

The vote was taken by electronic device, and there were—yeas 227, nays 201, not voting 5, as follows:

[Roll No. 442]

YEAS—227

Aderholt Gilchrest Nussle  
 Akin Gillmor Osborne  
 Alexander Gingrey Otter  
 Bachus Gohmert Oxley  
 Baker Goode Paul  
 Barrett (SC) Goodlatte Pearce  
 Bartlett (MD) Granger Pence  
 Barton (TX) Graves Peterson (PA)  
 Bass Green (WI) Petri  
 Beauprez Gutknecht Pickering  
 Biggert Hall Pitts  
 Bilirakis Harris Platts  
 Bishop (UT) Hart Poe  
 Blackburn Hastings (WA) Pombo  
 Blunt Hayes Porter  
 Boehlert Hayworth Price (GA)  
 Boehmer Hefley Pryce (OH)  
 Bonilla Hensarling Putnam  
 Bonner Herger Radanovich  
 Bono Hobson Ramstad  
 Boozman Hoekstra Regula  
 Boustany Hostettler Rehberg  
 Bradley (NH) Hulshof Reichert  
 Brady (TX) Hunter Renzi  
 Brown (SC) Hyde Reynolds  
 Brown-Waite, Ginny Issa  
 Burgess Istook Rogers (AL)  
 Burton (IN) Jenkins Rogers (KY)  
 Buyer Jindal Rogers (MI)  
 Calvert Johnson (CT) Rohrabacher  
 Camp Johnson (IL) Ros-Lehtinen  
 Cannon Johnson, Sam Royce  
 Cantor Jones (NC) Ryan (WI)  
 Capito Keller Ryan (KS)  
 Carter Kelly Saxton  
 Castle Kennedy (MN) Schwarzh (MI)  
 Chabot King (IA) Sensenbrenner  
 Chocola King (NY) Sessions  
 Coble Kingston Shadegg  
 Cole (OK) Kirk Shaw  
 Conaway Kline Shays  
 Cox Knollenberg Sherwood  
 Crenshaw Kolbe Shimkus  
 Cubin Kuhl (NY) Shuster  
 Culberson LaHood Simmons  
 Cunningham Latham Simpson  
 Davis (KY) LaTourette Smith (NJ)  
 Davis, Tom Lewis (CA) Smith (TX)  
 Deal (GA) Lewis (KY) Sodrel  
 DeLay Linder Souder  
 Dent LoBiondo Stearns  
 Diaz-Balart, L. Lucas Sullivan  
 Diaz-Balart, M. Lungren, Daniel Sweeney  
 Doolittle E. Tancredo  
 Drake Mack Taylor (NC)  
 Dreier Manzullo Terry  
 Duncan Marchant Thomas  
 Ehlers McCaul (TX) Thornberry  
 Emerson McCotter Tiahrt  
 English (PA) McCrery Tiberi  
 Everett McHenry Turner  
 Feeney McHugh Upton  
 Ferguson McKeon Walden (OR)  
 Fitzpatrick (PA) McMorris Walsh  
 Flake Mica Wamp  
 Foley Miller (FL) Weldon (FL)  
 Forbes Miller (MI) Weldon (PA)  
 Fortenberry Miller, Gary Weller  
 Fossella Moran (KS) Westmoreland  
 Foxx Musgrave Whitfield  
 Franks (AZ) Myrick Wicker  
 Frelinghuysen Neugebauer Wilson (NM)  
 Gallegly Ney Wilson (SC)  
 Garrett (NJ) Northup Wolf  
 Gerlach Norwood Young (AK)  
 Gibbons Nunes Young (FL)

NAYS—201

Abercrombie Bishop (GA) Cardoza  
 Ackerman Bishop (NY) Carnahan  
 Allen Blumenauer Case  
 Andrews Boren Chandler  
 Baca Boswell Clay  
 Baird Boucher Cleaver  
 Baldwin Boyd Clyburn  
 Barrow Brown (OH) Conyers  
 Bean Brown, Corrine Cooper  
 Becerra Butterfield Costa  
 Berkley Capps Costello  
 Berman Capuano Cramer  
 Berry Cardin Crowley

Cuellar Kind  
 Cummings Kucinich  
 Davis (AL) Langevin  
 Davis (CA) Lantos  
 Davis (FL) Larsen (WA)  
 Davis (IL) Larson (CT)  
 Davis (TN) Lee  
 DeFazio Levin  
 DeGette Lewis (GA)  
 Delahunt Lipinski  
 DeLauro Lofgren, Zoe  
 Dicks Lowey  
 Dingell Lynch  
 Doggett Maloney  
 Doyle Markey  
 Edwards Marshall  
 Emanuel Matheson  
 Engel Matsui  
 Eshoo McCarthy  
 Etheridge McCollum (MN)  
 Evans McDermott  
 Farr McGovern  
 Fattah McIntyre  
 Filner McKinney  
 Ford McNulty  
 Frank (MA) Meehan  
 Gonzalez Meek (FL)  
 Gordon Meeke (NY)  
 Green, Al Melancon  
 Green, Gene Menendez  
 Grijalva Michaud  
 Gutierrez Millender-  
 Harman McDonald  
 Hastings (FL) Miller (NC)  
 Herseht Miller, George  
 Higgins Mollohan  
 Hinchey Moore (KS)  
 Hinojosa Moore (WI)  
 Holden Moran (VA)  
 Holt Murtha  
 Honda Nadler  
 Hooley Napolitano  
 Hoyer Neal (MA)  
 Inslee Oberstar  
 Israel Obey  
 Jackson (IL) Olver  
 Jackson-Lee Ortiz  
 (TX) Owens  
 Jefferson Pallone  
 Johnson, E. B. Pascrell  
 Jones (OH) Pastor  
 Kanjorski Payne  
 Kaptur Pelosi  
 Kennedy (RI) Peterson (MN)  
 Kildee Pomeroy  
 Kilpatrick (MI) Price (NC)

NOT VOTING—5

Brady (PA) Davis, Jo Ann Murphy  
 Carson Leach

□ 2015

So the resolution was agreed to.  
 The result of the vote was announced  
 as above recorded.

A motion to reconsider was laid on  
 the table.

#### PERSONAL EXPLANATION

Mr. MURPHY. Mr. Speaker, due to illness, I was not present in the chamber on Wednesday, July 27, 2005, and was regrettably unable to cast my vote on rollcall No. 432, rollcall No. 433, rollcall No. 434, rollcall No. 435, rollcall No. 436, rollcall No. 437, rollcall No. 438, rollcall No. 439, rollcall No. 440, rollcall No. 441, and rollcall No. 442.

Had I been present, I would have voted “yea” on rollcall No. 432, “yea” on rollcall No. 433, “yea” on rollcall No. 434, “yea” on rollcall No. 435, “no” on rollcall No. 436, “yea” on rollcall No. 437, “yea” on rollcall No. 438, “yea” on rollcall No. 439, “yea” on rollcall No. 440, “yea” on rollcall No. 441, and “yea” on rollcall No. 442.

#### FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Ms. Curtis, one of its clerks, an-

nounced that the Senate has passed without amendment a bill of the House of the following title:

H.R. 3453. An act to provide an extension of highway, highway safety, motor carrier safety, transit, and other programs funded out of the Highway Trust Fund pending enactment of a law reauthorizing the Transportation Equity Act for the 21st Century.

The message also announced that the Senate has passed bills of the following titles in which concurrence of the House is requested:

S. 203. An act to reduce temporarily the royalty required to be paid for sodium produced, to establish certain National Heritage Areas, and for other purposes.

S. 243. An act to establish a program and criteria for National Heritage Areas in the United States, and for other purposes.

S. 285. An act to reauthorize the Children's Hospitals Graduate Medical Education Program.

S. 442. An act to provide for the Secretary of Homeland Security to be included in the line of Presidential succession.

#### DOMINICAN REPUBLIC-CENTRAL AMERICA-UNITED STATES FREE TRADE AGREEMENT IMPLEMENTATION ACT

Mr. THOMAS. Mr. Speaker, pursuant to House Resolution 386, I call up the bill (H.R. 3045) to implement the Dominican Republic-Central America-United States Free Trade Agreement, and ask for its immediate consideration.

The Clerk read the title of the bill.

The text of H.R. 3045 is as follows:

H.R. 3045

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION. 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the “Dominican Republic-Central America-United States Free Trade Agreement Implementation Act”.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Purposes.

Sec. 3. Definitions.

#### TITLE I—APPROVAL OF, AND GENERAL PROVISIONS RELATING TO, THE AGREEMENT

Sec. 101. Approval and entry into force of the Agreement.

Sec. 102. Relationship of the Agreement to United States and State law.

Sec. 103. Implementing actions in anticipation of entry into force and initial regulations.

Sec. 104. Consultation and layover provisions for, and effective date of, proclaimed actions.

Sec. 105. Administration of dispute settlement proceedings.

Sec. 106. Arbitration of claims.

Sec. 107. Effective dates; effect of termination.

#### TITLE II—CUSTOMS PROVISIONS

Sec. 201. Tariff modifications.

Sec. 202. Additional duties on certain agricultural goods.

Sec. 203. Rules of origin.

Sec. 204. Customs user fees.

Sec. 205. Retroactive application for certain liquidations and reliquidations of textile or apparel goods.

- Sec. 206. Disclosure of incorrect information; false certifications of origin; denial of preferential tariff treatment.
- Sec. 207. Reliquidation of entries.
- Sec. 208. Recordkeeping requirements.
- Sec. 209. Enforcement relating to trade in textile or apparel goods.
- Sec. 210. Regulations.

#### TITLE III—RELIEF FROM IMPORTS

- Sec. 301. Definitions.
- Subtitle A—Relief From Imports Benefiting From the Agreement
- Sec. 311. Commencing of action for relief.
- Sec. 312. Commission action on petition.
- Sec. 313. Provision of relief.
- Sec. 314. Termination of relief authority.
- Sec. 315. Compensation authority.
- Sec. 316. Confidential business information.
- Subtitle B—Textile and Apparel Safeguard Measures
- Sec. 321. Commencement of action for relief.
- Sec. 322. Determination and provision of relief.
- Sec. 323. Period of relief.
- Sec. 324. Articles exempt from relief.
- Sec. 325. Rate after termination of import relief.
- Sec. 326. Termination of relief authority.
- Sec. 327. Compensation authority.
- Sec. 328. Confidential business information.
- Subtitle C—Cases Under Title II of the Trade Act of 1974
- Sec. 331. Findings and action on goods of CAFTA-DR countries.

#### TITLE IV—MISCELLANEOUS

- Sec. 401. Eligible products.
- Sec. 402. Modifications to the Caribbean Basin Economic Recovery Act.
- Sec. 403. Periodic reports and meetings on labor obligations and labor capacity-building provisions.

#### SEC. 2. PURPOSES.

The purposes of this Act are—

(1) to approve and implement the Free Trade Agreement between the United States, Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, and Nicaragua entered into under the authority of section 2103(b) of the Bipartisan Trade Promotion Authority Act of 2002 (19 U.S.C. 3803(b));

(2) to strengthen and develop economic relations between the United States, Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, and Nicaragua for their mutual benefit;

(3) to establish free trade between the United States, Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, and Nicaragua through the reduction and elimination of barriers to trade in goods and services and to investment; and

(4) to lay the foundation for further cooperation to expand and enhance the benefits of the Agreement.

#### SEC. 3. DEFINITIONS.

In this Act:

(1) **AGREEMENT.**—The term “Agreement” means the Dominican Republic-Central America-United States Free Trade Agreement approved by the Congress under section 101(a)(1).

(2) **CAFTA-DR COUNTRY.**—Except as provided in section 203, the term “CAFTA-DR country” means—

(A) Costa Rica, for such time as the Agreement is in force between the United States and Costa Rica;

(B) the Dominican Republic, for such time as the Agreement is in force between the United States and the Dominican Republic;

(C) El Salvador, for such time as the Agreement is in force between the United States and El Salvador;

(D) Guatemala, for such time as the Agreement is in force between the United States and Guatemala;

(E) Honduras, for such time as the Agreement is in force between the United States and Honduras; and

(F) Nicaragua, for such time as the Agreement is in force between the United States and Nicaragua.

(3) **COMMISSION.**—The term “Commission” means the United States International Trade Commission.

(4) **HTS.**—The term “HTS” means the Harmonized Tariff Schedule of the United States.

(5) **TEXTILE OR APPAREL GOOD.**—The term “textile or apparel good” means a good listed in the Annex to the Agreement on Textiles and Clothing referred to in section 101(d)(4) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(4)), other than a good listed in Annex 3.29 of the Agreement.

#### TITLE I—APPROVAL OF, AND GENERAL PROVISIONS RELATING TO, THE AGREEMENT

##### SEC. 101. APPROVAL AND ENTRY INTO FORCE OF THE AGREEMENT.

(a) **APPROVAL OF AGREEMENT AND STATEMENT OF ADMINISTRATIVE ACTION.**—Pursuant to section 2105 of the Bipartisan Trade Promotion Authority Act of 2002 (19 U.S.C. 3805) and section 151 of the Trade Act of 1974 (19 U.S.C. 2191), the Congress approves—

(1) the Dominican Republic-Central America-United States Free Trade Agreement entered into on August 5, 2004, with the Governments of Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, and Nicaragua, and submitted to the Congress on June 23, 2005; and

(2) the statement of administrative action proposed to implement the Agreement that was submitted to the Congress on June 23, 2005.

(b) **CONDITIONS FOR ENTRY INTO FORCE OF THE AGREEMENT.**—At such time as the President determines that countries listed in subsection (a)(1) have taken measures necessary to comply with the provisions of the Agreement that are to take effect on the date on which the Agreement enters into force, the President is authorized to provide for the Agreement to enter into force with respect to those countries that provide for the Agreement to enter into force for them.

##### SEC. 102. RELATIONSHIP OF THE AGREEMENT TO UNITED STATES AND STATE LAW.

(a) **RELATIONSHIP OF AGREEMENT TO UNITED STATES LAW.**—

(1) **UNITED STATES LAW TO PREVAIL IN CONFLICT.**—No provision of the Agreement, nor the application of any such provision to any person or circumstance, which is inconsistent with any law of the United States shall have effect.

(2) **CONSTRUCTION.**—Nothing in this Act shall be construed—

(A) to amend or modify any law of the United States, or

(B) to limit any authority conferred under any law of the United States,

unless specifically provided for in this Act.

(b) **RELATIONSHIP OF AGREEMENT TO STATE LAW.**—

(1) **LEGAL CHALLENGE.**—No State law, or the application thereof, may be declared invalid as to any person or circumstance on the ground that the provision or application is inconsistent with the Agreement, except in an action brought by the United States for the purpose of declaring such law or application invalid.

(2) **DEFINITION OF STATE LAW.**—For purposes of this subsection, the term “State law” includes—

(A) any law of a political subdivision of a State; and

(B) any State law regulating or taxing the business of insurance.

(c) **EFFECT OF AGREEMENT WITH RESPECT TO PRIVATE REMEDIES.**—No person other than the United States—

(1) shall have any cause of action or defense under the Agreement or by virtue of congressional approval thereof; or

(2) may challenge, in any action brought under any provision of law, any action or inaction by any department, agency, or other instrumentality of the United States, any State, or any political subdivision of a State, on the ground that such action or inaction is inconsistent with the Agreement.

##### SEC. 103. IMPLEMENTING ACTIONS IN ANTICIPATION OF ENTRY INTO FORCE AND INITIAL REGULATIONS.

(a) **IMPLEMENTING ACTIONS.**—

(1) **PROCLAMATION AUTHORITY.**—After the date of the enactment of this Act—

(A) the President may proclaim such actions, and

(B) other appropriate officers of the United States Government may issue such regulations,

as may be necessary to ensure that any provision of this Act, or amendment made by this Act, that takes effect on the date the Agreement enters into force is appropriately implemented on such date, but no such proclamation or regulation may have an effective date earlier than the date the Agreement enters into force.

(2) **EFFECTIVE DATE OF CERTAIN PROCLAIMED ACTIONS.**—Any action proclaimed by the President under the authority of this Act that is not subject to the consultation and layover provisions under section 104 may not take effect before the 15th day after the date on which the text of the proclamation is published in the Federal Register.

(3) **WAIVER OF 15-DAY RESTRICTION.**—The 15-day restriction contained in paragraph (2) on the taking effect of proclaimed actions is waived to the extent that the application of such restriction would prevent the taking effect on the date the Agreement enters into force of any action proclaimed under this section.

(b) **INITIAL REGULATIONS.**—Initial regulations necessary or appropriate to carry out the actions required by or authorized under this Act or proposed in the statement of administrative action submitted under section 101(a)(2) to implement the Agreement shall, to the maximum extent feasible, be issued within 1 year after the date on which the Agreement enters into force. In the case of any implementing action that takes effect on a date after the date on which the Agreement enters into force, initial regulations to carry out that action shall, to the maximum extent feasible, be issued within 1 year after such effective date.

##### SEC. 104. CONSULTATION AND LAYOVER PROVISIONS FOR, AND EFFECTIVE DATE OF, PROCLAIMED ACTIONS.

If a provision of this Act provides that the implementation of an action by the President by proclamation is subject to the consultation and layover requirements of this section, such action may be proclaimed only if—

(1) the President has obtained advice regarding the proposed action from—

(A) the appropriate advisory committees established under section 135 of the Trade Act of 1974 (19 U.S.C. 2155); and

(B) the Commission;

(2) the President has submitted to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives a report that sets forth—

(A) the action proposed to be proclaimed and the reasons therefor; and

(B) the advice obtained under paragraph (1);

(3) a period of 60 calendar days, beginning on the first day on which the requirements

set forth in paragraphs (1) and (2) have been met has expired; and

(4) the President has consulted with such Committees regarding the proposed action during the period referred to in paragraph (3).

**SEC. 105. ADMINISTRATION OF DISPUTE SETTLEMENT PROCEEDINGS.**

(a) **ESTABLISHMENT OR DESIGNATION OF OFFICE.**—The President is authorized to establish or designate within the Department of Commerce an office that shall be responsible for providing administrative assistance to panels established under chapter 20 of the Agreement. The office may not be considered to be an agency for purposes of section 552 of title 5, United States Code.

(b) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated for each fiscal year after fiscal year 2005 to the Department of Commerce such sums as may be necessary for the establishment and operations of the office established or designated under subsection (a) and for the payment of the United States share of the expenses of panels established under chapter 20 of the Agreement.

**SEC. 106. ARBITRATION OF CLAIMS.**

The United States is authorized to resolve any claim against the United States covered by article 10.16.1(a)(i)(C) or article 10.16.1(b)(i)(C) of the Agreement, pursuant to the Investor-State Dispute Settlement procedures set forth in section B of chapter 10 of the Agreement.

**SEC. 107. EFFECTIVE DATES; EFFECT OF TERMINATION.**

(a) **EFFECTIVE DATES.**—Except as provided in subsection (b), the provisions of this Act and the amendments made by this Act take effect on the date the Agreement enters into force.

(b) **EXCEPTIONS.**—Sections 1 through 3 and this title take effect on the date of the enactment of this Act.

(c) **TERMINATION OF CAFTA-DR STATUS.**—During any period in which a country ceases to be a CAFTA-DR country, the provisions of this Act (other than this subsection) and the amendments made by this Act shall cease to have effect with respect to that country.

(d) **TERMINATION OF THE AGREEMENT.**—On the date on which the Agreement ceases to be in force with respect to the United States, the provisions of this Act (other than this subsection) and the amendments made by this Act shall cease to have effect.

**TITLE II—CUSTOMS PROVISIONS**

**SEC. 201. TARIFF MODIFICATIONS.**

(a) **TARIFF MODIFICATIONS PROVIDED FOR IN THE AGREEMENT.**—

(1) **PROCLAMATION AUTHORITY.**—The President may proclaim—

(A) such modifications or continuation of any duty,

(B) such continuation of duty-free or excise treatment, or

(C) such additional duties,

as the President determines to be necessary or appropriate to carry out or apply articles 3.3, 3.5, 3.6, 3.21, 3.26, 3.27, and 3.28, and Annexes 3.3, 3.27, and 3.28 of the Agreement.

