercept the bombers, but to no avail.

At 6 p.m. on the next day, June 4, fire was opened again as 10 fighters attacked the naval air station at Dutch Harbor. Then 11 bombers delivered a dive-bombing attack through a series of openings in the overcast, which is almost a normal situation in the Aleutians. The chief damage was to four new 6,666-barrel fuel tanks to supply our military in the Aleutian chain. An old station ship, the *Northwestern*, was set afire and partly destroyed. The Japanese also scored hits on a warehouse and an empty aircraft hangar.

The final attack on Dutch Harbor came about 25 minutes later when five planes dropped 10 bombs near a magazine area that was on the south slope of Mount Ballyhoo.

The air raids on Dutch Harbor killed 33 U.S. servicemen, 10 civilians, and wounded 50. Japanese troops, arriving with a task force of 2 aircraft carriers, 12 destroyers, 5 cruisers, 6 submarines, 4 troop transports, and other vessels, subsequently occupied these Islands of Kiska and Attu for over a year.

If anyone wishes to pursue the history of this war in the Aleutians, I recommend the "1000 Mile War" written by Brian Garfield. It is a very interesting book. His thesis is that by splitting their military, particularly their navy, the Japanese lost the war because they lost the Battle of the Coral Sea due to the fact their vessels were in the Aleutian Islands and split off from the regular navy.

Mr. President, I ask unanimous consent that after my remarks an article from the Unalaska/Dutch Harbor Historical Timeline be printed in the RECORD. It is entitled "Where does the Name 'Unalaska' Come From?"

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

(See Exhibit 1.)

Mr. STEVENS. Mr. President, I shall enjoy being at Dutch Harbor on Sunday, and I commend to the Senate the memory of the fact that there is another harbor that was attacked. Pearl Harbor was attacked, as we know, in December of 1941. Dutch Harbor in our State was attacked 6 months later in June.

I thank the Chair.

EXHIBIT 1

WHERE DOES THE NAME "UNALASKA" COME FROM?

(By Ray Hudson)

The name "Unalaska" does not reflect a thwarted attempt to secede from the 49th State, nor does it imply that the residents of

Unalaska view their community as one that runs counter to the majority of the State, although some might. Either of those explanations would be more interesting over the last two hundred years.

Between 1890 and 1899 the United States Board on Geographic Names standardized the spelling of this town and the Aleutian island on which it is located by selecting "Unalaska" from several names that had been in use up to that time. Variations included "Ounalashka," "Ounalaska," "Oonalaska," and "Oonalashka." These spellings all derived from the Russian spelling of a word which was itself a shortened version of an original Aleut word: "Agunalaksh." Unalaska island may have derived its name from its proximity to the Alaska Peninsula. The Aleuts called the Alaska Peninsula "Alaxsxa" or "Alaxsxix"—the "mainland." The Russians adopted this as "Alyaska" from which "Alaska" is derived. "Popular belief has it, incorrectly, that the name means 'The Great Land', with almost sacred connotations."

Thus "Unalaska" does not mean not-Alaska, nor not-the-Great-Land. If anything, the name defines its geographical location in terms of the Alaska Peninsula.

In fact, to compound confusion, this town has three names. First, there is "Unalaska." Before "Unalaska," however, this community was known as "Iliuliuk" in Russian or in Aleut as "Iluulux" or "Iluulax." This early word referred to the curved approach one took in a skin boat when approaching the village. The word may also have had connotations of "Harmony." (In 1806 after almost 30 years of sporadic fighting with the local Aleuts, Nikolai Rezanov of the Russian-American Company named the community "Dobroye Soglasii"—the Harbor of Good Accord. [Ignoring the Russian presence, the Spanish laid a surreptitious claim to Unalaska on August 5, 1788, and called it "Puerto de Dona Maria Luisa Teresa de Parma, Princesa de Asturias".] The third name which is frequently applied to this community is "Dutch Harbor." This specific harbor is one of many within the greater Unalaska Bay and is said to have been given its name because a Dutch vessel was the first to anchor there. The name dates from the late 18th Century. In the 1880's a dock was built at Dutch Harbor and people sailing to Unalaska booked passage for Dutch Harbor. During WWII the military constructed a runway at Dutch Harbor, not far from the dock. After the war private airplanes took over the airstrip, and so people flying into Unalaska were ticketed for Dutch Harbor.

Consequently, new-comers often refer to this city as "Dutch Harbor" while more permanent residents use "Unalaska" and really old-time Aleut speakers say "Ounalashka."

The PRESIDING OFFICER. The Senator from West Virginia.