(2) **EFFECT ON GSP STATUS.**—Notwithstanding section 502(a)(1) of the Trade Act of 1974 (19 U.S.C. 2462(a)(1)), the President shall terminate the designation of each CAFTA-DR country as a beneficiary developing country for purposes of title V of the Trade Act of 1974 on the date the Agreement enters into force with respect to that country.

(3) **EFFECT ON CBERA STATUS.**—

(A) **IN GENERAL.**—Notwithstanding section 212(a) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702(a)), the President shall terminate the designation of each CAFTA-DR country as a beneficiary country

for purposes of that Act on the date the Agreement enters into force with respect to that country.

(B) **EXCEPTION.**—Notwithstanding subparagraph (A), each such country shall be considered a beneficiary country under section 212(a) of the Caribbean Basin Economic Recovery Act, for purposes of—

(i) sections 771(7)(G)(ii)(III) and 771(7)(H) of the Tariff Act of 1930 (19 U.S.C. 1677(7)(G)(ii)(III) and 1677(7)(H));

(ii) the duty-free treatment provided under paragraph 12 of Appendix I of the General Notes to the Schedule of the United States to Annex 3.3 of the Agreement; and

(iii) section 274(h)(6)(B) of the Internal Revenue Code of 1986.

(b) **OTHER TARIFF MODIFICATIONS.**—Subject to the consultation and layover provisions of section 104, the President may proclaim—

(1) such modifications or continuation of any duty,

(2) such modifications as the United States may agree to with a CAFTA-DR country regarding the staging of any duty treatment set forth in Annex 3.3 of the Agreement,

(3) such continuation of duty-free or excise treatment, or

(4) such additional duties,

as the President determines to be necessary or appropriate to maintain the general level of reciprocal and mutually advantageous concessions provided for by the Agreement.

(c) **CONVERSION TO AD VALOREM RATES.**—For purposes of subsections (a) and (b), with respect to any good for which the base rate in the Schedule of the United States to Annex 3.3 of the Agreement is a specific or compound rate of duty, the President may substitute for the base rate an ad valorem rate that the President determines to be equivalent to the base rate.

**SEC. 202. ADDITIONAL DUTIES ON CERTAIN AGRICULTURAL GOODS.**

(a) **GENERAL PROVISIONS.**—

(1) **APPLICABILITY OF SUBSECTION.**—This subsection applies to additional duties assessed under subsection (b).

(2) **APPLICABLE NTR (MFN) RATE OF DUTY.**—For purposes of subsection (b), the term “applicable NTR (MFN) rate of duty” means, with respect to a safeguard good, a rate of duty that is the lesser of—

(A) the column 1 general rate of duty that would, at the time the additional duty is imposed under subsection (b), apply to a good classifiable in the same 8-digit subheading of the HTS as the safeguard good; or

(B) the column 1 general rate of duty that would, on the day before the date on which the Agreement enters into force, apply to a good classifiable in the same 8-digit subheading of the HTS as the safeguard good.

(3) **SCHEDULE RATE OF DUTY.**—For purposes of subsection (b), the term “schedule rate of duty” means, with respect to a safeguard good, the rate of duty for that good that is set out in the Schedule of the United States to Annex 3.3 of the Agreement.

(4) **SAFEGUARD GOOD.**—In this section, the term “safeguard good” means a good—

(A) that is included in the Schedule of the United States to Annex 3.15 of the Agreement;

(B) that qualifies as an originating good under section 203, except that operations performed in or material obtained from the United States shall be considered as if the operations were performed in, and the material was obtained from, a country that is not a party to the Agreement; and

(C) for which a claim for preferential tariff treatment under the Agreement has been made.

(5) **EXCEPTIONS.**—No additional duty shall be assessed on a good under subsection (b) if, at the time of entry, the good is subject to import relief under—

(A) subtitle A of title III of this Act; or

(B) chapter 1 of title II of the Trade Act of 1974 (19 U.S.C. 2251 et seq.).

(6) **TERMINATION.**—The assessment of an additional duty on a good under subsection (b) shall cease to apply to that good on the date on which duty-free treatment must be provided to that good under the Schedule of the United States to Annex 3.3 of the Agreement.

(7) **NOTICE.**—Not later than 60 days after the Secretary of the Treasury first assesses an additional duty in a calendar year on a good under subsection (b), the Secretary shall notify the country whose good is subject to the additional duty in writing of such action and shall provide to that country data supporting the assessment of the additional duty.

(b) **ADDITIONAL DUTIES ON SAFEGUARD GOODS.**—

(1) **IN GENERAL.**—In addition to any duty proclaimed under subsection (a) or (b) of section 201, and subject to subsection (a), the Secretary of the Treasury shall assess a duty, in the amount determined under paragraph (2), on a safeguard good of a CAFTA-DR country imported into the United States in a calendar year if the Secretary determines that, prior to such importation, the total volume of that safeguard good of such country that is imported into the United States in that calendar year exceeds 130 percent of the volume that is set out for that safeguard good in the corresponding year in the table for that country contained in Appendix I of the General Notes to the Schedule of the United States to Annex 3.3 of the Agreement. For purposes of this subsection, year 1 in that table corresponds to the calendar year in which the Agreement enters into force.

(2) **CALCULATION OF ADDITIONAL DUTY.**—The additional duty on a safeguard good under this subsection shall be—

(A) in the case of a good classified under subheading 1202.10.80, 1202.20.80, 2008.11.15, 2008.11.35, or 2008.11.60 of the HTS—

(i) in years 1 through 5, an amount equal to 100 percent of the excess of the applicable NTR (MFN) rate of duty over the schedule rate of duty;

(ii) in years 6 through 10, an amount equal to 75 percent of the excess of the applicable NTR (MFN) rate of duty over the schedule rate of duty; and

(iii) in years 11 through 14, an amount equal to 50 percent of the excess of the applicable NTR (MFN) rate of duty over the schedule rate of duty; and

(B) in the case of any other safeguard good—

(i) in years 1 through 14, an amount equal to 100 percent of the excess of the applicable NTR (MFN) rate of duty over the schedule rate of duty;

(ii) in years 15 through 17, an amount equal to 75 percent of the excess of the applicable NTR (MFN) rate of duty over the schedule rate of duty; and

(iii) in years 18 and 19, an amount equal to 50 percent of the excess of the applicable NTR (MFN) rate of duty over the schedule rate of duty.

**SEC. 203. RULES OF ORIGIN.**

(a) **APPLICATION AND INTERPRETATION.**—In this section:

(1) **TARIFF CLASSIFICATION.**—The basis for any tariff classification is the HTS.

(2) **REFERENCE TO HTS.**—Whenever in this section there is a reference to a chapter, heading, or subheading, such reference shall be a reference to a chapter, heading, or subheading of the HTS.

(3) **COST OR VALUE.**—Any cost or value referred to in this section shall be recorded and maintained in accordance with the generally accepted accounting principles applicable in

the territory of the country in which the good is produced (whether the United States or another CAFTA-DR country).

(b) ORIGINATING GOODS.—For purposes of this Act and for purposes of implementing the preferential tariff treatment provided for under the Agreement, except as otherwise provided in this section, a good is an originating good if—

(1) the good is a good wholly obtained or produced entirely in the territory of one or more of the CAFTA-DR countries;

(2) the good—

(A) is produced entirely in the territory of one or more of the CAFTA-DR countries, and—

(i) each of the nonoriginating materials used in the production of the good undergoes an applicable change in tariff classification specified in Annex 4.1 of the Agreement; or

(ii) the good otherwise satisfies any applicable regional value-content or other requirements specified in Annex 4.1 of the Agreement; and

(B) satisfies all other applicable requirements of this section; or

(3) the good is produced entirely in the territory of one or more of the CAFTA-DR countries, exclusively from materials described in paragraph (1) or (2).

(c) REGIONAL VALUE-CONTENT.—

(1) IN GENERAL.—For purposes of subsection (b)(2), the regional value-content of a good referred to in Annex 4.1 of the Agreement, except for goods to which paragraph (4) applies, shall be calculated by the importer, exporter, or producer of the good, on the basis of the build-down method described in paragraph (2) or the build-up method described in paragraph (3).

(2) BUILD-DOWN METHOD.—

(A) IN GENERAL.—The regional value-content of a good may be calculated on the basis of the following build-down method:

$$RVC = \frac{AV - VNM}{AV} \times 100$$

(B) DEFINITIONS.—In subparagraph (A):

(i) RVC.—The term “RVC” means the regional value-content of the good, expressed as a percentage.

(ii) AV.—The term “AV” means the adjusted value of the good.

(iii) VNM.—The term “VNM” means the value of nonoriginating materials that are acquired and used by the producer in the production of the good, but does not include the value of a material that is self-produced.

(3) BUILD-UP METHOD.—

(A) IN GENERAL.—The regional value-content of a good may be calculated on the basis of the following build-up method:

$$RVC = \frac{VOM}{AV} \times 100$$

(B) DEFINITIONS.—In subparagraph (A):

(i) RVC.—The term “RVC” means the regional value-content of the good, expressed as a percentage.

(ii) AV.—The term “AV” means the adjusted value of the good.

(iii) VOM.—The term “VOM” means the value of originating materials that are acquired or self-produced, and used by the producer in the production of the good.

(4) SPECIAL RULE FOR CERTAIN AUTOMOTIVE GOODS.—

(A) IN GENERAL.—For purposes of subsection (b)(2), the regional value-content of an automotive good referred to in Annex 4.1 of the Agreement may be calculated by the importer, exporter, or producer of the good, on the basis of the following net cost method:

$$RVC = \frac{NC - VNM}{NC} \times 100$$

(B) DEFINITIONS.—In subparagraph (A):

(i) AUTOMOTIVE GOOD.—The term “automotive good” means a good provided for in any of subheadings 8407.31 through 8407.34, subheading 8408.20, heading 8409, or in any of headings 8701 through 8708.

(ii) RVC.—The term “RVC” means the regional value-content of the automotive good, expressed as a percentage.

(iii) NC.—The term “NC” means the net cost of the automotive good.

(iv) VNM.—The term “VNM” means the value of nonoriginating materials that are acquired and used by the producer in the production of the automotive good, but does not include the value of a material that is self-produced.

(C) MOTOR VEHICLES.—

(1) BASIS OF CALCULATION.—For purposes of determining the regional value-content under subparagraph (A) for an automotive good that is a motor vehicle provided for in any of headings 8701 through 8705, an importer, exporter, or producer may average the amounts calculated under the formula contained in subparagraph (A), over the producer’s fiscal year—

(I) with respect to all motor vehicles in any 1 of the categories described in clause (ii); or

(II) with respect to all motor vehicles in any such category that are exported to the territory of one or more of the CAFTA-DR countries.

(ii) CATEGORIES.—A category is described in this clause if it—

(I) is the same model line of motor vehicles, is in the same class of vehicles, and is produced in the same plant in the territory of a CAFTA-DR country, as the good described in clause (i) for which regional value-content is being calculated;

(II) is the same class of motor vehicles, and is produced in the same plant in the territory of a CAFTA-DR country, as the good described in clause (i) for which regional value-content is being calculated; or

(III) is the same model line of motor vehicles produced in the territory of a CAFTA-DR country as the good described in clause (i) for which regional value-content is being calculated.

(D) OTHER AUTOMOTIVE GOODS.—For purposes of determining the regional value-content under subparagraph (A) for automotive goods provided for in any of subheadings 8407.31 through 8407.34, in subheading 8408.20, or in heading 8409, 8706, 8707, or 8708, that are produced in the same plant, an importer, exporter, or producer may—

(i) average the amounts calculated under the formula contained in subparagraph (A) over—

(I) the fiscal year of the motor vehicle producer to whom the automotive goods are sold,

(II) any quarter or month, or

(III) its own fiscal year,

if the goods were produced during the fiscal year, quarter, or month that is the basis for the calculation;

(ii) determine the average referred to in clause (i) separately for such goods sold to 1 or more motor vehicle producers; or

(iii) make a separate determination under clause (i) or (ii) for automotive goods that are exported to the territory of one or more of the CAFTA-DR countries.

(E) CALCULATING NET COST.—The importer, exporter, or producer shall, consistent with the provisions regarding allocation of costs set out in generally accepted accounting principles, determine the net cost of an automotive good under subparagraph (B) by—

(i) calculating the total cost incurred with respect to all goods produced by the producer of the automotive good, subtracting any sales promotion, marketing and after-sales service costs, royalties, shipping and packing costs, and nonallowable interest costs that are included in the total cost of all such goods, and then reasonably allocating the resulting net cost of those goods to the automotive good;

(ii) calculating the total cost incurred with respect to all goods produced by that producer, reasonably allocating the total cost to the automotive good, and then subtracting any sales promotion, marketing and after-sales service costs, royalties, shipping and packing costs, and nonallowable interest costs that are included in the portion of the total cost allocated to the automotive good; or

(iii) reasonably allocating each cost that forms part of the total cost incurred with respect to the automotive good so that the aggregate of all such costs does not include any sales promotion, marketing and after-sales service costs, royalties, shipping and packing costs, or nonallowable interest costs.

(d) VALUE OF MATERIALS.—

(1) IN GENERAL.—For the purpose of calculating the regional value-content of a good under subsection (c), and for purposes of applying the de minimis rules under subsection (f), the value of a material is—

(A) in the case of a material that is imported by the producer of the good, the adjusted value of the material;

(B) in the case of a material acquired in the territory in which the good is produced, the value, determined in accordance with Articles 1 through 8, Article 15, and the corresponding interpretive notes of the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade 1994 referred to in section 101(d)(8) of the Uruguay Round Agreements Act, as set forth in regulations promulgated by the Secretary of the Treasury providing for the application of such Articles in the absence of an importation; or

(C) in the case of a material that is self-produced, the sum of—

(i) all expenses incurred in the production of the material, including general expenses; and

(ii) an amount for profit equivalent to the profit added in the normal course of trade.

(2) FURTHER ADJUSTMENTS TO THE VALUE OF MATERIALS.—

(A) ORIGINATING MATERIAL.—The following expenses, if not included in the value of an originating material calculated under paragraph (1), may be added to the value of the originating material:

(i) The costs of freight, insurance, packing, and all other costs incurred in transporting the material within or between the territory of one or more of the CAFTA-DR countries to the location of the producer.

(ii) Duties, taxes, and customs brokerage fees on the material paid in the territory of one or more of the CAFTA-DR countries, other than duties or taxes that are waived, refunded, refundable, or otherwise recoverable, including credit against duty or tax paid or payable.

(iii) The cost of waste and spoilage resulting from the use of the material in the production of the good, less the value of renewable scrap or byproducts.

(B) NONORIGINATING MATERIAL.—The following expenses, if included in the value of a nonoriginating material calculated under paragraph (1), may be deducted from the value of the nonoriginating material:

(i) The costs of freight, insurance, packing, and all other costs incurred in transporting the material within or between the territory

of one or more of the CAFTA-DR countries to the location of the producer.

(ii) Duties, taxes, and customs brokerage fees on the material paid in the territory of one or more of the CAFTA-DR countries, other than duties or taxes that are waived, refunded, refundable, or otherwise recoverable, including credit against duty or tax paid or payable.

(iii) The cost of waste and spoilage resulting from the use of the material in the production of the good, less the value of renewable scrap or byproducts.

(iv) The cost of originating materials used in the production of the nonoriginating material in the territory of one or more of the CAFTA-DR countries.

(e) ACCUMULATION.—

(1) ORIGINATING MATERIALS USED IN PRODUCTION OF GOODS OF ANOTHER COUNTRY.—Originating materials from the territory of one or more of the CAFTA-DR countries that are used in the production of a good in the territory of another CAFTA-DR country shall be considered to originate in the territory of that other country.

(2) MULTIPLE PROCEDURES.—A good that is produced in the territory of one or more of the CAFTA-DR countries by 1 or more producers is an originating good if the good satisfies the requirements of subsection (b) and all other applicable requirements of this section.

(f) DE MINIMIS AMOUNTS OF NONORIGINATING MATERIALS.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), a good that does not undergo a change in tariff classification pursuant to Annex 4.1 of the Agreement is an originating good if—

(A) the value of all nonoriginating materials that—

(i) are used in the production of the good, and

(ii) do not undergo the applicable change in tariff classification (set out in Annex 4.1 of the Agreement),

does not exceed 10 percent of the adjusted value of the good;

(B) the good meets all other applicable requirements of this section; and

(C) the value of such nonoriginating materials is included in the value of nonoriginating materials for any applicable regional value-content requirement for the good.

(2) EXCEPTIONS.—Paragraph (1) does not apply to the following:

(A) A nonoriginating material provided for in chapter 4, or a nonoriginating dairy preparation containing over 10 percent by weight of milk solids provided for in subheading 1901.90 or 2106.90, that is used in the production of a good provided for in chapter 4.

(B) A nonoriginating material provided for in chapter 4, or a nonoriginating dairy preparation containing over 10 percent by weight of milk solids provided for in subheading 1901.90, that is used in the production of the following goods:

(i) Infant preparations containing over 10 percent by weight of milk solids provided for in subheading 1901.10.

(ii) Mixes and doughs, containing over 25 percent by weight of butterfat, not put up for retail sale, provided for in subheading 1901.20.

(iii) Dairy preparations containing over 10 percent by weight of milk solids provided for in subheading 1901.90 or 2106.90.

(iv) Goods provided for in heading 2105.

(v) Beverages containing milk provided for in subheading 2202.90.

(vi) Animal feeds containing over 10 percent by weight of milk solids provided for in subheading 2309.90.

(C) A nonoriginating material provided for in heading 0805, or any of subheadings 2009.11

through 2009.39, that is used in the production of a good provided for in any of subheadings 2009.11 through 2009.39, or in fruit or vegetable juice of any single fruit or vegetable, fortified with minerals or vitamins, concentrated or unconcentrated, provided for in subheading 2106.90 or 2202.90.

(D) A nonoriginating material provided for in heading 0901 or 2101 that is used in the production of a good provided for in heading 0901 or 2101.

(E) A nonoriginating material provided for in heading 1006 that is used in the production of a good provided for in heading 1102 or 1103 or subheading 1904.90.

(F) A nonoriginating material provided for in chapter 15 that is used in the production of a good provided for in chapter 15.

(G) A nonoriginating material provided for in heading 1701 that is used in the production of a good provided for in any of headings 1701 through 1703.

(H) A nonoriginating material provided for in chapter 17 that is used in the production of a good provided for in subheading 1806.10.

(I) Except as provided in subparagraphs (A) through (H) and Annex 4.1 of the Agreement, a nonoriginating material used in the production of a good provided for in any of chapters 1 through 24, unless the nonoriginating material is provided for in a different subheading than the good for which origin is being determined under this section.

(3) TEXTILE OR APPAREL GOODS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), a textile or apparel good that is not an originating good because certain fibers or yarns used in the production of the component of the good that determines the tariff classification of the good do not undergo an applicable change in tariff classification, shall be considered to be an originating good if—

(i) the total weight of all such fibers or yarns in that component is not more than 10 percent of the total weight of that component; or

(ii) the yarns are those described in section 204(b)(3)(B)(vi)(IV) of the Andean Trade Preference Act (19 U.S.C. 3203(b)(3)(B)(vi)(IV)) (as in effect on the date of the enactment of this Act).

(B) CERTAIN TEXTILE OR APPAREL GOODS.—A textile or apparel good containing elastomeric yarns in the component of the good that determines the tariff classification of the good shall be considered to be an originating good only if such yarns are wholly formed in the territory of a CAFTA-DR country.

(C) YARN, FABRIC, OR FIBER.—For purposes of this paragraph, in the case of a good that is a yarn, fabric, or fiber, the term “component of the good that determines the tariff classification of the good” means all of the fibers in the good.

(g) FUNGIBLE GOODS AND MATERIALS.—

(1) IN GENERAL.—

(A) CLAIM FOR PREFERENTIAL TARIFF TREATMENT.—A person claiming that a fungible good or fungible material is an originating good may base the claim either on the physical segregation of the fungible good or fungible material or by using an inventory management method with respect to the fungible good or fungible material.

(B) INVENTORY MANAGEMENT METHOD.—In this subsection, the term “inventory management method” means—

(i) averaging;

(ii) “last-in, first-out”;

(iii) “first-in, first-out”; or

(iv) any other method—

(I) recognized in the generally accepted accounting principles of the CAFTA-DR country in which the production is performed; or

(II) otherwise accepted by that country.

(2) ELECTION OF INVENTORY METHOD.—A person selecting an inventory management method under paragraph (1) for a particular fungible good or fungible material shall continue to use that method for that fungible good or fungible material throughout the fiscal year of that person.

(h) ACCESSORIES, SPARE PARTS, OR TOOLS.—

(1) IN GENERAL.—Subject to paragraphs (2) and (3), accessories, spare parts, or tools delivered with a good that form part of the good's standard accessories, spare parts, or tools shall—

(A) be treated as originating goods if the good is an originating good; and

(B) be disregarded in determining whether all the nonoriginating materials used in the production of the good undergo the applicable change in tariff classification set out in Annex 4.1 of the Agreement.

(2) CONDITIONS.—Paragraph (1) shall apply only if—

(A) the accessories, spare parts, or tools are classified with and not invoiced separately from the good, regardless of whether they appear specified or separately identified in the invoice for the good; and

(B) the quantities and value of the accessories, spare parts, or tools are customary for the good.

(3) REGIONAL VALUE-CONTENT.—If the good is subject to a regional value-content requirement, the value of the accessories, spare parts, or tools shall be taken into account as originating or nonoriginating materials, as the case may be, in calculating the regional value-content of the good.

(i) PACKAGING MATERIALS AND CONTAINERS FOR RETAIL SALE.—Packaging materials and containers in which a good is packaged for retail sale, if classified with the good, shall be disregarded in determining whether all the nonoriginating materials used in the production of the good undergo the applicable change in tariff classification set out in Annex 4.1 of the Agreement, and, if the good is subject to a regional value-content requirement, the value of such packaging materials and containers shall be taken into account as originating or nonoriginating materials, as the case may be, in calculating the regional value-content of the good.

(j) PACKING MATERIALS AND CONTAINERS FOR SHIPMENT.—Packing materials and containers for shipment shall be disregarded in determining whether a good is an originating good.

(k) INDIRECT MATERIALS.—An indirect material shall be treated as an originating material without regard to where it is produced.

(1) TRANSIT AND TRANSHIPMENT.—A good that has undergone production necessary to qualify as an originating good under subsection (b) shall not be considered to be an originating good if, subsequent to that production, the good—

(1) undergoes further production or any other operation outside the territories of the CAFTA-DR countries, other than unloading, reloading, or any other operation necessary to preserve the good in good condition or to transport the good to the territory of a CAFTA-DR country; or

(2) does not remain under the control of customs authorities in the territory of a country other than a CAFTA-DR country.

(m) GOODS CLASSIFIABLE AS GOODS PUT UP IN SETS.—Notwithstanding the rules set forth in Annex 4.1 of the Agreement, goods classifiable as goods put up in sets for retail sale as provided for in General Rule of Interpretation 3 of the HTS shall not be considered to be originating goods unless—

(1) each of the goods in the set is an originating good; or

(2) the total value of the nonoriginating goods in the set does not exceed—

(A) in the case of textile or apparel goods, 10 percent of the adjusted value of the set; or

(B) in the case of a good, other than a textile or apparel good, 15 percent of the adjusted value of the set.

(n) DEFINITIONS.—In this section:

(1) ADJUSTED VALUE.—The term “adjusted value” means the value determined in accordance with Articles 1 through 8, Article 15, and the corresponding interpretive notes of the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade 1994 referred to in section 101(d)(8) of the Uruguay Round Agreements Act, adjusted, if necessary, to exclude any costs, charges, or expenses incurred for transportation, insurance, and related services incident to the international shipment of the merchandise from the country of exportation to the place of importation.

(2) CAFTA-DR COUNTRY.—The term “CAFTA-DR country” means—

(A) the United States; and

(B) Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, or Nicaragua, for such time as the Agreement is in force between the United States and that country.

(3) CLASS OF MOTOR VEHICLES.—The term “class of motor vehicles” means any one of the following categories of motor vehicles:

(A) Motor vehicles provided for in subheading 8701.20, 8704.10, 8704.22, 8704.23, 8704.32, or 8704.90, or heading 8705 or 8706, or motor vehicles for the transport of 16 or more persons provided for in subheading 8702.10 or 8702.90.

(B) Motor vehicles provided for in subheading 8701.10 or any of subheadings 8701.30 through 8701.90.

(C) Motor vehicles for the transport of 15 or fewer persons provided for in subheading 8702.10 or 8702.90, or motor vehicles provided for in subheading 8704.21 or 8704.31.

(D) Motor vehicles provided for in any of subheadings 8703.21 through 8703.90.

(4) FUNGIBLE GOOD OR FUNGIBLE MATERIAL.—The term “fungible good” or “fungible material” means a good or material, as the case may be, that is interchangeable with another good or material for commercial purposes and the properties of which are essentially identical to such other good or material.

(5) GENERALLY ACCEPTED ACCOUNTING PRINCIPLES.—The term “generally accepted accounting principles” means the recognized consensus or substantial authoritative support in the territory of a CAFTA-DR country with respect to the recording of revenues, expenses, costs, assets, and liabilities, the disclosure of information, and the preparation of financial statements. The principles may encompass broad guidelines of general application as well as detailed standards, practices, and procedures.

(6) GOODS WHOLLY OBTAINED OR PRODUCED ENTIRELY IN THE TERRITORY OF ONE OR MORE OF THE CAFTA-DR COUNTRIES.—The term “goods wholly obtained or produced entirely in the territory of one or more of the CAFTA-DR countries” means—

(A) plants and plant products harvested or gathered in the territory of one or more of the CAFTA-DR countries;

(B) live animals born and raised in the territory of one or more of the CAFTA-DR countries;

(C) goods obtained in the territory of one or more of the CAFTA-DR countries from live animals;

(D) goods obtained from hunting, trapping, fishing or aquaculture conducted in the territory of one or more of the CAFTA-DR countries;

(E) minerals and other natural resources not included in subparagraphs (A) through (D) that are extracted or taken in the territory of one or more of the CAFTA-DR countries;

(F) fish, shellfish, and other marine life taken from the sea, seabed, or subsoil outside the territory of one or more of the CAFTA-DR countries by vessels registered or recorded with a CAFTA-DR country and flying the flag of that country;

(G) goods produced on board factory ships from the goods referred to in subparagraph (F), if such factory ships are registered or recorded with that CAFTA-DR country and fly the flag of that country;

(H) goods taken by a CAFTA-DR country or a person of a CAFTA-DR country from the seabed or subsoil outside territorial waters, if a CAFTA-DR country has rights to exploit such seabed or subsoil;

(I) goods taken from outer space, if the goods are obtained by a CAFTA-DR country or a person of a CAFTA-DR country and not processed in the territory of a country other than a CAFTA-DR country;

(J) waste and scrap derived from—

(i) manufacturing or processing operations in the territory of one or more of the CAFTA-DR countries; or

(ii) used goods collected in the territory of one or more of the CAFTA-DR countries, if such goods are fit only for the recovery of raw materials;

(K) recovered goods derived in the territory of one or more of the CAFTA-DR countries from used goods, and used in the territory of a CAFTA-DR country in the production of remanufactured goods; and

(L) goods produced in the territory of one or more of the CAFTA-DR countries exclusively from—

(i) goods referred to in any of subparagraphs (A) through (J), or

(ii) the derivatives of goods referred to in clause (i), at any stage of production.

(7) IDENTICAL GOODS.—The term “identical goods” means identical goods as defined in the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade 1994 referred to in section 101(d)(8) of the Uruguay Round Agreements Act;

(8) INDIRECT MATERIAL.—The term “indirect material” means a good used in the production, testing, or inspection of a good but not physically incorporated into the good, or a good used in the maintenance of buildings or the operation of equipment associated with the production of a good, including—

(A) fuel and energy;

(B) tools, dies, and molds;

(C) spare parts and materials used in the maintenance of equipment or buildings;

(D) lubricants, greases, compounding materials, and other materials used in production or used to operate equipment or buildings;

(E) gloves, glasses, footwear, clothing, safety equipment, and supplies;

(F) equipment, devices, and supplies used for testing or inspecting the good;

(G) catalysts and solvents; and

(H) any other goods that are not incorporated into the good but the use of which in the production of the good can reasonably be demonstrated to be a part of that production.

(9) MATERIAL.—The term “material” means a good that is used in the production of another good, including a part or an ingredient.

(10) MATERIAL THAT IS SELF-PRODUCED.—The term “material that is self-produced” means an originating material that is produced by a producer of a good and used in the production of that good.

(11) MODEL LINE.—The term “model line” means a group of motor vehicles having the same platform or model name.

(12) NET COST.—The term “net cost” means total cost minus sales promotion, mar-

keting, and after-sales service costs, royalties, shipping and packing costs, and non-allowable interest costs that are included in the total cost.

(13) NONALLOWABLE INTEREST COSTS.—The term “nonallowable interest costs” means interest costs incurred by a producer that exceed 700 basis points above the applicable official interest rate for comparable maturities of the CAFTA-DR country in which the producer is located.

(14) NONORIGINATING GOOD OR NONORIGINATING MATERIAL.—The terms “nonoriginating good” and “nonoriginating material” mean a good or material, as the case may be, that does not qualify as originating under this section.

(15) PACKING MATERIALS AND CONTAINERS FOR SHIPMENT.—The term “packing materials and containers for shipment” means the goods used to protect a good during its transportation and does not include the packaging materials and containers in which a good is packaged for retail sale.

(16) PREFERENTIAL TARIFF TREATMENT.—The term “preferential tariff treatment” means the customs duty rate, and the treatment under article 3.10.4 of the Agreement, that are applicable to an originating good pursuant to the Agreement.

(17) PRODUCER.—The term “producer” means a person who engages in the production of a good in the territory of a CAFTA-DR country.

(18) PRODUCTION.—The term “production” means growing, mining, harvesting, fishing, raising, trapping, hunting, manufacturing, processing, assembling, or disassembling a good.

(19) REASONABLY ALLOCATE.—The term “reasonably allocate” means to apportion in a manner that would be appropriate under generally accepted accounting principles.

(20) RECOVERED GOODS.—The term “recovered goods” means materials in the form of individual parts that are the result of—

(A) the disassembly of used goods into individual parts; and

(B) the cleaning, inspecting, testing, or other processing that is necessary for improvement to sound working condition of such individual parts.

(21) REMANUFACTURED GOOD.—The term “remanufactured good” means a good that is classified under chapter 84, 85, or 87, or heading 9026, 9031, or 9032, other than a good classified under heading 8418 or 8516, and that—

(A) is entirely or partially comprised of recovered goods; and

(B) has a similar life expectancy and enjoys a factory warranty similar to such a new good.

(22) TOTAL COST.—The term “total cost” means all product costs, period costs, and other costs for a good incurred in the territory of one or more of the CAFTA-DR countries.

(23) USED.—The term “used” means used or consumed in the production of goods.

(o) PRESIDENTIAL PROCLAMATION AUTHORITY.—

(1) IN GENERAL.—The President is authorized to proclaim, as part of the HTS—

(A) the provisions set out in Annex 4.1 of the Agreement; and

(B) any additional subordinate category necessary to carry out this title consistent with the Agreement.

(2) FABRICS AND YARNS NOT AVAILABLE IN COMMERCIAL QUANTITIES IN THE UNITED STATES.—The President is authorized to proclaim that a fabric or yarn is added to the list in Annex 3.25 of the Agreement in an unrestricted quantity, as provided in article 3.25.4(e) of the Agreement.

(3) MODIFICATIONS.—

(A) IN GENERAL.—Subject to the consultation and layover provisions of section 104,



the President may proclaim modifications to the provisions proclaimed under the authority of paragraph (1)(A), other than provisions of chapters 50 through 63, as included in Annex 4.1 of the Agreement.

(B) **ADDITIONAL PROCLAMATIONS.**—Notwithstanding subparagraph (A), and subject to the consultation and layover provisions of section 104, the President may proclaim before the end of the 1-year period beginning on the date of the enactment of this Act, modifications to correct any typographical, clerical, or other nonsubstantive technical error regarding the provisions of chapters 50 through 63, as included in Annex 4.1 of the Agreement.

(4) **FABRICS, YARNS, OR FIBERS NOT AVAILABLE IN COMMERCIAL QUANTITIES IN THE CAFTA-DR COUNTRIES.**—

(A) **IN GENERAL.**—Notwithstanding paragraph 3(A), the list of fabrics, yarns, and fibers set out in Annex 3.25 of the Agreement may be modified as provided for in this paragraph.

(B) **DEFINITIONS.**—In this paragraph:

(i) The term “interested entity” means the government of a CAFTA-DR country other than the United States, a potential or actual purchaser of a textile or apparel good, or a potential or actual supplier of a textile or apparel good.

(ii) All references to “day” and “days” exclude Saturdays, Sundays, and legal holidays.

(C) **REQUESTS TO ADD FABRICS, YARNS, OR FIBERS.**—(i) An interested entity may request the President to determine that a fabric, yarn, or fiber is not available in commercial quantities in a timely manner in the CAFTA-DR countries and to add that fabric, yarn, or fiber to the list in Annex 3.25 of the Agreement in a restricted or unrestricted quantity.

(ii) After receiving a request under clause (i), the President may determine whether—

(I) the fabric, yarn, or fiber is available in commercial quantities in a timely manner in the CAFTA-DR countries; or

(II) any interested entity objects to the request.

(iii) The President may, within the time periods specified in clause (iv), proclaim that a fabric, yarn, or fiber that is the subject of a request submitted under clause (i) is added to the list in Annex 3.25 of the Agreement in an unrestricted quantity, or in any restricted quantity that the President may establish, if the President determines under clause (ii) that—

(I) the fabric, yarn, or fiber is not available in commercial quantities in a timely manner in the CAFTA-DR countries; or

(II) no interested entity has objected to the request.

(iv) The time periods within which the President may issue a proclamation under clause (iii) are—

(I) not later than 30 days after the date on which the request is submitted under clause (i); or

(II) not later than 44 days after the request is submitted, if the President determines, within 30 days after the date on which the request is submitted, that the President does not have sufficient information to make a determination under clause (ii).

(v) Notwithstanding section 103(a)(2), a proclamation made under clause (iii) shall take effect on the date on which the text of the proclamation is published in the Federal Register.

(vi) Not later than 6 months after proclaiming under clause (iii) that a fabric, yarn, or fiber is added to the list in Annex 3.25 of the Agreement in a restricted quantity, the President may eliminate the restriction if the President determines that the fabric, yarn, or fiber is not available in

commercial quantities in a timely manner in the CAFTA-DR countries.

(D) **DEEMED APPROVAL OF REQUEST.**—If, after an interested entity submits a request under subparagraph (C)(i), the President does not, within the applicable time period specified in subparagraph (C)(iv), make a determination under subparagraph (C)(ii) regarding the request, the fabric, yarn, or fiber that is the subject of the request shall be considered to be added, in an unrestricted quantity, to the list in Annex 3.25 of the Agreement beginning—

(i) 45 days after the date on which the request was submitted; or

(ii) 60 days after the date on which the request was submitted, if the President made a determination under subparagraph (C)(iv)(II).

(E) **REQUESTS TO RESTRICT OR REMOVE FABRICS, YARNS, OR FIBERS.**—(i) Subject to clause (ii), an interested entity may request the President to restrict the quantity of, or remove from the list in Annex 3.25 of the Agreement, any fabric, yarn, or fiber—

(I) that has been added to that list in an unrestricted quantity pursuant to paragraph (2) or subparagraph (C)(iii) or (D); or

(II) with respect to which the President has eliminated a restriction under subparagraph (C)(vi).

(ii) An interested entity may submit a request under clause (i) at any time beginning 6 months after the date of the action described in subclause (I) or (II) of that clause.

(iii) Not later than 30 days after the date on which a request under clause (i) is submitted, the President may proclaim an action provided for under clause (i) if the President determines that the fabric, yarn, or fiber that is the subject of the request is available in commercial quantities in a timely manner in the CAFTA-DR countries.

(iv) A proclamation declared under clause (iii) shall take effect no earlier than the date that is 6 months after the date on which the text of the proclamation is published in the Federal Register.

(F) **PROCEDURES.**—The President shall establish procedures—

(i) governing the submission of a request under subparagraphs (C) and (E); and

(ii) providing an opportunity for interested entities to submit comments and supporting evidence before the President makes a determination under subparagraph (C) (ii) or (vi) or (E)(iii).

#### SEC. 204. CUSTOMS USER FEES.

Section 13031(b) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(b)) is amended by adding after paragraph (14), the following:

“(15) No fee may be charged under subsection (a) (9) or (10) with respect to goods that qualify as originating goods under section 203 of the Dominican Republic-Central America-United States Free Trade Agreement Implementation Act. Any service for which an exemption from such fee is provided by reason of this paragraph may not be funded with money contained in the Customs User Fee Account.”

#### SEC. 205. RETROACTIVE APPLICATION FOR CERTAIN LIQUIDATIONS AND RELIQUIDATIONS OF TEXTILE OR APPAREL GOODS.

(a) **IN GENERAL.**—Notwithstanding section 514 of the Tariff Act of 1930 (19 U.S.C. 1514) or any other provision of law, and subject to subsection (c), an entry—

(1) of a textile or apparel good—

(A) of a CAFTA-DR country that the United States Trade Representative has designated as an eligible country under subsection (b), and

(B) that would have qualified as an originating good under section 203 if the good had

been entered after the date of entry into force of the Agreement for that country,

(2) that was made on or after January 1, 2004, and before the date of the entry into force of the Agreement with respect to that country, and

(3) for which customs duties in excess of the applicable rate of duty for that good set out in the Schedule of the United States to Annex 3.3 of the Agreement were paid,

shall be liquidated or reliquidated at the applicable rate of duty for that good set out in the Schedule of the United States to Annex 3.3 of the Agreement, and the Secretary of the Treasury shall refund any excess customs duties paid with respect to such entry.

(b) **ELIGIBLE COUNTRY.**—The United States Trade Representative shall determine, in accordance with article 3.20 of the Agreement, which CAFTA-DR countries are eligible countries for purposes of this section, and shall publish a list of all such countries in the Federal Register.

(c) **REQUESTS.**—Liquidation or reliquidation may be made under subsection (a) with respect to an entry of a textile or apparel good only if a request therefor is filed with the Bureau of Customs and Border Protection, within such period as the Bureau of Customs and Border Protection shall establish by regulation in consultation with the Secretary of the Treasury, that contains sufficient information to enable the Bureau of Customs and Border Protection—

(1)(A) to locate the entry; or

(B) to reconstruct the entry if it cannot be located; and

(2) to determine that the good satisfies the conditions set out in subsection (a).

(d) **DEFINITION.**—As used in this section, the term “entry” includes a withdrawal from warehouse for consumption.

#### SEC. 206. DISCLOSURE OF INCORRECT INFORMATION; FALSE CERTIFICATIONS OF ORIGIN; DENIAL OF PREFERENTIAL TARIFF TREATMENT.

(a) **DISCLOSURE OF INCORRECT INFORMATION.**—Section 592 of the Tariff Act of 1930 (19 U.S.C. 1592) is amended—

(1) in subsection (c)—

(A) by redesignating paragraph (9) as paragraph (10); and

(B) by inserting after paragraph (8) the following new paragraph:

“(9) **PRIOR DISCLOSURE REGARDING CLAIMS UNDER THE DOMINICAN REPUBLIC-CENTRAL AMERICA-UNITED STATES FREE TRADE AGREEMENT.**—An importer shall not be subject to penalties under subsection (a) for making an incorrect claim that a good qualifies as an originating good under section 203 of the Dominican Republic-Central America-United States Free Trade Agreement Implementation Act if the importer, in accordance with regulations issued by the Secretary of the Treasury, promptly and voluntarily makes a corrected declaration and pays any duties owing.”; and

(2) by adding at the end the following new subsection:

“(h) **FALSE CERTIFICATIONS OF ORIGIN UNDER THE DOMINICAN REPUBLIC-CENTRAL AMERICA-UNITED STATES FREE TRADE AGREEMENT.**—

“(1) **IN GENERAL.**—Subject to paragraph (2), it is unlawful for any person to certify falsely, by fraud, gross negligence, or negligence, in a CAFTA-DR certification of origin (as defined in section 508(g)(1)(B) of this Act) that a good exported from the United States qualifies as an originating good under the rules of origin set out in section 203 of the Dominican Republic-Central America-United States Free Trade Agreement Implementation Act. The procedures and penalties of this section that apply to a violation of subsection (a) also apply to a violation of this subsection.