MEMORIAL DAY

Mr. BYRD. Mr. President, on this last Monday in May, Americans observe Memorial Day. On this day, we honor the fallen heroes of past and present wars, the mighty who have fallen in battle, by flying flags, laying wreaths at soldiers' graves, and other appropriate forms of tribute.

On Monday, the mournful sound of taps will echo across the rows of headstones in quiet veterans' cemeteries and other cemeteries across the land. These will be followed by the sharp report of a 21-gun salute.

Families across America may leaf through old boxes of photographs and

remember their own losses—the dough-boy uncle who fell in France in 1918; the Marine Corps cousin lost on Tarawa in World War II; the Army nephew cut down in Korea; or the Navy pilot brother shot down over Binh Hoa in Vietnam; the sons lost so recently in Afghanistan. They will worry about family members on duty in farflung corners of the globe in Bosnia, Saudi Arabia, Korea, Afghanistan, Colombia, and in other distant places.

Memorial Day is a time of public patriotism leavened by private grief.

In my own State of West Virginia, that undercurrent of private grief is sharpened by recent loss. Last Sunday, Sgt. Gene Arden Vance of Morgantown was killed in Afghanistan while carrying out a surveillance patrol with other coalition forces. He was 38 years old. He leaves behind his wife Lisa, a young daughter, and many family members and friends.

Sergeant Vance's sacrifice and the pride and suffering of his family remind us all of the human costs of war.

Sergeant Vance's name now joins a long honor roll of West Virginia's patriots who have given their all whenever and wherever duty has called. He will be remembered in our hearts and honored each Memorial Day by all who loved him and all who love the Nation he served so well.

Originally May 30, the Memorial Day holiday was moved for convenience sake to make a welcome 3-day weekend. Many people know Memorial Day only as a marker for the end of the school year, the beginning of summer, the opening of the neighborhood pool or the start of the barbecue season. Few recall its roots in the civil war, or its gradual evolution from "Decoration Day" as it was called when I was a boy, to honor fallen civil war soldiers to a day to honor the dead from all wars. But this year, as fresh graves scar the landscape, the grim reminder of the human costs of this strange new war on terrorism, I think perhaps more people will hang an American flag by their door or wear a red poppy on their lapel. The wave of visible patriotism that blossomed in the aftermath of September 11 has faded somewhat. The flags may be tattered and torn, the signs and banners mostly gone, but the powerful emotion still surges in our veins. In Memorial Day, I suspect that the red, white, and blue will reemerge with vigor.

It is reassuring to me to see Americans so proud of their flag, their Nation, the men and women in uniform. It is reassuring to see how dearly we hold the rights and liberties that are the legacy of our Founding Fathers. Our collective outrage, and then defiance, toward those who would attack our freedom is all the proof we need of the continuing strength of the American revolutionary spirit that created this great Nation. In 1863, President Abraham Lincoln made a brief address at Gettysburg, PA. He said, in part:

We are met to dedicate a portion of it [the battlefield] as the final resting place of those

who here gave their lives that this Nation might live. It is altogether fitting and proper that we should do this. But in a larger sense we cannot dedicate—we cannot consecrate—we cannot hallow this ground. The brave men, living and dead, who struggled here, have consecrated it far above our poor power to add or detract. The world will little note, nor long remember, what we say, but it can never forget what they did. It is for us, the living, rather to be dedicated to the unfinished work that they have thus far so nobly advanced. It is rather for us to be here dedicated to the great task remaining before us, that from these honored dead we take increased devotion to that cause for which they gave the last full measure of devotion; that we here highly resolve that these dead

shall not have died in vain; that this nation, under God, shall have a new birth of freedom, and that government of the people, by the people, for the people, shall not perish from the earth.

That spirit lives on, undaunted and undefeated by the events of September 11 and unbowed by the continuing threats made against us. A civil war could not extinguish it; a war of terror will not break it. That strength and that resolve, even in the face of the greatest sacrifice, will continue to sustain our Nation. In the effort to avenge the deaths of our innocent civilians and to rid the world of Osama bin Laden's terrorist network, more Amer-

ican soldiers' lives will be put in harms' way and some of our brave sons and daughters will again be called upon to give that "last full measure of devotion" for their country, as Sergeant Vance has been called. That is not a pleasant thought, but a true one.

This war on terror may take our sons and daughters from us, but their blood, their sacrifice, will leave a lasting legacy.

May we, on this Memorial Day, rededicate ourselves to the high and noble patriotism for the Nation which they so unstintingly exemplified.

I yield the floor.

NOTICE

Incomplete record of Senate proceedings.

Today's Senate proceedings will be continued in the next issue of the Record.