“(2) PROMPT AND VOLUNTARY DISCLOSURE OF INCORRECT INFORMATION.—No penalty shall be imposed under this subsection if, promptly after an exporter or producer that issued a CAFTA–DR certification of origin has reason to believe that such certification contains or is based on incorrect information, the exporter or producer voluntarily provides written notice of such incorrect information to every person to whom the certification was issued.

“(3) EXCEPTION.—A person may not be considered to have violated paragraph (1) if—

“(A) the information was correct at the time it was provided in a CAFTA–DR certification of origin but was later rendered incorrect due to a change in circumstances; and

“(B) the person promptly and voluntarily provides written notice of the change in circumstances to all persons to whom the person provided the certification.”.

(b) DENIAL OF PREFERENTIAL TARIFF TREATMENT.—Section 514 of the Tariff Act of 1930 (19 U.S.C. 1514) is amended by adding at the end the following new subsection:

“(h) DENIAL OF PREFERENTIAL TARIFF TREATMENT UNDER THE DOMINICAN REPUBLIC-CENTRAL AMERICA-UNITED STATES FREE TRADE AGREEMENT.—If the Bureau of Customs and Border Protection or the Bureau of Immigration and Customs Enforcement finds indications of a pattern of conduct by an importer, exporter, or producer of false or unsupported representations that goods qualify under the rules of origin set out in section 203 of the Dominican Republic-Central America-United States Free Trade Agreement Implementation Act, the Bureau of Customs and Border Protection, in accordance with regulations issued by the Secretary of the Treasury, may suspend preferential tariff treatment under the Dominican Republic-Central America-United States Free Trade Agreement to entries of identical goods covered by subsequent representations by that importer, exporter, or producer until the Bureau of Customs and Border Protection determines that representations of that person are in conformity with such section 203.”.

**SEC. 207. RELIQUIDATION OF ENTRIES.**

Subsection (d) of section 520 of the Tariff Act of 1930 (19 U.S.C. 1520(d)) is amended—

(1) in the matter preceding paragraph (1), by striking “or section 202 of the United States-Chile Free Trade Agreement Implementation Act” and inserting “, section 202 of the United States-Chile Free Trade Agreement Implementation Act, or section 203 of the Dominican Republic-Central America-United States Free Trade Agreement Implementation Act”; and

(2) in paragraph (2), by inserting “or certifications” after “other certificates”.

**SEC. 208. RECORDKEEPING REQUIREMENTS.**

Section 508 of the Tariff Act of 1930 (19 U.S.C. 1508) is amended—

(1) by redesignating subsection (g) as subsection (h);

(2) by inserting after subsection (f) the following new subsection:

“(g) CERTIFICATIONS OF ORIGIN FOR GOODS EXPORTED UNDER THE DOMINICAN REPUBLIC-CENTRAL AMERICA-UNITED STATES FREE TRADE AGREEMENT.—

“(1) DEFINITIONS.—In this subsection:

“(A) RECORDS AND SUPPORTING DOCUMENTS.—The term ‘records and supporting documents’ means, with respect to an exported good under paragraph (2), records and documents related to the origin of the good, including—

“(i) the purchase, cost, and value of, and payment for, the good;

“(ii) the purchase, cost, and value of, and payment for, all materials, including indirect materials, used in the production of the good; and

“(iii) the production of the good in the form in which it was exported.

“(B) CAFTA–DR CERTIFICATION OF ORIGIN.—The term ‘CAFTA–DR certification of origin’ means the certification established under article 4.16 of the Dominican Republic-Central America-United States Free Trade Agreement that a good qualifies as an originating good under such Agreement.

“(2) EXPORTS TO CAFTA–DR COUNTRIES.—Any person who completes and issues a CAFTA–DR certification of origin for a good exported from the United States shall make, keep, and, pursuant to rules and regulations promulgated by the Secretary of the Treasury, render for examination and inspection all records and supporting documents related to the origin of the good (including the certification or copies thereof).

“(3) RETENTION PERIOD.—Records and supporting documents shall be kept by the person who issued a CAFTA–DR certification of origin for at least 5 years after the date on which the certification was issued.”; and

(3) in subsection (h), as so redesignated—

(A) by inserting “or (g)” after “(f)”; and

(B) by striking “that subsection” and inserting “either such subsection”.

**SEC. 209. ENFORCEMENT RELATING TO TRADE IN TEXTILE OR APPAREL GOODS.**

(a) ACTION DURING VERIFICATION.—

(1) IN GENERAL.—If the Secretary of the Treasury requests the government of a CAFTA–DR country to conduct a verification pursuant to article 3.24 of the Agreement for purposes of making a determination under paragraph (2), the President may direct the Secretary to take appropriate action described in subsection (b) while the verification is being conducted.

(2) DETERMINATION.—A determination under this paragraph is a determination—

(A) that an exporter or producer in that country is complying with applicable customs laws, regulations, and procedures regarding trade in textile or apparel goods, or

(B) that a claim that a textile or apparel good exported or produced by such exporter or producer—

(i) qualifies as an originating good under section 203 of this Act, or

(ii) is a good of a CAFTA–DR country,

is accurate.

(b) APPROPRIATE ACTION DESCRIBED.—Appropriate action under subsection (a)(1) includes—

(1) suspension of preferential tariff treatment under the Agreement with respect to—

(A) any textile or apparel good exported or produced by the person that is the subject of a verification under subsection (a)(1) regarding compliance described in subsection (a)(2)(A), if the Secretary determines there is insufficient information to support any claim for preferential tariff treatment that has been made with respect to any such good; or

(B) the textile or apparel good for which a claim of preferential tariff treatment has been made that is the subject of a verification under subsection (a)(1) regarding a claim described in subsection (a)(2)(B), if the Secretary determines there is insufficient information to support that claim;

(2) denial of preferential tariff treatment under the Agreement with respect to—

(A) any textile or apparel good exported or produced by the person that is the subject of a verification under subsection (a)(1) regarding compliance described in subsection (a)(2)(A), if the Secretary determines that the person has provided incorrect information to support any claim for preferential tariff treatment that has been made with respect to any such good; or

(B) the textile or apparel good for which a claim of preferential tariff treatment has been made that is the subject of a verification under subsection (a)(1) regarding a claim described in subsection (a)(2)(B), if the Secretary determines that a person has

provided incorrect information to support that claim;

(3) detention of any textile or apparel good exported or produced by the person that is the subject of a verification under subsection (a)(1) regarding compliance described in subsection (a)(2)(A) or a claim described in subsection (a)(2)(B), if the Secretary determines there is insufficient information to determine the country of origin of any such good; and

(4) denial of entry into the United States of any textile or apparel good exported or produced by the person that is the subject of a verification under subsection (a)(1) regarding compliance described in subsection (a)(2)(A) or a claim described in subsection (a)(2)(B), if the Secretary determines that the person has provided incorrect information as to the country of origin of any such good.

(c) ACTION ON COMPLETION OF A VERIFICATION.—On completion of a verification under subsection (a), the President may direct the Secretary to take appropriate action described in subsection (d) until such time as the Secretary receives information sufficient to make the determination under subsection (a)(2) or until such earlier date as the President may direct.

(d) APPROPRIATE ACTION DESCRIBED.—Appropriate action under subsection (c) includes—

(1) denial of preferential tariff treatment under the Agreement with respect to—

(A) any textile or apparel good exported or produced by the person that is the subject of a verification under subsection (a)(1) regarding compliance described in subsection (a)(2)(A), if the Secretary determines there is insufficient information to support, or that the person has provided incorrect information to support, any claim for preferential tariff treatment that has been made with respect to any such good; or

(B) the textile or apparel good for which a claim of preferential tariff treatment has been made that is the subject of a verification under subsection (a)(1) regarding a claim described in subsection (a)(2)(B), if the Secretary determines there is insufficient information to support, or that a person has provided incorrect information to support, that claim; and

(2) denial of entry into the United States of any textile or apparel good exported or produced by the person that is the subject of a verification under subsection (a)(1) regarding compliance described in subsection (a)(2)(A) or a claim described in subsection (a)(2)(B), if the Secretary determines there is insufficient information to determine, or that the person has provided incorrect information as to, the country of origin of any such good.

(e) PUBLICATION OF NAME OF PERSON.—The Secretary may publish the name of any person that the Secretary has determined—

(1) is engaged in intentional circumvention of applicable laws, regulations, or procedures affecting trade in textile or apparel goods; or

(2) has failed to demonstrate that it produces, or is capable of producing, textile or apparel goods.

**SEC. 210. REGULATIONS.**

The Secretary of the Treasury shall prescribe such regulations as may be necessary to carry out—

(1) subsections (a) through (n) of section 203;

(2) the amendment made by section 204; and

(3) any proclamation issued under section 203(o).

**TITLE III—RELIEF FROM IMPORTS**

**SEC. 301. DEFINITIONS.**

In this title:



(1) **CAFTA-DR ARTICLE.**—The term “CAFTA-DR article” means an article that qualifies as an originating good under section 203(b).

(2) **CAFTA-DR TEXTILE OR APPAREL ARTICLE.**—The term “CAFTA-DR textile or apparel article” means a textile or apparel good (as defined in section 3(5)) that is a CAFTA-DR article.

(3) **DE MINIMIS SUPPLYING COUNTRY.**—

(A) Subject to subparagraph (B), the term “de minimis supplying country” means a CAFTA-DR country whose share of imports of the relevant CAFTA-DR article into the United States does not exceed 3 percent of the aggregate volume of imports of the relevant CAFTA-DR article in the most recent 12-month period for which data are available that precedes the filing of the petition under section 311(a).

(B) A CAFTA-DR country shall not be considered to be a de minimis supplying country if the aggregate share of imports of the relevant CAFTA-DR article into the United States of all CAFTA-DR countries that satisfy the conditions of subparagraph (A) exceeds 9 percent of the aggregate volume of imports of the relevant CAFTA-DR article during the applicable 12-month period.

(4) **RELEVANT CAFTA-DR ARTICLE.**—The term “relevant CAFTA-DR article” means the CAFTA-DR article with respect to which a petition has been filed under section 311(a).

#### Subtitle A—Relief From Imports Benefiting From the Agreement

#### SEC. 311. COMMENCING OF ACTION FOR RELIEF.

(a) **FILING OF PETITION.**—A petition requesting action under this subtitle for the purpose of adjusting to the obligations of the United States under the Agreement may be filed with the Commission by an entity, including a trade association, firm, certified or recognized union, or group of workers, that is representative of an industry. The Commission shall transmit a copy of any petition filed under this subsection to the United States Trade Representative.

(b) **INVESTIGATION AND DETERMINATION.**—Upon the filing of a petition under subsection (a), the Commission, unless subsection (d) applies, shall promptly initiate an investigation to determine whether, as a result of the reduction or elimination of a duty provided for under the Agreement, a CAFTA-DR article is being imported into the United States in such increased quantities, in absolute terms or relative to domestic production, and under such conditions that imports of the CAFTA-DR article constitute a substantial cause of serious injury or threat thereof to the domestic industry producing an article that is like, or directly competitive with, the imported article.

(c) **APPLICABLE PROVISIONS.**—The following provisions of section 202 of the Trade Act of 1974 (19 U.S.C. 2252) apply with respect to any investigation initiated under subsection (b):

(1) Paragraphs (1)(B) and (3) of subsection (b).

(2) Subsection (c).

(3) Subsection (i).

(d) **ARTICLES EXEMPT FROM INVESTIGATION.**—No investigation may be initiated under this section with respect to any CAFTA-DR article if, after the date that the Agreement enters into force, import relief has been provided with respect to that CAFTA-DR article under this subtitle.

#### SEC. 312. COMMISSION ACTION ON PETITION.

(a) **DETERMINATION.**—Not later than 120 days after the date on which an investigation is initiated under section 311(b) with respect to a petition, the Commission shall make the determination required under that section. At that time, the Commission shall also determine whether any CAFTA-DR country is a de minimis supplying country.

(b) **APPLICABLE PROVISIONS.**—For purposes of this subtitle, the provisions of paragraphs (1), (2), and (3) of section 330(d) of the Tariff Act of 1930 (19 U.S.C. 1330(d) (1), (2), and (3)) shall be applied with respect to determinations and findings made under this section as if such determinations and findings were made under section 202 of the Trade Act of 1974 (19 U.S.C. 2252).

(c) **ADDITIONAL FINDING AND RECOMMENDATION IF DETERMINATION AFFIRMATIVE.**—If the determination made by the Commission under subsection (a) with respect to imports of an article is affirmative, or if the President may consider a determination of the Commission to be an affirmative determination as provided for under paragraph (1) of section 330(d) of the Tariff Act of 1930 (19 U.S.C. 1330(d)), the Commission shall find, and recommend to the President in the report required under subsection (d), the amount of import relief that is necessary to remedy or prevent the injury found by the Commission in the determination and to facilitate the efforts of the domestic industry to make a positive adjustment to import competition. The import relief recommended by the Commission under this subsection shall be limited to the relief described in section 313(c). Only those members of the Commission who voted in the affirmative under subsection (a) are eligible to vote on the proposed action to remedy or prevent the injury found by the Commission. Members of the Commission who did not vote in the affirmative may submit, in the report required under subsection (d), separate views regarding what action, if any, should be taken to remedy or prevent the injury.

(d) **REPORT TO PRESIDENT.**—Not later than the date that is 30 days after the date on which a determination is made under subsection (a) with respect to an investigation, the Commission shall submit to the President a report that includes—

(1) the determination made under subsection (a) and an explanation of the basis for the determination;

(2) if the determination under subsection (a) is affirmative, any findings and recommendations for import relief made under subsection (c) and an explanation of the basis for each recommendation; and

(3) any dissenting or separate views by members of the Commission regarding the determination and recommendation referred to in paragraphs (1) and (2).

(e) **PUBLIC NOTICE.**—Upon submitting a report to the President under subsection (d), the Commission shall promptly make public such report (with the exception of information which the Commission determines to be confidential) and shall cause a summary thereof to be published in the Federal Register.

#### SEC. 313. PROVISION OF RELIEF.

(a) **IN GENERAL.**—Not later than the date that is 30 days after the date on which the President receives the report of the Commission in which the Commission's determination under section 312(a) is affirmative, or which contains a determination under section 312(a) that the President considers to be affirmative under paragraph (1) of section 330(d) of the Tariff Act of 1930 (19 U.S.C. 1330(d)(1)), the President, subject to subsection (b), shall provide relief from imports of the article that is the subject of such determination to the extent that the President determines necessary to remedy or prevent the injury found by the Commission and to facilitate the efforts of the domestic industry to make a positive adjustment to import competition.

(b) **EXCEPTION.**—The President is not required to provide import relief under this section if the President determines that the

provision of the import relief will not provide greater economic and social benefits than costs.

(c) **NATURE OF RELIEF.**—

(1) **IN GENERAL.**—The import relief that the President is authorized to provide under this section with respect to imports of an article is as follows:

(A) The suspension of any further reduction provided for under Annex 3.3 of the Agreement in the duty imposed on such article.

(B) An increase in the rate of duty imposed on such article to a level that does not exceed the lesser of—

(i) the column 1 general rate of duty imposed under the HTS on like articles at the time the import relief is provided; or

(ii) the column 1 general rate of duty imposed under the HTS on like articles on the day before the date on which the Agreement enters into force.

(2) **PROGRESSIVE LIBERALIZATION.**—If the period for which import relief is provided under this section is greater than 1 year, the President shall provide for the progressive liberalization (described in article 8.2.3 of the Agreement) of such relief at regular intervals during the period of its application.

(d) **PERIOD OF RELIEF.**—

(1) **IN GENERAL.**—Subject to paragraph (2), any import relief that the President is authorized to provide under this section may not, in the aggregate, be in effect for more than 4 years.

(2) **EXTENSION.**—

(A) **IN GENERAL.**—If the initial period for any import relief provided under this section is less than 4 years, the President, after receiving a determination from the Commission under subparagraph (B) that is affirmative, or which the President considers to be affirmative under paragraph (1) of section 330(d) of the Tariff Act of 1930 (19 U.S.C. 1330(d)(1)), may extend the effective period of any import relief provided under this section, subject to the limitation under paragraph (1), if the President determines that—

(i) the import relief continues to be necessary to remedy or prevent serious injury and to facilitate adjustment by the domestic industry to import competition; and

(ii) there is evidence that the industry is making a positive adjustment to import competition.

(B) **ACTION BY COMMISSION.**—(i) Upon a petition on behalf of the industry concerned that is filed with the Commission not earlier than the date which is 9 months, and not later than the date which is 6 months, before the date on which any action taken under subsection (a) is to terminate, the Commission shall conduct an investigation to determine whether action under this section continues to be necessary to remedy or prevent serious injury and whether there is evidence that the industry is making a positive adjustment to import competition.

(ii) The Commission shall publish notice of the commencement of any proceeding under this subparagraph in the Federal Register and shall, within a reasonable time thereafter, hold a public hearing at which the Commission shall afford interested parties and consumers an opportunity to be present, to present evidence, and to respond to the presentations of other parties and consumers, and otherwise to be heard.

(iii) The Commission shall transmit to the President a report on its investigation and determination under this subparagraph not later than 60 days before the action under subsection (a) is to terminate, unless the President specifies a different date.

(e) **RATE AFTER TERMINATION OF IMPORT RELIEF.**—When import relief under this section is terminated with respect to an article—

(1) the rate of duty on that article after such termination and on or before December 31 of the year in which such termination occurs shall be the rate that, according to the Schedule of the United States to Annex 3.3 of the Agreement would have been in effect 1 year after the provision of relief under subsection (a); and

(2) the rate of duty for that article after December 31 of the year in which termination occurs shall be, at the discretion of the President, either—

(A) the applicable rate of duty for that article set out in the Schedule of the United States to Annex 3.3 of the Agreement; or

(B) the rate of duty resulting from the elimination of the tariff in equal annual stages ending on the date set out in the Schedule of the United States to Annex 3.3 of the Agreement for the elimination of the tariff.

(f) ARTICLES EXEMPT FROM RELIEF.—No import relief may be provided under this section on—

(1) any article subject to import relief under chapter 1 of title II of the Trade Act of 1974 (19 U.S.C. 2251 et seq.); or

(2) imports of a CAFTA-DR article of a CAFTA-DR country that is a de minimis supplying country with respect to that article.

#### SEC. 314. TERMINATION OF RELIEF AUTHORITY.

(a) GENERAL RULE.—Subject to subsection (b), no import relief may be provided under this subtitle after the date that is 10 years after the date on which the Agreement enters into force.

(b) EXCEPTION.—If an article for which relief is provided under this subtitle is an article for which the period for tariff elimination, set out in the Schedule of the United States to Annex 3.3 of the Agreement, is greater than 10 years, no relief under this subtitle may be provided for that article after the date on which that period ends.

#### SEC. 315. COMPENSATION AUTHORITY.

For purposes of section 123 of the Trade Act of 1974 (19 U.S.C. 2133), any import relief provided by the President under section 313 shall be treated as action taken under chapter 1 of title II of such Act.

#### SEC. 316. CONFIDENTIAL BUSINESS INFORMATION.

Section 202(a)(8) of the Trade Act of 1974 (19 U.S.C. 2252(a)(8)) is amended in the first sentence—

(1) by striking “and”; and

(2) by inserting before the period at the end “, and title III of the Dominican Republic-Central America-United States Free Trade Agreement Implementation Act”.

#### Subtitle B—Textile and Apparel Safeguard Measures

#### SEC. 321. COMMENCEMENT OF ACTION FOR RELIEF.

(a) IN GENERAL.—A request under this subtitle for the purpose of adjusting to the obligations of the United States under the Agreement may be filed with the President by an interested party. Upon the filing of a request, the President shall review the request to determine, from information presented in the request, whether to commence consideration of the request.

(b) PUBLICATION OF REQUEST.—If the President determines that the request under subsection (a) provides the information necessary for the request to be considered, the President shall cause to be published in the Federal Register a notice of commencement of consideration of the request, and notice seeking public comments regarding the request. The notice shall include a summary of the request and the dates by which comments and rebuttals must be received.

#### SEC. 322. DETERMINATION AND PROVISION OF RELIEF.

(a) DETERMINATION.—

(1) IN GENERAL.—If a positive determination is made under section 321(b), the President shall determine whether, as a result of the elimination of a duty under the Agreement, a CAFTA-DR textile or apparel article of a specified CAFTA-DR country is being imported into the United States in such increased quantities, in absolute terms or relative to the domestic market for that article, and under such conditions as to cause serious damage, or actual threat thereof, to a domestic industry producing an article that is like, or directly competitive with, the imported article.

(2) SERIOUS DAMAGE.—In making a determination under paragraph (1), the President—

(A) shall examine the effect of increased imports on the domestic industry, as reflected in changes in such relevant economic factors as output, productivity, utilization of capacity, inventories, market share, exports, wages, employment, domestic prices, profits, and investment, none of which is necessarily decisive; and

(B) shall not consider changes in technology or consumer preference as factors supporting a determination of serious damage or actual threat thereof.

(3) DEADLINE FOR DETERMINATION.—The President shall make the determination under paragraph (1) no later than 30 days after the completion of any consultations held pursuant to article 3.23.4 of the Agreement.

(b) PROVISION OF RELIEF.—

(1) IN GENERAL.—If a determination under subsection (a) is affirmative, the President may provide relief from imports of the article that is the subject of such determination, as provided in paragraph (2), to the extent that the President determines necessary to remedy or prevent the serious damage and to facilitate adjustment by the domestic industry.

(2) NATURE OF RELIEF.—The relief that the President is authorized to provide under this subsection with respect to imports of an article is an increase in the rate of duty imposed on the article to a level that does not exceed the lesser of—

(A) the column 1 general rate of duty imposed under the HTS on like articles at the time the import relief is provided; or

(B) the column 1 general rate of duty imposed under the HTS on like articles on the day before the date on which the Agreement enters into force.

#### SEC. 323. PERIOD OF RELIEF.

(a) IN GENERAL.—Subject to subsection (b), any import relief that the President provides under subsection (b) of section 322 may not, in the aggregate, be in effect for more than 3 years.

(b) EXTENSION.—If the initial period for any import relief provided under section 322 is less than 3 years, the President may extend the effective period of any import relief provided under that section, subject to the limitation set forth in subsection (a), if the President determines that—

(1) the import relief continues to be necessary to remedy or prevent serious damage and to facilitate adjustment by the domestic industry to import competition; and

(2) there is evidence that the industry is making a positive adjustment to import competition.

#### SEC. 324. ARTICLES EXEMPT FROM RELIEF.

The President may not provide import relief under this subtitle with respect to any article if—

(1) import relief previously has been provided under this subtitle with respect to that article; or

(2) the article is subject to import relief under—

(A) subtitle A; or

(B) chapter 1 of title II of the Trade Act of 1974.

#### SEC. 325. RATE AFTER TERMINATION OF IMPORT RELIEF.

When import relief under this subtitle is terminated with respect to an article, the rate of duty on that article shall be the rate that would have been in effect, but for the provision of such relief.

#### SEC. 326. TERMINATION OF RELIEF AUTHORITY.

No import relief may be provided under this subtitle with respect to any article after the date that is 5 years after the date on which the Agreement enters into force.

#### SEC. 327. COMPENSATION AUTHORITY.

For purposes of section 123 of the Trade Act of 1974 (19 U.S.C. 2133), any import relief provided by the President under this subtitle shall be treated as action taken under chapter 1 of title II of that Act.

#### SEC. 328. CONFIDENTIAL BUSINESS INFORMATION.

The President may not release information received in connection with a review under this subtitle which the President considers to be confidential business information unless the party submitting the confidential business information had notice, at the time of submission, that such information would be released by the President, or such party subsequently consents to the release of the information. To the extent a party submits confidential business information, it shall also provide a nonconfidential version of the information in which the confidential business information is summarized or, if necessary, deleted.

#### Subtitle C—Cases Under Title II of the Trade Act of 1974

#### SEC. 331. FINDINGS AND ACTION ON GOODS OF CAFTA-DR COUNTRIES.

(a) EFFECT OF IMPORTS.—If, in any investigation initiated under chapter 1 of title II of the Trade Act of 1974, the Commission makes an affirmative determination (or a determination which the President may treat as an affirmative determination under such chapter by reason of section 330(d) of the Tariff Act of 1930), the Commission shall also find (and report to the President at the time such injury determination is submitted to the President) whether imports of the article of each CAFTA-DR country that qualify as originating goods under section 203(b) are a substantial cause of serious injury or threat thereof.

(b) PRESIDENTIAL DETERMINATION REGARDING IMPORTS OF CAFTA-DR COUNTRIES.—In determining the nature and extent of action to be taken under chapter 1 of title II of the Trade Act of 1974, the President may exclude from the action goods of a CAFTA-DR country with respect to which the Commission has made a negative finding under subsection (a).

#### TITLE IV—MISCELLANEOUS

#### SEC. 401. ELIGIBLE PRODUCTS.

Section 308(4)(A) of the Trade Agreements Act of 1979 (19 U.S.C. 2518(4)(A)) is amended—

(1) by striking “or” at the end of clause (ii);

(2) by striking the period at the end of clause (iii) and inserting “; or”; and

(3) by adding at the end the following new clause:

“(iv) a party to the Dominican Republic-Central America-United States Free Trade Agreement, a product or service of that country or instrumentality which is covered under that Agreement for procurement by the United States.”

#### SEC. 402. MODIFICATIONS TO THE CARIBBEAN BASIN ECONOMIC RECOVERY ACT.

(a) FORMER BENEFICIARY COUNTRIES.—Section 212(a)(1) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702(a)(1)) is

amended by adding at the end the following new subparagraph:

“(F) The term ‘former beneficiary country’ means a country that ceases to be designated as a beneficiary country under this title because the country has become a party to a free trade agreement with the United States.”

(b) COUNTRIES ELIGIBLE FOR DESIGNATION AS BENEFICIARY COUNTRIES.—Section 212(b) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702(b)) is amended by striking from the list of countries eligible for designation as beneficiary countries—

(1) “Costa Rica”, effective on the date the President terminates the designation of Costa Rica as a beneficiary country pursuant to section 201(a)(3);

(2) “Dominican Republic”, effective on the date the President terminates the designation of the Dominican Republic as a beneficiary country pursuant to section 201(a)(3);

(3) “El Salvador”, effective on the date the President terminates the designation of El Salvador as a beneficiary country pursuant to section 201(a)(3);

(4) “Guatemala”, effective on the date the President terminates the designation of Guatemala as a beneficiary country pursuant to section 201(a)(3);

(5) “Honduras”, effective on the date the President terminates the designation of Honduras as a beneficiary country pursuant to section 201(a)(3); and

(6) “Nicaragua”, effective on the date the President terminates the designation of Nicaragua as a beneficiary country pursuant to section 201(a)(3).

(c) MATERIALS OF, OR PROCESSING IN, FORMER BENEFICIARY COUNTRIES.—Section 213(a)(1) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2703(a)(1)) is amended by striking “the Commonwealth of Puerto Rico and the United States Virgin Islands” and inserting “the Commonwealth of Puerto Rico, the United States Virgin Islands, and any former beneficiary country”.

(d) DEFINITIONS AND SPECIAL RULES.—Section 213(b)(5) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2703(b)(5)) is amended by adding at the end the following new subparagraphs:

“(G) FORMER CBTPA BENEFICIARY COUNTRY.—The term ‘former CBTPA beneficiary country’ means a country that ceases to be designated as a CBTPA beneficiary country under this title because the country has become a party to a free trade agreement with the United States.

“(H) ARTICLES THAT UNDERGO PRODUCTION IN A CBTPA BENEFICIARY COUNTRY AND A FORMER CBTPA BENEFICIARY COUNTRY.—(i) For purposes of determining the eligibility of an article for preferential treatment under paragraph (2) or (3), references in either such paragraph, and in subparagraph (C) of this paragraph to—

“(I) a ‘CBTPA beneficiary country’ shall be considered to include any former CBTPA beneficiary country, and

“(II) ‘CBTPA beneficiary countries’ shall be considered to include former CBTPA beneficiary countries, if the article, or a good used in the production of the article, undergoes production in a CBTPA beneficiary country.

“(ii) An article that is eligible for preferential treatment under clause (i) shall not be ineligible for such treatment because the article is imported directly from a former CBTPA beneficiary country.

“(iii) Notwithstanding clauses (i) and (ii), an article that is a good of a former CBTPA beneficiary country for purposes of section 304 of the Tariff Act of 1930 (19 U.S.C. 1304) or section 334 of the Uruguay Round Agreements Act (19 U.S.C. 3592), as the case may be, shall not be eligible for preferential

treatment under paragraph (2) or (3), unless—

“(I) it is an article that is a good of the Dominican Republic under either such section 304 or 334; and

“(II) the article, or a good used in the production of the article, undergoes production in Haiti.”

**SEC. 403. PERIODIC REPORTS AND MEETINGS ON LABOR OBLIGATIONS AND LABOR CAPACITY-BUILDING PROVISIONS.**

(a) REPORTS TO CONGRESS.—

(1) IN GENERAL.—Not later than the end of the 2-year period beginning on the date the Agreement enters into force, and not later than the end of each 2-year period thereafter during the succeeding 14-year period, the President shall report to the Congress on the progress made by the CAFTA–DR countries in—

(A) implementing Chapter Sixteen and Annex 16.5 of the Agreement; and

(B) implementing the White Paper.

(2) WHITE PAPER.—In this section, the term “White Paper” means the report of April 2005 of the Working Group of the Vice Ministers Responsible for Trade and Labor in the Countries of Central America and the Dominican Republic entitled “The Labor Dimension in Central America and the Dominican Republic - Building on Progress: Strengthening Compliance and Enhancing Capacity”.

(3) CONTENTS OF REPORTS.—Each report under paragraph (1) shall include the following:

(A) A description of the progress made by the Labor Cooperation and Capacity Building Mechanism established by article 16.5 and Annex 16.5 of the Agreement, and the Labor Affairs Council established by article 16.4 of the Agreement, in achieving their stated goals, including a description of the capacity-building projects undertaken, funds received, and results achieved, in each CAFTA–DR country.

(B) Recommendations on how the United States can facilitate full implementation of the recommendations contained in the White Paper.

(C) A description of the work done by the CAFTA–DR countries with the International Labor Organization to implement the recommendations contained in the White Paper, and the efforts of the CAFTA–DR countries with international organizations, through the Labor Cooperation and Capacity Building Mechanism referred to in subparagraph (A), to advance common commitments regarding labor matters.

(D) A summary of public comments received on—

(i) capacity-building efforts by the United States envisaged by article 16.5 and Annex 16.5 of the Agreement;

(ii) efforts by the United States to facilitate full implementation of the White Paper recommendations; and

(iii) the efforts made by the CAFTA–DR countries to comply with article 16.5 and Annex 16.5 of the Agreement and to fully implement the White Paper recommendations, including the progress made by the CAFTA–DR countries in affording to workers internationally-recognized worker rights through improved capacity.

(4) SOLICITATION OF PUBLIC COMMENTS.—The President shall establish a mechanism to solicit public comments for purposes of paragraph (3)(D).

(b) PERIODIC MEETINGS OF SECRETARY OF LABOR WITH LABOR MINISTERS OF CAFTA–DR COUNTRIES.—

(1) PERIODIC MEETINGS.—The Secretary of Labor should take the necessary steps to meet periodically with the labor ministers of the CAFTA–DR countries to discuss—

(A) the operation of the labor provisions of the Agreement;

(B) progress on the commitments made by the CAFTA–DR countries to implement the recommendations contained in the White Paper;

(C) the work of the International Labor Organization in the CAFTA–DR countries, and other cooperative efforts, to afford to workers internationally-recognized worker rights; and

(D) such other matters as the Secretary of Labor and the labor ministers consider appropriate.

(2) INCLUSION IN BIENNIAL REPORTS.—The President shall include in each report under subsection (a), as the President deems appropriate, summaries of the meetings held pursuant to paragraph (1).

The SPEAKER pro tempore (Mr. BASS). Pursuant to House Resolution 386, the gentleman from California (Mr. THOMAS) and the gentleman from New York (Mr. RANGEL) each will control 1 hour.

The Chair recognizes the gentleman from California (Mr. THOMAS).

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, for those individuals within our eyesight and earshot, there may be some people wondering about the debate that was begun under the rule, and that if it, in fact, carries over into the general debate, you will be quite perplexed.

The statement was repeated several times that we are doing this in the dead of the night. My friends, it is 5:30 in California. People are just getting home from work. Would we not rather debate this during prime time when there are people home and who can watch it?

Words such as “shameful,” “disrespectful,” “arrogant”; accusations about freely-elected people in countries south of our border; someone who is not familiar with the way this place operates would be quite amazed at what has been said. Let me assure you, those of you who are concerned need only turn to the United States Constitution, Article I, section 6. Therein is contained what is often called the Speech and Debate Clause. The Speech and Debate Clause in the Constitution says, “And for any speech or debate in either House they, the Senators and Representatives, shall not be questioned in any other place.”

In other words, truth, veracity, facts do not apply here if you choose not to use them. If you choose to misrepresent, you are allowed to do that on the floor of the House. If you wish to confuse, if you wish to say black is white or white is black, you can.

But I do think that you ought to at least give minimum respect for people who laid their lives down to have an opportunity to share the blessings of democracy.

In the 1980s we were all concerned, and speeches were made on the floor of this House, about the impending loss of Central America to totalitarian governments, and, frankly, sometimes it was to the right, and sometimes it was to the left.

We have before us tonight a freely negotiated trade agreement between sovereign countries freely elected by the people of those countries in Central America and in the Dominican Republic and in the United States. Yet a Member feels comfortable coming to the floor, and the gentlewoman from California said that they are going to be able to enforce their own trade laws. Does that not worry you? Well, so do we. She said, they could change their trade laws to allow child labor. Well, so can we. Will we? Of course not. What makes you think they will? The argument that somehow these people down there do not love their children any more than we do is, in fact, the words that were used earlier, that argument is shameful, it is disrespectful, and it is arrogant.

The idea that these people do not care about their families; have you driven around the greater Washington area and run into all these people from Central America who are here because they were driven here because of the political conditions in the 1980s, and that, in fact, the best import they have are the jobs people have here? You do not think they want to go home to their families?

This was negotiated by freely elected people, not because they want to sell products and services in the United States; they already have that. They want this so that our goods, our services, our jobs will come to Central America. And as you make the arguments that you make so shamefully, so disrespectfully, and so arrogantly about the governments freely elected, supported by their people, just remember, they want a job, too. They love their children. They are respectful of you; be respectful of them.

Mr. Speaker, I reserve the balance of my time.

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me join with the handful of Republicans in complimenting the chairman of the Committee on Ways and Means. His attack against arrogance has moved my heart, and those of others in the House, as well as his conversations with the immigrants and the newcomers to find out what should be in the trade bill. It certainly would have worked out a heck of a lot better if he had talked with some of the Democrats in the House.

This is one day that we all should remember. A small bill designed to help small countries. I was successful in having the Dominican Republic included in it. People who indeed wanted to work, wanted to have the dignity of having a job, wanted to be able to buy some of those U.S. products, really wanted to be partners, but they also wanted to be a part of this. Arrogance? How can you have a bill you say that is helping these people to make certain that they stave off communism and that become, indeed, a democratic country and, at the same time, exclude them from participating?

Yes, they want a Central American Free Trade Agreement. Yes, the Dominicans want to have a Dominican Republic Free Trade Agreement, but they want to be a part of it, and they want their people protected.

The gentleman talked about people who fought and died for our Constitution. You do not have to remind us about that. Patriotism can bring a tear to our eyes, but why do we not talk about the people who fought and died for workers' rights? Hey, can you not get that on your agenda? Those who fought and died for human rights, should that not be a part of it?

But let us talk about the moral values. The Catholic bishops in the United States, the Catholic bishops in the Dominican Republic, the Catholic bishops throughout the island; the religious leaders, the labor leaders, the peasants, the farmers, those who work in the free trade zone, do they not count for something?

This could have been an easy thing. This is no big deal. It was not before the President came down here. This could have been something we could have worked out. There has to be some compassion and less arrogance on the other side. We could have talked these things out.

And what is wrong with language that protects kids? Just because people do not have a design to commit crime does not mean you do not have a criminal code. Just because people are not inclined to abuse workers does not mean you do not have a code.

All we are saying is this: Let us protect intellectual property rights, let us protect our exporters, let us protect the multinationals, let us protect the big farm corporations. But, while you do that, protect the little guy where, in many of the countries, they have not the slightest clue, and they tell us each and every day, we want trade, we want to improve our lives; all we want to do is to be a part of the agreement.

Now, I was told that we cannot get back to that. With regard to the side agreements, I thought it meant the issue had to be related to trade. But some of the offers that I have heard that relate to getting votes around here, side agreements mean something else. And that is why maybe it may still be light tonight in California, but for those who are wide awake tonight, they should know it is not prime time in Washington, D.C. As a matter of fact, it is the worst of times.

This administration has taken a bill that could have meant something, a bill we could have been proud of, and has made a political toy out of it. They have excluded Democrats; they have offended some Republicans.

So when we hear about this bill tonight, it will not be a trade bill, it will be a bill that would say, which side are you on? Are you on the side of transparency, open discussion, wanting to protect American farmers, wanting to protect American entrepreneurs, wanting to do business with people in these

small countries that are impoverished, and do you want to help those who are the lesser among us, who, at the end of the day, have been excluded from consideration from this treaty?

Mr. Speaker, I reserve the balance of my time.

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I know the gentleman's district is in New York, and television is very expensive there, but it may surprise the gentleman to know that 8:30 on the east coast is called prime time, and you have to pay for it. We are in prime time.

Just let me say that you must be very proud, as you just indicated, to advocate for your side to vote "no" on democracy, "no" to jobs in their own country, "yes" to continued poverty, and "yes" to a threat to fragile democracies, because that is what this vote is. And it really is a sad night for your once proud, aggressive party, which has a lot of words and no action for people in need.

Mr. Speaker, I yield the remainder of my time to the gentleman from Florida (Mr. SHAW), the chairman of the Subcommittee on Trade of the Committee on Ways and Means, and I ask unanimous consent that he control the remainder of the time.

The SPEAKER pro tempore (Mr. LAHOOD). Is there objection to the request of the gentleman from California?

There was no objection.

□ 2030

Mr. RANGEL. Mr. Speaker, I yield 3 minutes to the gentleman from Georgia (Mr. NORWOOD).

Mr. NORWOOD. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, I would point out that probably I do not want to associate myself with either of the opening remarks. This is not political to me. Mr. Speaker, we can sit here all day and argue about what the thousands of pages of CAFTA really mean.

But the meaning of nearly every provision is debatable. That is the problem with this agreement. If it becomes law, the administration, the American courts, even the United States Constitution will have no effect on the final interpretation of this agreement. That will be left to the CAFTA tribunal, two Central American judges, always pitted against one judge from the United States.

Our Bill of Rights will not apply to these courts, neither will any sunshine laws, and there will never be a right of appeal. That is a direct insult to the sovereignty of the United States. CAFTA should not be approved on this point alone.

But let us go on and look at what is at stake in some of these debates, very briefly. CAFTA undermines the ability of the State medical and dental boards and health planning agencies to set public health standards for licensing of

professions and institutions. I am sure someone will disagree with me about that, and we will decide it in a tribunal.

CAFTA overturns all of our "buy American" laws that encourage local jobs and suppliers. CAFTA could legally force States and local governments to outsource jobs, not just to Central American countries, but to India and to Pakistan and to Malaysia, or to any country that wants to set up phone banks.

CAFTA gives foreign business greater legal rights in America than our own businesses. CAFTA could overturn our immigration laws, could overturn our immigration laws by allowing CAFTA tribunals to decide whether those laws fairly or unfairly restrict another country's ability to export cheap contract labor into America.

CAFTA countries today can ship chicken to my State of Georgia duty free, while charging up to 160 percent for the chicken my farmers try to ship in return. That is not fair trade.

Instead of fixing this now, we try to solve it by allowing CAFTA to drag out this fair trade policy for over 18 years, during which my chicken farmers will continue to face unfair trade competition. Eighteen years just to get even.

CAFTA takes away the few current protections available to the American textile workers. There are gaping loopholes in every so-called protection for the American workers and farmers. Mr. Speaker, I just used the words "could" and "can" a lot in my comments.

The other side will argue, well, it is not certain if CAFTA will do all of this; it will be left up to three judges.

I urge us to reconsider this and get a really good fair trade, not just fair, but free, trade agreement with Central America.

Mr. SHAW. Mr. Speaker, I yield 5 minutes to the gentleman from Louisiana (Mr. JEFFERSON), a very respected Democratic member of the Ways and Means Committee.

Mr. JEFFERSON. Mr. Speaker, as a Democrat with a firm commitment to eliminate poverty and to improve the lives of workers both here and abroad, I believe it is important to discuss the policy implications contained in the proposed U.S. FTA with the Dominican Republic and the countries of Central America.

In support of the CAFTA, I support the people of my port city. I have determined that the United States can best promote improvements both to working conditions and labor standards in those countries with the commitment and the supporting capacity-building provisions of this agreement.

I understand that our workers are concerned about our growing trade deficit. But CAFTA will have no negative impact here. Our trade deficit is driven by our own behavior as a Nation: massive consumption, low savings rates, and unwise borrow-and-spend economic policies of our own government, not CAFTA-like trade agreements.

In fact, an ITC study concludes CAFTA will reduce overall U.S. trade deficits by \$756 million. And the CAFTA-NAFTA talk is a catchy play on words, but the comparison is really inappropriate.

Unlike the situation with Mexico prior to NAFTA, our market is already nearly completely open to Central American products. More than 80 percent of Central American products imported to the United States are already duty free. CAFTA will simply open their markets to our products leveling the playing field.

For years, Democrats and Republicans have promoted democracy in Central America and have spoken about the need to secure commitments from developing countries on core international labor standards, on labor enforcement, and have sought U.S. commitments to substantive and comprehensive labor-capacity building programs.

We have sought to ensure a role for international labor organizations in these efforts. With this unprecedented agreement, we have concluded and included all of these things. CAFTA promotes economic opportunity for the workers of the region who are facing massive competition from Asia and elsewhere in the most significant formal source of economic livelihood, textile and apparel production. With nearly half the population of these countries living in extreme poverty, with formal employment, the continued competitiveness the textile and apparel industry in our and other CAFTA industries can promote is very, very critical.

I have heard my colleagues suggest that the CAFTA textile and apparel rules remain too strict to really make a difference. But the countries and the companies who invest and purchase from the region believe differently.

Many of us had hoped for more flexibility. But those whose livelihoods depend on these issues believe that the new flexibilities CAFTA provides are critical to support an industry that provides some of the best-paying jobs in the region.

Are we to substitute our judgment for theirs?

CAFTA will also help these countries improve their investment climate through a more permanent relationship with the United States and many other provisions of CAFTA, including increased transparency, curbs on corruption and provisions that promote the rule of law, which could in fact be the single most important driver to improve the lives of our neighbors in Central America and the Dominican Republic.

And there are the agreement's labor provisions. Both the commitments made by each country in the labor chapter to enforce domestic laws and the capacity-building program built into the CAFTA, which each of the six governments recently relied on in undertaking an unprecedented commit-

ment to improve labor standards and enforcement in each of their countries in very concrete ways.

But despite all of these provisions and commitments, it is argued that the CAFTA's labor provisions are a backwards step and that CAFTA should not be supported because of the CAFTA countries' histories of weak labor laws and suppressing worker rights.

The biggest labor issue of the CAFTA countries is in fact the inadequacy of their enforcement of existing laws. Indeed, this is where many of the 20-plus labor problems the critics allege actually fall. They are issues of enforcement, not issues with the substantive existing labor laws; and that is where the CAFTA can do the most good.

In taking a close look at the other recent trade agreements that passed with overwhelming bipartisan support, it is difficult to understand why the CAFTA countries are being held to a different standard and therefore a double standard.

The labor laws in the CAFTA countries are similar to those of Jordan and Morocco. For example, foreign nationals cannot lead or administer local labor unions in Morocco. This is the case for all of the CAFTA countries, but Nicaragua. The right to collective bargaining is not recognized in Morocco's constitution, but it is in most of the CAFTA countries. And, finally, Morocco allows minors to work longer per week than all of the CAFTA countries.

If we can vote overwhelmingly for Morocco and Jordan with these labor provisions on the basis that we should engage them economically because they have made progress on liberalizing their economies and on improving their human rights pictures, then why can we not support this FTA with our neighbors in the popularly elected democracies with even better laws on the same grounds?

What all of these countries, Jordan, Morocco and the Centrals, share are the same challenges in enforcement and lack of resources. In fact, the CAFTA provisions are stronger than those in NAFTA, which has labor protections in the signed agreements and did not provide dispute resolutions in the main agreement.

The last point I want to make, Mr. Speaker, is that at our door stand our neighbors from Central America literally pleading with us to approve this CAFTA agreement. We are substituting our judgment for theirs, people who are elected by their own people as we are elected by ours.

Mr. Speaker, I think instead of turning a deaf ear to them, we ought to heed them, we ought to hear them. These are our neighbors and our friends. And we ought to support them. I urge adoption of this agreement.

Mr. RANGEL. Mr. Speaker, the gentleman from Maryland (Mr. CARDIN) is the ranking member of the trade committee. He has worked hard on this, and he probably never has voted against any trade agreement in this

House. And I guess he is saying that this is an agreement worthy of his vote.

Mr. Speaker, I yield 3 minutes to the gentleman from Maryland (Mr. CARDIN).

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LAHOOD). The Chair would remind all persons in the gallery that they are here as guests of the House and that any manifestation of approval or disapproval of proceedings or other audible conversation is in violation of the rules of the House.

Mr. CARDIN. Mr. Speaker, I am going to first answer my friend, the gentleman from Louisiana (Mr. JEFFERSON), and he is my friend. I deeply respect his views as to why we would oppose this agreement when we supported the other agreements that he mentioned.

The gentleman from New York (Mr. RANGEL) is correct. In the 18-plus years that I have been honored to served in this body, I have voted for all of the free trade agreements. This will be the first agreement that I will vote against.

This is the first agreement in which we actually move backwards on advancing international labor standards. Currently, with the Central American countries, we had the Caribbean Basin Initiative. The Caribbean Basin Initiative has worked. It has provided opportunity for the Central American countries. It has opened up markets for their products. They get preference. But in order to get that preference, they must move towards international labor standards. That is the requirement.

We use the threat of withholding trade benefits if they do not adopt international labor standards. That is what we currently have with Central American countries, and it is working. We have made progress. CAFTA repeals those obligations. As the gentleman from Louisiana (Mr. JEFFERSON) said, what is in place is enforcing your own rules without any adequate enforcement.

We have a constitutional responsibility, Mr. Speaker, to approve or reject this free trade agreement. Trade opens up opportunity, not only for the United States but for the countries that we do business with.

I represent the Port of Baltimore. I am very much in favor of free trade. I would have liked to have had a CAFTA agreement that I could support.

The standard of living in the CAFTA nations is not as high as previous agreements that we have approved for Chile, Singapore, Morocco, or Australia. So for people living in poverty, trade if properly structured holds out the promise of a more meaningful economic opportunity and a better way of life in providing markets for our products.

But in order for that to occur, we must move the ball forward on protecting labor rights, workers' rights.

That is our responsibility. That should be our priority. This agreement moves backwards. We have a constitutional responsibility to make a judgment on this.

I do not know how we can support an agreement that moves us in the wrong direction. I do not expect miracles from our negotiators. But I certainly expect that they will adhere to priorities. I certainly expect that they will not give up something that the other countries have not asked us to give up.

You start to worry when you see those types of provisions in an agreement. Mr. Speaker, this could have been corrected. We made changes in the CAFTA agreement for textiles. We could have made changes for these labor provisions. We could have kept the Caribbean Basin Initiative protections; but, no, we did not do that. We could have done it. If we would have done it, we could have had strong bipartisan support for this legislation, as trade bills should be considered.

This CAFTA agreement is not good for the United States. It is not good for the Central American countries. I urge my colleagues to exercise their constitutional responsibility, as I am, and vote against this agreement.

Mr. SHAW. Mr. Speaker, I would remind the gentleman from Maryland (Mr. CARDIN) who has voted for previous trade agreements that this agreement has the strongest labor provision of any of the agreements that the gentleman has voted for, and that these countries, all of these countries adhere to international labor standards.

Mr. Speaker, I yield 5 minutes to the gentleman from Virginia (Mr. MORAN), a distinguished Democratic Member of the House of Representatives.

Mr. MORAN of Virginia. Mr. Speaker, I want to address my colleagues on this side of the aisle, the Democratic side of the aisle, because there are so many good people and true leaders among you, people who understand that we need to do more than we have done for Central America and Central Americans.

In a perfect political world, a Central American trade agreement should have passed on the Consent Calendar.

□ 2045

In a perfect world it would have, because there is virtually no Member of Congress who does not have undocumented immigrants who have risked their life and limb to come to the United States so as to provide some future for themselves and their families. Many of our grandparents could empathize, but surely we who were born here must at least sympathize.

We all know the conditions in Central America. You would have to be blind or without conscience not to recognize the suffering that Central Americans are enduring. Thirty percent of the population cannot afford the most basic foodstuffs. In most countries, more than half of the population are living in poverty. Certainly we feel

some obligation, do we not, to do something about it?

I understand the politics, though, and I regret the politics. But from the standpoint of policy, certainly this could and should have been a much better agreement. We should have addressed labor conditions in a more robust way, likewise, in language to preserve the environment. But on the whole this agreement does much more for Central America than we will have the opportunity to do in a long time to come, and that is the reality.

Today we have a perfect storm of political confluence where the elected leaders of all of these nations are products of democratic elections, and their leaders are telling us they want this trade agreement to pass. The leader I have the most respect for, Oscar Arias, a Nobel Peace Prize winner, wrote an editorial, in the Post, and I trust we read it on both sides of the aisle. The thrust of his argument was, please give us an opportunity to stop having to export our people and let us begin to export our products and our services. And the only way that we can do that is to provide an incentive for all these multinational corporations, people with capital to invest, to invest in Central America; ultimately invested in the human infrastructure, the roads and the bridges, the transportation and the communication systems, and the human infrastructure, the people, their education, their skills, their training. It will be in their interest. It is not in their interest now.

Central Americans have paid the price for a system of government that continually exploited people who had no power; that was ruled largely by a handful of elite families, many of them descendents from the original European settlers who came there half a millenia ago. For 500 years they have been suffering. It is time to put an end to their desperation and isolation. They need and deserve a seat at the table of the global economy.

I am not going to try to justify or rationalize or excuse all of the problems with a globalized economy. Certainly people lose their jobs and people are hurt, but the global economy is a reality of today's world. And if you are not at the table, you will suffer. We cannot maintain even the status quo in Central America any more than we can in this country. If CAFTA doesn't pass poverty will get worse in Central America. Jobs will continue to be lost at an even faster pace to China and other countries who are more competitive, and capital will go elsewhere if we do not pass this trade agreement.

It is in so many ways deficient. I am not going to argue about that. But it is a fact that over the next 4 years \$160 million is going to be invested in enforcement of labor laws, labor laws that are actually pretty good on the books of these nations. They are not enforced, but today this is the best opportunity to have them enforced. There will not be another opportunity to



have them enforced, and we have that commitment. And, likewise, the environment will not be exploited to the degree that it has been.

It is not a perfect agreement, but it is our responsibility, our duty, as far as I am concerned, to pass this agreement now, to work with Central America, to work with the people that will invest in Central America to bring about a better world. A world one day of opportunity for the best and brightest Central Americans in their own country, so they don't have to risk everything in pursuit of it outside their country of birth. I do understand that it is important to be on the right side of the political equation tonight, but it is even more important to be on the right side of history, and I think the right side of history will prove to be a yes vote for CAFTA.

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to quote what the bishops have said about this because I think the previous speaker gave an eloquent speech, but he said one thing: It could be better for the workers.

I do not have any argument with that. And the bishop said, the panel urged that the agreement should contribute to sustainable human development, especially among the poorest and most vulnerable sectors; that the countries' governments take as much time as necessary to provide adequate information and foster broad debates about the contact and impact of the agreement, and that the moral measure of any trade agreement should be how it affects the lives and the dignity of poor families and vulnerable workers whose voices should receive special attention in this discussion.

Mr. Speaker, the following six pages are organizations representing religious leaders in Central America and the Dominican Republic, representing peasants, representing farmers, representing workers that all they are asking is please include us.

CENTRAL AMERICAN GROUPS OPPOSED TO  
CAFTA

Acción Ciudadana (Nicaragua)  
Action Aid International (Guatemala)  
Action Network of Citizens Against Free Trade (SINTI TECHAN)  
Advising Committee of Rural Organizations of Honduras  
Agrarian Platform of Guatemala  
ALERTA-AMBIO (Environmental Alert)  
Alexander Von Humboldt Center  
Alliance for Life and Peace  
Antonio Valdivieso Ecumenical Center (CAV)  
Asociación de Mujeres de Occidente (Guatemala)  
Asociación de Trabajadores del Campo (Nicaragua)  
Asociación Hijos e Hijas del Maíz (Nicaragua)  
Asociación Servicios de Promoción Laboral (ASEPROLA)  
Asociación TECUILCAN (Nicaragua)  
Asociaciones de Pacientes  
Association for Development and Ecology (APDE)  
Association for Health and Inter-Communal Social Services in El Salvador (APSIES)

Association for the Advancement of Social Services (AVANSCO)  
Association for the Promotion and Development of the Community (CEIBA)  
Association of Agronomy Students of Guatemala (FEAG)  
Association of Integral Development of Batán (ADIBA)  
Association of Organizations of Central American Farmers for Cooperation and Development (ASOCODE)  
Association of Professors of Secondary Education (APSE)  
Association of Rural Communities for the Development of El Salvador (CRIPDES)  
Association of Rural Organics Producers (ACAPRO)  
Association of Skilled Women  
Association of Social Security Employees (AESS)  
Association of Women in Micro-Industries of Salamanca (AMUNTA)  
Bishops' Secretariat of Central America (SEDAC)  
Bloque Popular—Colomoncagua (Honduras)  
Bloque Popular (Honduras)  
Bloque Popular Centroamericano  
Bufete Jurídico Ambientalista "4 de Mayo" (Nicaragua)  
Caribbean Theological Center of Bautista (CTC)  
Catholic Church of Santa Rosa of Copan  
Catholic Church of Trujillo  
Center for Consumer Defense (CDC)  
Center for Legal Assistance for Indigenous Peoples  
Center for Legal Attention in Human Rights (CALDH)  
Center for Studies and Publication Preparation  
Center for the Costa Rican Workers Movement (CMTC)  
Center of Friends for Peace (CAP)  
Center of Work Studies (CENTRA-El Salvador)  
Central American Federation of Communal Organizations (FCOC)  
Centro Civico Democrática (El Salvador)  
Centro de Asistencia Legal a Pueblos Indígenas (Nicaragua)  
Centro de Estudios Internacionales (Nicaragua)  
Centro de Estudios y Apoyo Laboral (El Salvador)  
Centro Humboldt (Nicaragua)  
Centro para la Defensa del Consumidor (El Salvador)  
Citizen Network Against GMOs for Mexico and Central America  
Citizen Council of Popular and Indigenous Organizations of Honduras (COPINH)  
CNOG (Guatemala)  
Civil Society Conference (Costa Rica)  
Colectivo de Mujeres de Matagalpa (Nicaragua)  
Comisión Intersindical (El Salvador)  
Comité "Si a la Vida no a la destrucción del Medio Ambiente" de León v Chichigalpa (Nicaragua)  
Comité de Solidaridad "El Arenal" (Nicaragua)  
Comité de Solidaridad Zapatista (Nicaragua)  
Comité por la Paz, León (Nicaragua)  
Committee for Work with Women Farmers (CNTMC)  
Committee of Costa Rican Banana Unions (COSIBACR)  
Committee of National Rural Organizations  
Committee of NGOs (Non-Government Organizations) and Cooperatives (CONGCOOP-Guatemala)  
Committee of the Salvadoran Workers Union (CSTS)  
Committee of United Farmers (CUC)  
Convergence of Movements of Peoples of America (COMPA)

Comunidades Eclesiales de Base (Nicaragua)  
Confederation of Federations for Agricultural Reform of El Salvador (CONFRAS)  
Confederation of Union Unification (CUS)  
Confederation of Union Unity of Guatemala (CUSG)  
Confederation of Workers in Honduras (CTH)  
Confederation of Workers of the Countryside (CTC)  
Consumers Association of Masaya (ACODEMA)  
Consumers International—Regional Office for Latin America and the Caribbean (Chile)  
Convergence of Movements of Peoples of America (COMPA)  
Cooperativa Maquiladora Mujeres de Nueva Vida, Internacional (Nicaragua)  
Cooperativa Multisectorial de Jalapa (Nicaragua)  
Coordinadora de Organizaciones Indígenas y Campesinas (Guatemala)  
Corporación Hortícola (Costa Rica)  
Costa Rica Association of Energy Producers (ACOPE)  
Costa Rica Social Insurance Fund and Allied Institutions (SIPROCEMICA)  
Costa Rican Confederation of Democratic Workers (CCTD)  
Costa Rican Federation of Health Workers (FECTSALUD)  
Costa Rican Lutheran Church (ILCO)  
Costa Rican Union of Aids of Infirmary (SINAE)  
Council of Development Institutions (COINDE)  
Council of Research for Central American Development (CIDECA)  
Democratic Civic Center  
Education Corporation for Costa Rican Development (CEDECO)  
El Salvadoran Center for Appropriate Technology (CESTA)  
Electric Industry Union of El Salvador (SIES)  
Emaus Forum (Costa Rica)  
Employees Union of the National Bank (SEBANA)  
Employees Union of the University of Costa Rica (SINDEU)  
Encuentro Popular (Costa Rica)  
Federación Nacional de Sindicatos Textil, Vestuario, Piel y Calzado (Nicaragua)  
Federación Sindical de Trabajadores de los Servicios Públicos de El Salvador (FESTRASPESES)  
Federation of Cooperative Associations for Agricultural Production—FEDECOOPADES (El Salvador)  
Federation of Cooperative Associations of Fishing Craftsmen of El Salvador  
Federation of Farming Cooperatives of El Salvador (FEDECOPADES)  
Feminine Group for the Betterment of Families (GRUFEPFAM)  
Foro de la Mujer Región II (Guatemala)  
Foro de la Sociedad Civil (Nicaragua)  
Foundation for the Cooperation and Communal Development of El Salvador (CORDES)  
Foundation for the Education of Rural Leaders (FUNDACAMPO—El Salvador)  
Fundación del Consumidor y del Usuario (Panama)  
Fundación por los Derechos del Consumidor (Dominican Republic)  
Friends of the Earth Costa Rica (CEOCO)  
General Workers Confederation (CGT)  
Global Conference of Guatemala  
Green Tropics  
Grupo de Solidaridad—El Arenal (Nicaragua)  
Hemispheric Consumer Task Force on the FTAA (Chile)  
Honduran Confederation of Cooperatives  
Independent Federation of Salvadoran Micro Enterprises (FIMES—El Salvador)

Independent Monitoring Group of El Salvador (GMIES)  
 Indigenous Movement and Mesoamerican Farmer (MOICAM)  
 Indigenous Movement of Jinotega  
 Iniciativa CID  
 International Center of Political Economy for Sustainable Development (CINPE)  
 Inter-Union Commission  
 Juntas de Salud  
 Las Dignas (Women's Association for Dignity and Life—El Salvador)  
 Latin American Association of Pharmaceutical Industries (ASIFAN)  
 Latin American Biblical University (UBL)  
 Latin American Coordinator of Rural Organizations (CLOC)  
 Maquila Zone Federation  
 Melida Anaya Montes Women's Movement (MAM)  
 Mennonite Central Committee (Nicaragua)  
 Mesa Global de Guatemala  
 Mesa Laboral de Sindicatos de la Maquila (Nicaragua)  
 Mesoamerican Institute of Permanent Culture (IMAP)  
 Mesoamerican Peoples Forum  
 Movimiento Ambientalista Mesoamericano (Nicaragua)  
 Movimiento Ciudadano por la Vida con Justicia Social (El Salvador)  
 Movimiento Ciudadano por un Proyecto de Nación (Nicaragua)  
 Movimiento Comunal de Nicaragua  
 Movimiento de Activación Social Alternativo—Estelí (Nicaragua)  
 Movimiento Sobrevivencia Local (Nicaragua)  
 Movimiento Social Nicaragüense (Nicaragua)  
 Mother Jungle  
 Municipal Committee for Sister City Projects of Tipitapa (COMPALCIHT)  
 Municipal Workers' Union of the Province of Limón (SITRAMUPL)  
 National Advisor of Salvadoran Businesses (CONAES)  
 National Association for the Right of the Salvadoran Social Security Institute (ANDHISSS)  
 National Association of Public and Private Employees (ANEP)  
 National Chamber of Generic Products (CANAPROGE)  
 National Committee for Defense of Social Security and the Costa Rican Social Security Fund (CCSS)  
 National Committee of Salvadoran Women (CONAMUS)  
 National Committee of Popular Resistance (CNRP)  
 National Committee of Settlers of Marginal Areas of Guatemala (CONAPAMG)  
 National Committee of the Widows of Guatemala (CONAVIGUA)  
 National Consumer Defense Network  
 National Federation of Land Cooperatives and Agro-Industries (FENACOO)  
 National Federation of Public Service Employees (FNTSP)  
 National Federation of Small Enterprises (FENAPES)  
 National Federation of Textile and Clothing Unions  
 National Foundation for Development (FUNDE—El Salvador)  
 National Indigenous and Rural Committee (CONIC)  
 National Medical Union  
 National Union and Popular Committee (CNSP)  
 National Union of Assistants of Infirmary and Public Health Related Issues (SINAESPA)  
 National Union of Costa Rican Small and Medium Sized Farmers (UPANACIONAL)  
 National Union of Employees Social Security Fund (UNDECA)

National Union of Health Workers of Guatemala (SNTSG)  
 National Union of Hospital Employees and Assistants (UNEHA)  
 National Workers Federation (FNT)  
 National Workers Union of Apprentices (SITRAINA)  
 Nejapa Foundation  
 Network of Alternative Community Commercialization (Red COMAL)  
 Nicaraguan Communal Movement (MCN)  
 Norma Virginia Guirola de Herrera Center for Women's Studies (CEMUJER)  
 Organization of Salvadoran Women for Peace (ORMUSA)  
 Pastoral Juvenil (Nicaragua)  
 Plataforma Contra el Libre Comercio—COMPA (Costa Rica)  
 Popular Block  
 Pueblo Indígena de Chorotega (Nicaragua)  
 Pueblo Indígena de Telpaneca (Nicaragua)  
 Red COMAL (Honduras)  
 Red Mexicana de Acción frente al Libre Comercio (México)  
 Red Nacional de Defensa de los Consumidores (Nicaragua)  
 Red Sinti—Techan (El Salvador)  
 Renum Novarum Confederation of Democratic Workers (CTRN)  
 Rural Way—Association of Rural Workers  
 Salvadoran Foundation for Peace and Development (FUNDASPAD)  
 Salvadoran Foundation for the Promotion of Social and Economic Development (FUNSALPRODES)  
 Salvadoran Social Security Institution Workers Union (STISSS)  
 Salvadoran Women's Movement (MSM)  
 Sandinista Workers Confederation (CST)  
 SHARE Foundation  
 Sindicato de Empresa de Trabajadores del ANDA (El Salvador)  
 Sindicato de Trabajadores de la Lotería Nacional de Beneficencia (El Salvador)  
 Sindicato de Trabajadores del Fondo Social para la Vivienda (El Salvador)  
 Sindicato de Trabajadores del Instituto Salvadoreño del Seguro Social (El Salvador)  
 Sindicato de Trabajadores del Sector Eléctrico (El Salvador)  
 Sindicato de Trabajadores por Establecimiento del Aeropuerto Internacional de El Salvador  
 Sindicato de Unidad de Trabajadores de la Empresa de Telecomunicaciones de El Salvador  
 Sindicato Nacional de Trabajadores de Industria de Transporte, Similares, y Conexos (El Salvador)  
 Solidarity Fund for the Benefit of Social Groups (FOSBAS)  
 Syndicated Organizations of the Health Sector (FOSSS)  
 Telecommunications Workers Union of El Salvador (SUTTEL)  
 Trópico Verde (Guatemala)  
 Tzu Kim Popular Movement  
 Unidad Ecológica Salvadoreña—UNES (El Salvador)  
 Unidad Ecológica Salvadoreña (El Salvador)  
 Unified Workers Union of the Municipality of Pococí (SUTRAM)  
 Unión Nacional de Pequeños Agricultores (Nicaragua)  
 Union of Assistants of the Health Sector (SINASS)  
 Union of Engineers and Professionals of ICE, RASCA & CNFL (SIICE)  
 Union of Health Workers (SITRASALUD)  
 Union of Hospital Workers of San Juan de Dios (SITHOSAJUDI)  
 Union of Industry Workers in the Electrical Sector (STSEL)  
 Union of the Tourism Industry and Hospitality (STITHS)  
 United Federation of Workers of General Foodstuffs and Agro-Industry (FESTRAS)

Unity Confederation of Workers of Honduras (CUTH)  
 Western Civic Committee  
 Woman and the Community  
 Women and Economy of El Salvador (REMTE)  
 Women of Mama Maquin of Guatemala  
 Workers Union of the Social Fund for Housing (SITRAFOSVI)  
 Workers' Union of the National University (SITUN)  
 Young Christian Workers  
 Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina (Mr. COBLE), who served this country and served it well, and he wears that lapel pin showing how proud he is to be a veteran, not a Republican, not a Democrat.

Mr. COBLE. Mr. Speaker, I thank the gentleman from New York (Mr. RANGEL).

Mr. Speaker, weeks ago I said that CAFTA was neither as good nor as bad as its respective proponents contend. At that time I also said whether I vote for or against CAFTA, I will inevitably disappoint many of my constituents. It is that controversial, Mr. Speaker, in my district.

I told President Bush that my late mom was a textile worker. She sewed pockets in overalls. And when textile workers, specifically female workers, plead with me to vote against CAFTA, I said to the President, it is my mama talking to me, and I cannot turn a deaf ear to those pleas.

Now these workers, Mr. Speaker, may know virtually nothing about CAFTA, but their perception is that it is bad for them, it threatens their jobs.

Now, many Members tonight who normally support trade agreements will for some reason, perhaps valid or otherwise, vote no tonight, and that is likely unfortunate because it goes away from their normal voting pattern. And I am confident that there is much good as well as much bad inevitably. I have talked to the gentleman from Florida (Mr. SHAW) about it. Some people are going to be hurt, some people are going to benefit, not unlike other trade agreements that have come before us on this floor in years previous.

I usually vote against trade agreements. Tonight will be no exception, and I will do so.

I thank the gentleman from New York (Mr. RANGEL) for having yielded me time.

Mr. SHAW. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. CUELLAR).

Mr. CUELLAR. Mr. Speaker, I ask you to join me in supporting the best interests of our Nation by passing DR-CAFTA. I support CAFTA because it is deeply in our national interest, and it is a progrowth, projob vote.

In the past I have seen the way free trade has revolutionized south Texas, bringing jobs, prosperity and growth to a part of the country that used to be economically underserved. DR-CAFTA will perpetuate that growth, opening export markets to our American farmers and businesses, thereby creating

jobs in farming, manufacturing and industry here at home.

When NAFTA was signed in 1993, there were four Presidents, Clinton, Bush, Carter, and Ford, present at the signing. We have a long history of bipartisan cooperation when it comes to the benefits of free trade. I hope to see that tradition continue.

American farmers currently face deep tariffs when exporting their goods to Central America, while 99 percent of the CAFTA agricultural products come into the United States duty free. This is a one-way street that needs to be redrawn into a two-way street, a two-way street of fair trade.

American farmers are struggling against an unfair international trading system, and they are at risk of failing. CAFTA levels that playing field. According to the American Farm Bureau, CAFTA would expand U.S. farm exports by \$1.5 billion per year. CAFTA is also going to bring major gains to U.S. manufacturing. The National Association of Manufacturers recently reported that as a direct result of DR-CAFTA, U.S. manufacturers stand to gain approximately 12,000 new job opportunities for American workers.

CAFTA will also create tremendous job opportunities for the 13,000 American small businesses that are currently already exporting to those Central America countries. The economic opportunities created by DR-CAFTA will bring new jobs and the possibility of a middle-class life to millions of Central Americans who are currently living in poverty. If we create economic opportunities in those countries, fewer will be forced to flee to the United States out of economic desperation.

The prosperity created by CAFTA will act as the foundation for more a stable and democratic future for Central America.

Mr. Speaker, trade has the power to change the world. Out of all the policy instruments that we have here in Washington, few have as much power to change lives, bring hope, and draw people together in a rising tide of prosperity as our ability to promote free and fair trade.

I am a supporter of DR-CAFTA because I think it is not only as a smart policy of the United States, but also it is a way to change our whole atmosphere for the better.

Mr. RANGEL. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan (Mr. LEVIN), who has been not only a supporter of trade agreements, but he has been an architect in designing trade agreements. Every major agreement he just did not vote for, but he helped to make it better. That is when we used to work together on trade agreements.

(Mr. LEVIN asked and was given permission to revise and extend his remarks.)

Mr. LEVIN. Mr. Speaker, I thank the gentleman from New York (Mr. RANGEL) for his kind words. What a privi-

lege it has been to work with the gentleman.

This agreement as negotiated misses an historic opportunity. It fails a key growing challenge to globalization to expand trade so that its benefits are widely shared. Trade agreements must level up, not level down. And unlike Chile or Singapore or Australia, CAFTA nations have immense poverty, among the worst income inequalities in the world, and a weak middle class. And to change that, to change that, workers must be able to lift themselves up the economic ladder. And to do so, they have to have their basic internationally recognized rights, including the right to bargain and to associate.

The fact of the matter is contrary to any of the rhetoric that comes forth here tonight or any of the disclaimers, a majority of workers do not have enforceable rights in their nations' legal structures.

Unlike CBI now in effect, CAFTA gives Central American governments a pass on worker rights. All they have to do is to enforce their own laws, no matter how bad they are presently, or no matter how bad they make them in the future. It is a standard used nowhere else: Enforce your own laws in this agreement is a double standard that would stimulate a race to the bottom.

That is bad, number one, for millions of Central American workers mired in poverty.

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Number two, it is bad for the nations desperately needing a growing middle class. Three, it is bad for our workers, who will not compete with nations who suppress their workers. And it is bad for our businesses who need middle classes to buy their products.

I want to emphasize this, because the President has talked about security. Denial of worker rights and persistent poverty and inequalities are a source of insecurity, not security. A denial of democracy in the workplace is harmful to the spread of democracy. So not heeding our repeated warnings, the administration negotiated this CAFTA so it shattered the bipartisan foundation many of us have tried to build.

CAFTA needs to be defeated so that it can be renegotiated to meet the challenge of globalization. And that challenge is to shape a trade agreement so that it spreads more broadly the benefits of expanded trade, not reinforces an unsustainable status quo. Defeat this CAFTA so we can renegotiate a CAFTA that meets the challenges of globalization.

Mr. SHAW. Mr. Speaker, I yield myself such time as I may consume to point out that the last couple of speakers here, including the gentleman who just left the well, voted for trade preferences for these countries with much weaker labor standards in 1983. It passed this House by 392 to 18. It passed in 1990 by a voice vote. And then with the labor standards put in there, more labor standards, it was 309 to 110. We have strengthened the labor standards.

Mr. Speaker, I yield for the purpose of making a unanimous consent request to the gentleman from Texas (Mr. BARTON).

(Mr. BARTON of Texas asked and was given permission to revise and extend his remarks.)

Mr. BARTON of Texas. Mr. Speaker, as chairman of the Committee on Energy and Commerce, which has some jurisdiction on trade, I rise in strong support of the CAFTA agreement.

Mr. Speaker, I rise today in strong support of H.R. 3045, the Dominican Republic-Central America-United States Free Trade Agreement Implementation Act (DR-CAFTA). This important Agreement ensures the spread of fair and open markets for American goods and services. I want to commend the Bush administration, the majority leader, and my good friends on the Committee on Ways and Means for bringing this important legislation before the House.

The provisions in DR-CAFTA go beyond the mere dissolution of tariffs. This wide-ranging Agreement sets forth detailed requirements to eliminate the non-tariff trade barriers erected by the member countries. Often more nefarious than traditional protectionist measures, these barriers now constitute the principle impediment to achieving free and unfettered foreign commerce.

The elimination of all trade barriers to foreign commerce has long been a goal of the Committee on Energy and Commerce. So I want to express my great satisfaction that DR-CAFTA contains numerous chapters resolving potential non-tariff trade barriers.

Chapter 6 addresses each country's ability to promulgate needed sanitary measures. It is very important that our countries cooperate closely, and assist one another in protecting human, animal, and plant health. Plant- and animal-borne pests and diseases, including toxins and disease-causing organisms, must be carefully controlled, and the reaffirmation of WTO rules in this area strengthens the Agreement in a significant way.

Chapter 13 and 14 focus on telecommunications and E-commerce. These are some of the most important pieces of the Agreement before us. They promote, instead of hamper, growth in these areas. Chapter 13 ensures non-discriminatory access to public telecommunications networks in the Member countries, and requires the signatories to regulate their dominant telecommunications suppliers in ways that will ensure a level playing field for new market entrants; deregulation and technological neutrality are the key goals. Costa Rica is of particular note because of its government-provided telecom services, and the Agreement has special requirements for this country to open its market to American competition. Additionally, Chapter 14 builds on these goals by prohibiting discriminatory regulation of electronic trade. This chapter represents a major advance over previous international arrangements with regard to E-commerce.

The protection of Intellectual Property, IP, rights must be a part of any Free Trade Agreement, FTA, and Chapter 15 complements and enhances existing international standards in this area. It requires the Parties to ratify or accede to several existing agreements on IP rights, including two significant World Intellectual Property Organization

agreements to which the U.S. is already a Party.

Chapter 17 sets out the Parties' commitments and undertakings regarding environmental protection. It draws on the North American Agreement on Environmental Cooperation and the environmental provisions of other recent U.S. FTAs, including those with Jordan, Chile, Singapore, Australia, and Morocco. DR-CAFTA goes further however, and notably is the first American FTA that includes a process for public submission on environmental enforcement matters. The Parties must ensure that their laws provide a high level of environmental protection, and no Party may strive to weaken these laws to promote trade with Another.

The Committee on Energy and Commerce has jurisdiction over the areas I have discussed—as well as jurisdiction over non-tariff trade barriers generally—and my Committee plans to continue to exercise its jurisdiction over trade barriers to further the expansion of free and open foreign commerce.

Finally—and aside from the actual text of the Agreement—this implementing legislation offers an opportunity to show the people of the developing countries of Central America and the people of the world that when we speak of freedom and liberty and the importance of self-rule, we mean every word of it. The still-struggling, but nascent democracies of the DR-CAFTA countries need political stability to continue to grow. Economic stability and growth are important parts of that goal. Passing this legislation will help to tie these countries' futures to our own, and to reinforce our own democratic principles.

Mr. Speaker, I would again like to commend all the parties that made this Agreement possible, and to once again urge my colleagues to support unimpeded trade with foreign nations and to help strengthen economic and political stability in our hemisphere through the adoption of DR-CAFTA.

Mr. SHAW. Mr. Speaker, I yield 2 minutes to the gentleman from Kentucky (Mr. LEWIS), a member of the House Committee on Ways and Means.

Mr. LEWIS of Kentucky. Mr. Speaker, I rise to register my strong support for H.R. 3045. For too long, the U.S. has watched from the sidelines while other nations have traded in the global marketplace. Thanks to the leadership of President Bush and the chairman of the Committee on Ways and Means, the gentleman from California (Mr. THOMAS), we passed the Trade Promotion Authority Act in 2001. This important legislation allowed the administration to engage with other countries and find opportunities for U.S. companies to sell their products to new customers. DR-CAFTA is another step towards knocking down trade barriers and opening new markets for U.S. products. DR-CAFTA countries are the second largest U.S. market in Latin America.

The debate on CAFTA has gone on for a long time. Like many of my colleagues, I have reviewed a lot of information. The most important thing we must remember is that this agreement levels the playing field. Right now, nearly 80 percent of imports from the DR-CAFTA countries already enter the United States duty free. Again, 80 per-

cent of imports from CAFTA countries already enter the United States duty free. By leveling the field, we are opening markets to U.S. goods.

After passage, DR-CAFTA will immediately provide duty-free treatment to 80 percent of U.S. industrial products and 50 percent of agricultural products. This means jobs for U.S. workers and farmers. For the textile industry, DR-CAFTA will maintain the link between the U.S. and the region. Once passed, more than 90 percent of all apparel made in the region will be sewn from fabric and yarn made in the United States. This will allow the U.S. and the region to compete against China imports. As we heard earlier, China is a concern to some of my colleagues.

Finally, trade is key to freedom. By passing DR-CAFTA, we are making a firm commitment to the leaders of these Central American countries who are fighting corruption and supporting economic reform. President Bush has made DR-CAFTA his top priority. The U.S. Trade Representative has done an outstanding job in putting together this agreement, and Chairman THOMAS and Subcommittee Chairman SHAW have successfully moved the agreement through the legislative process.

Let us finish this job and pass CAFTA now, tonight.

Mr. RANGEL. Mr. Speaker, I yield 2½ minutes to the gentleman from North Carolina (Mr. JONES), a distinguished Member of the House and of the majority party.

Mr. JONES of North Carolina. Mr. Speaker, I thank the gentleman from New York for yielding me this time, and I am pleased and honored to be here to say it is time to defeat CAFTA.

This is not what we need for American workers nor what we need for those in Central America. I come from North Carolina, and I want to be on the floor tonight to speak on behalf of those 200,000 North Carolinians that lost their jobs because of NAFTA. I want to be on the floor to speak on behalf of the 2.5 million American workers that lost their jobs because of NAFTA.

NAFTA has been a failure for the American worker. Proponents of NAFTA promised that agreement would reduce illegal immigration in this country. Since then, 1993, Mr. Speaker, illegal immigration is up 350 percent. It does not work. CAFTA is NAFTA's ugly cousin. In fact, 85 percent of what is in the CAFTA bill is in the NAFTA bill. It is a cousin that is not very attractive at all.

Mr. Speaker, let me share with you and those on the floor tonight that I received a letter written to every Member of Congress from seven legislators, seven legislators from El Salvador, Nicaragua, Guatemala, and Honduras. Seven of these representatives, elected like we are by the people of those countries to speak out, have said that the CAFTA market has fewer than 9.2 million people who can buy U.S. goods. They say that this should be defeated.

Just a couple more points, Mr. Speaker. I want to quote from this letter: "Our countries want trade, but trade agreements like CAFTA that limit the possibilities for our countries to enact policies that will truly develop our economies and improve the lives of our people." This CAFTA bill will not help the people in Central America and will not help them in this great Nation of America.

I want to take one more moment, and then I will close. I think how sad it is that we have lost so many manufacturing jobs in this country. How can a Nation remain strong without a strong manufacturing base? I want to close by putting this out on the floor. How sad would it be if 15 years from now we have to order our tanks and planes from China, and then drape the coffins of our heroes who have died from this country with flags that say "Made in China," or "Made in Honduras."

Let us defeat this evil bill called CAFTA.

Mr. SHAW. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia (Mr. LINDER), a distinguished member of the Committee on Ways and Means.

Mr. LINDER. Mr. Speaker, I thank the gentleman for yielding me this time.

I was actually here when NAFTA was passed, and I voted for it. And I represented northeast Georgia, where all the textile mills closed over the next 10 years. When we voted on NAFTA, the unemployment rate was 6.0 in Georgia, and 10 years later it was 2.8. They did not have textile jobs, but they had jobs.

I spoke with President Clinton about it, and he said this is a jobs bill. And I said, Mr. President, this is not a jobs bill. Jobs come and jobs go. They go to cheaper fingers. It is a modest foreign policy agreement between two increasingly friendly countries that share a 2,000 mile border.

I actually own a plant in Mexico. You can pay them 58 cents an hour. But you pay them on Friday and they do not show up on Monday, and it gets very expensive as a businessman to rehire and retrain your workforce every Monday. So we now pay them \$5.50 or \$6.00 per hour, plus health care and profit sharing. And they are buying houses, planting grass, and buying American products. This is what happens in the world. You make their economy better, and they buy more American products. And we should continue to do that.

This is a modest foreign policy agreement between America and five countries plus the Dominican Republic that will make them safer and us safer in our hemisphere.

In one of the speeches that Chris Patton made, who was the last British Governor of Hong Kong around the time of NAFTA, he said "If a spaceship had come from some foreign galaxy and landed in the teepee huts of North America or the typhoid streets of London or the warring clans of France,

they would have concluded within a millisecond that China would rule the world for centuries. China had discovered gun powder, the printing press, and had a rich and engaging culture. And then she built a wall around herself and history told a different tale.

Free trade agreements are about tearing down those walls.

Mr. RANGEL. Mr. Speaker, I yield for the purpose of making a unanimous consent request to the gentleman from Michigan (Mr. KILDEE).

(Mr. KILDEE asked and was given permission to revise and extend his remarks.)

Mr. KILDEE. Mr. Speaker, I rise in strong opposition to CAFTA.

Mr. Speaker, I rise in strong opposition to the CAFTA.

My statement can be summed up in two words: job loss.

We are voting today on an outsourcing agreement, not a trade agreement.

If anyone here thinks that CAFTA will help our economy, they need to look at the report prepared by the international trade commission.

The ITC says that CAFTA would actually increase our trade deficit with Central America while benefiting our economy by less than one-hundredth of one percent.

This same report says that sugar, textiles, apparel, electronics, transport, coal, oil and gas industries will see job losses if CAFTA is approved.

And in the case of sugar farmers and workers—like the 5,000 in Michigan—the report says job loss will be 38 times that of other industries.

The sugar industry is a major economic driver in my district and state, adding \$525 million to the economy every year.

It's unbelievable that we are even here talking about destroying the lives of so many Michigan families, just so we can increase our trade deficit with Central America.

As a Nation, we need to get our priorities straight.

CAFTA's big brother, NAFTA, cost this country one million jobs.

And since NAFTA, our trade deficit with Canada and Mexico has increased by \$100 billion.

Why then, did U.S. trade negotiators use the NAFTA model to construct CAFTA?

I implore my colleagues to make a stand with me today to not make the same mistake we made with NAFTA.

Let's tell our constituents that their jobs are more important than big business panning for cheap labor. Vote "no" on the CAFTA!

Mr. RANGEL. Mr. Speaker, I yield 3 minutes to the gentleman from Washington (Mr. McDERMOTT), a senior member of the Committee on Ways and Means, and who, without his research and support, we never would have the Africa Growth and Opportunity Bill and who has worked on every trade agreement that we have passed in this House.

(Mr. McDERMOTT asked and was given permission to revise and extend his remarks.)

Mr. McDERMOTT. Mr. Speaker, a question you might ask tonight is: Why are we passing this Central American Free Trade Agreement?

Today, the President of the United States came up to the Republican caucus and someone reported to me that he made some statement equal to, we have had a marvelous year. Now, if you think about what has gone on in the last 6 months, you would have a hard time finding any marvelous year. I must have missed it somewhere.

Our trade deficit is as big as it has ever been in our history. So is this a fix for that? If we pass the Central American Free Trade Agreement, will that fix our problems in trade?

Let me put it in perspective for you. The combined economies of these six countries is \$85 billion GDP. That is equivalent to Tampa, Florida, and the neighborhood around it. That is what kind of place we are talking about. We are talking about a little bitty place.

Now, what do they have down there? Well, they have lots of poor people. Right? Good workers. Hard workers. A lot of them go to a lot of trouble to try to come up here and get into this country. And people wonder why? Well, it is because they are hard-working people. They are tough, they work hard, and they go through a lot of stress and strain. So if we can keep them down in their own country and keep them working down there where they do not have any laws and move our jobs down there to them, well, who wins in that?

I guess they get a 50-cent-an-hour job. That is a real improvement. With no protections, no guarantees from a union that they are going to have health care or education or worker safety or any of the things that our workers have in this country. But we have got a cheap workforce.

You heard the gentleman from North Carolina (Mr. JONES) talk about one of the underlying things here. One of the ideas about this bill is if we can keep them down there, they will not be coming in up here. We will stop that immigration. Let me tell you something, folks. It has not stopped it from Mexico. It is not going to stop it from Central America. These people know. They are not stupid. They may be poor, but they can figure it out. And they can figure out working for 50 cents an hour down there is not as good as coming up here and getting involved in even the most menial jobs in this country.

So what we are saying is we have negotiated a treaty. Did we negotiate a trade agreement with the workers? No. If you look at every single one of those countries, they are all the same. They have a very thin elite who control the whole country, and have for centuries. And all we are doing is giving them more power to work on their workers. That, in my view, is not fair to the workers, and it is not an honest way for this country to operate. We are setting no example for the world by keeping poor workers down.

Mr. Speaker, I rise in support of the American worker and American business, and the best way I can do that this week is to vote against CAFTA and I urge every Member to do the same.

We know better, it is as simple as that.

CAFTA is bad public policy that has no place in a 21st century global economy.

Free trade between the United States, and the Dominican Republic and Central America is vitally important, but it has to be fair trade and CAFTA does not measure up. We have known this about CAFTA for some time.

For over a year, the American people kept hearing that CAFTA was coming, but it never arrived. The majority didn't have the votes because they had not earned the votes—even within their own party—by floating a blatantly unfair agreement that fails repeatedly to make real gains and real change.

For over a year, Democrats and many rank-and-file Republicans repeatedly urged the majority to act like statesmen and not henchmen for the administration.

Instead, Republican leaders have chosen destructive confrontation instead of constructive dialogue. If their strong arm tactics succeed, America will have an unfair international trade policy that would not help Central America much and will harm America a lot.

The omissions are glaring in CAFTA—chief among them: environmental protection, worker rights, and fair policies that could benefit every American business, not just a few.

As the largest market in the world, United States international trade policy should be leading the world, not following special interests, which have only their own interests in mind. But that is not the case in CAFTA, which retains protectionist trade policies that benefit U.S. textile interests and no one else.

CAFTA represented a real opportunity for the United States to apply what we have learned—both good and bad—from NAFTA and all the other trade agreements implemented over the last decade.

In CAFTA, we could have supported American jobs and American companies. We could have led the region into creating real family wage jobs instead of any wage employment.

There is so much we could have done but what we have is a Republican majority attempting to export their philosophy of the Haves and Have-nots. "Greed is good" should not be the mantra that comes from CAFTA.

The United States and Central America need an honest trade agreement that represents the best of America and CAFTA doesn't come close. Vote to keep America as a beacon of hope and not a bastion of greed.

We need to renegotiate CAFTA and the first step in that process is to vote "no" on this hopeless, helpless, and hapless agreement.

Mr. SHAW. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Texas (Mr. BRADY), a member of the Committee on Ways and Means who has been very active in putting together this agreement.

Mr. BRADY of Texas. Mr. Speaker, I thank the gentleman for yielding me this time. In recent years, a bipartisan Congress, Republicans and Democrats together, has extended our trade hand to the Muslim people of Morocco, the sub-Saharan nations of South Africa, our Asian allies in Singapore, and Arab friends in Jordan. Why would we now refuse to extend the same hand of trade to our Hispanic neighbors in Central America?

This ought to be larger than raw partisan politics. This is a test of American leadership in a changing world. We

cannot claim to be fighting for American jobs yet turn our backs on 44 million new customers in Central America, already the tenth largest buyer of America's goods and services, when much of the world has firmly posted "America need not apply" signs on their markets.

We cannot claim to be serious about winning the textile war against China if we turn our back on the partnership with Central America where our textile workers in America and Central America can compete and win against the surge of China's imports.

□ 2115

And we cannot claim to be the world's beacon of freedom if we turn our back on Central America, a region which 20 years, amid civil war, chose the values of freedom and democracy, and, to their credit, have made absolutely remarkable progress in free and fair elections, rule of law, human rights, labor rights, and environmental protections.

Central America has painfully pulled itself up the ladder of democracy. Rather than kick them back down as opponents suggest, we ought to continue to extend our hand of trade to help them pull themselves up even further.

America must not retreat or disengage. We must not abandon our commitment to democracy and human rights in our hemisphere. We must continue to stand for economic opportunity at home and abroad. This Central American trade agreement is a test we cannot fail.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Idaho (Mr. OTTER) on the other side of the aisle.

Mr. OTTER. Mr. Speaker, in my other life I was a salesman. As a salesman, I negotiated a few trade agreements, trade agreements between my potato company in Idaho and McDonald's all over the world; in fact, 82 foreign countries.

I would venture to say that I could challenge anybody on this floor that I sold more potatoes, more French fries, more product for more money than probably anybody else in the United States Congress. So let me come at this from a little different perspective, and the reason I want to come at it from a little different perspective is because I cannot flimflam. I cannot overpromise and underdeliver hoping that people will forget in a couple of years, a la NAFTA.

Mr. Speaker, when I was working, my boss said, you come home with an order, you come home with an agreement, you get an agreement from somebody, you better perform on it.

So I would do this tonight, Mr. Speaker. I would tell Members, everybody that wants to adopt this agreement, put your job on the line. If in 2 years all of the things that you say are going to come true do not come true, quit. Quit the United States House of

Representatives, because, my friends, you are the salesmen for the United States.

If you want to stand behind this trade agreement, you go ahead. But I am not; I would not risk, if I were you, your job on this, because as Patrick Henry said, I have been one lamp that guides my path into the future, and that is the lamp of experience.

We have experienced NAFTA. And by the way, as we stand on the shoulders of those Founding Fathers that built the very foundation of philosophy and politics that we stand on today, let me also quote George Washington who said, If to please the people we promise that which we ourselves disprove, how will we later defend our work?

You will not be able to defend your work, folks. Give it up.

Mr. SHAW. Mr. Speaker, I guess that challenge would go in both directions.

Mr. Speaker, I yield 2 minutes to the gentleman from Indiana (Mr. CHOCOLA).

Mr. CHOCOLA. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, we have heard a lot about manufacturing jobs and about the trade deficit tonight. I think we will probably hear more.

As one of the very few Members of this body who actually spent my entire adult life in manufacturing, I rise in strong support of DR-CAFTA. The reason I support it is because during my business career, I learned a couple things. One of the first things I learned is that when you are trying to export your goods outside the United States, no tariffs is a good thing. When you do not have to pay tariffs for your products you are exporting, you are more competitive, you sell more of your products, and you create more jobs.

The other thing I learned is that in business you have to make your decisions based on facts. If you make your decisions based on rhetoric, you will go out of business pretty darn quickly. When it comes to the trade deficit, the facts are that 82 percent of our trade deficit comes from countries we do not have trade agreements with. Thirty percent of our imports come from countries we do have trade agreements with, while 40 percent of our exports go to countries we do have trade agreements with. And 96 percent of the world's consumers are outside of the United States.

Mr. Speaker, the facts are if we are serious about creating jobs, if we are serious about reducing our trade deficit, we must tear down trade barriers and give American companies access to the world's consumers, and that is exactly what DR-CAFTA does. I urge all of my colleagues to support it tonight.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. BECERRA), someone who has studied and is very familiar with this legislation.

Mr. BECERRA. Mr. Speaker, President Reagan said it best: Trust, but verify. On CAFTA, that is all we are

asking. I think most of us believe that the Central American governments want to prove that they can play by the rules in the international marketplace, but before we agree to open up America's markets, and that means America's jobs, to fierce competition, we must know that the rules will be followed and enforced. Trust, but verify.

An agreement that merely says enforce your own existing laws fails President Reagan's test. The truth is if the American public knew that we were about to open up America's markets to further international competition based solely on the good faith of our competitors, they would run us out of Washington. Just as no consumer today would buy or sell a house on a handshake, neither should we open our markets with one.

When we shook hands with China and allowed them to receive favored-trading status with America, did we expect that they would respond by pirating America's goods or by paying industrial wages of 60 cents an hour? That is the kind of cutthroat competition that CAFTA will permit, but this time that kind of distorted competition will live and breathe in our neighboring Central American countries, not 6,000 miles away. Will the Central America countries feel the pressure to trade under America's standards or China's standards?

Mr. Speaker, no one wins in a race to the bottom. The vast majority of people in the Central American countries, the workers, the farmers, the small merchants, would not win, and certainly U.S. businesses will not win in the long run.

Mr. Speaker, it is better to lift all boats so we can trade as partners and as equals. I recognize the importance of trade in our hemisphere. I have supported every piece of legislation for every trade agreement that has come before me in my 12 years in Congress. Regrettably, this is not a trade agreement I can support. It does not reward work in America or Central America. It is not an agreement that deserves our vote. Vote "no" on CAFTA.

Mr. SHAW. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin (Mr. RYAN), a distinguished member of the Committee on Ways and Means.

Mr. RYAN of Wisconsin. Mr. Speaker, I have been sitting listening to this debate, and there are some points that are being missed. Everybody says we should not open our markets to Central America. They are already open to Central America. We already gave them free access to the American market.

Everybody says this is going to encourage companies to relocate to Central America. That is what we are doing today. The current system is an incentive to relocate because right now an American company can move to Central America, build their equipment or product there, and bring it back tariff free to the United States.



Right now if we want to sell a product into these countries, we have to build it there. We have to relocate jobs there if we want to sell it there in order to avoid these tariffs.

Mr. Speaker, what this simply does is open up their markets as we have opened up ours to them. It takes a one-way trade agreement and makes it a two-way trade agreement because we are already giving them free and fair access. That is what I call fair trade, having them treat us as we treat them.

Look at what it does in just my own State of Wisconsin. The corn tariffs, our tariff on corn, 35 percent; tariff on their corn, zero. That goes to zero tomorrow if this passes.

Tariff on American soybeans going into the CAFTA countries, 20 percent; tariff on theirs coming here, zero. Our tariffs goes to zero tomorrow.

Manufacturing goods, most of our products in the State of Wisconsin that are exported is our manufacturing sector. This takes those manufacturing tariffs and drops them so we can export more manufacturing goods and keep these jobs in Wisconsin. This is good for our States. This is good for our economy.

I heard Members say it is bad for labor. Most Republicans and Democrats voted for the Moroccan trade agreement. This is even stronger than that Moroccan trade agreement. This is the strongest labor agreement of any trade agreement that we have brought to this floor to date.

Mr. Speaker, lastly, it is no secret the antidemocracy movement is trying to stop this. Let us strike a blow for democracy and help these fledgling democracies and pass this bill.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. PAUL).

Mr. PAUL. Mr. Speaker, I thank the gentleman for yielding me this time.

I rise in strong opposition to this legislation. As many Members know, I frequently vote no in this House because I have a very strict rule. The rule is I look to Article I, section 8 for authority. Article I, section 8 gives very precise items that we have authority over. One is foreign commerce. We, the Congress alone, have authority over regulating foreign commerce.

This bill is a violation of that provision in the Constitution. We as a Congress have done something over the past several years that is unconstitutional in transferring this power first to the President and then to an international bureaucratic agency. This is wrong. It is not practical. It is not beneficial, it is unconstitutional, and it is a threat to our national sovereignty.

Members say it is not a threat to our national sovereignty and that we can veto what they tell us to do; but it does not happen that way. If we were interested in free trade, as the pretense is, you could initiate free trade in one small paragraph. This bill is over 1,000 pages, and it is merely a pretext for free trade.

At the same time we talk about free trade, we badger China, and that is not free trade. I believe in free trade, but this is not free trade. This is regulated, managed trade for the benefit of special interests. That is why I oppose it.

There is one specific provision in this bill that bothers me a lot, and that has to do with the Codex Alimentarius. These are rules and regulations written by the WTO, accepted by the European community, and it is specifically mentioned in this bill in chapter 6, paragraph number 6, and it talks about a forum where you can come and complain about regulation on vitamins and nutritional products.

If Members are interested in freedom to buy vitamins without going to a doctor for a prescription, you have to vote against this bill. If you want international harmonization of nutrition and vitamins, you can vote for this bill, but I am opposed to that, and most Americans are as well. Vote no on this legislation.

Mr. SHAW. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I will supply to the gentleman who just left the well the case number of the case which settles this. This is certainly within the bounds of the Constitution.

Mr. Speaker, I yield 2 minutes to the gentleman from Indiana (Mr. BURTON).

□ 2130

Mr. BURTON of Indiana. Mr. Speaker, I would like to talk to my colleagues who were here back in the early to mid-1980s, some of the older gentry in this body. Do you remember when we saw the Contras and the Sandinistas fighting and the bodies in the streets of Nicaragua, Managua? Do you remember all the wrangling that went on in this place because of the war down there? Do you remember the FMLN in El Salvador and the killing that went on down there?

The same people that were involved in the leftist movements down there that Fidel Castro was supporting, the Communists down there that Che Guevara was supporting are the same people that are opposing CAFTA today because they believe in a different form of government and a different approach to government. The Sandinistas are opposed in Nicaragua to CAFTA. The leftists throughout Central and South America are opposed to CAFTA because they do not want free enterprise to flourish down there. They do not want trade to flourish.

I would like to say to my colleagues tonight, look back at history. It is extremely important that you think about not only trade, but the security of the United States and immigration. When the wars broke out in Nicaragua and El Salvador, there was a massive migration of people to the United States. Go to Miami today. There are a lot of people who illegally came into this country from El Salvador and Nicaragua because they were fleeing the war down there. The people who

could not afford it came up through Mexico and started coming across the border.

I submit to you tonight if we do not pass CAFTA and help stabilize those fledgling democracies and deal with the poverty problems down there, that we are going to have more wars down there, we are going to have more civil disorder and insurrection. There are governments down there that are trying to undermine fledgling democracies with their largesse, and they are going to continue to do it. What we have to do to combat that, in my opinion, is to support CAFTA, support trade, which will create more jobs down there and create an economy that will keep people at home and stop massive immigration into the United States. If we do not, in my opinion, there will be wars there, there will be massive immigration, and the security of the United States as well as the immigration problems will increase.

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume.

The gentleman from Indiana is really so entertaining. After he got past Fidel Castro, I was ready for Osama bin Laden and Saddam Hussein. Now that you mention it, I think we ought to have a search for weapons of mass destruction. I do not know how short you are on votes, but I want the gentleman to know, I appreciate his edification of how serious it can be. The Communists can come back.

Mr. BURTON of Indiana. Mr. Speaker, will the gentleman yield?

Mr. RANGEL. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. I love you, man. You know that. But I have got to tell you, the Sandinistas and the leftists in Central and South America are against this for the reasons I stated. If you really believe in stability in our hemisphere, and you do not want to see more conflict and massive immigration, this is a good vehicle to vote for. And I love you, man.

Mr. RANGEL. You have access to secret information from what I read in the paper, so be careful what you say because you may have to go to Niger.

Mr. Speaker, I yield 2 minutes to the gentlewoman from Ohio (Mrs. JONES), a member of the committee.

Mrs. JONES of Ohio. I would like to thank the gentleman from New York for this opportunity to be heard.

Mr. Speaker, I rise today against CAFTA because the agreement not only lacks significant labor protections for workers in the CAFTA countries, but also lacks necessary support for American workers. Charity begins at home. Let us not talk about our neighbors' workers. Let us talk about our own workers. With international trade comes economic pain.

The United States has lost 2.8 million manufacturing jobs since January 2001. In Ohio, we have lost 200,000 jobs. Past administrations and Congresses have acknowledged a relationship between international trade and domestic job

losses by having created the Trade Adjustment Assistance program in 1962 and subsequently expanding it. The program assists workers who have lost their jobs due to international trade by extending unemployment compensation and providing job training. Training is arguably the most important TAA component, as education and learning new skills is essential to finding a new job.

During the Ways and Means Committee markup, I introduced an amendment that addressed that problem in order to keep up with worker demand. Unfortunately, that amendment was rejected. Additionally, during CAFTA markup, the Senate Finance Committee adopted an amendment that would have expanded TAA. Unfortunately, that provision was stripped from the CAFTA legislation. So right now there is nothing in TAA or in this final CAFTA legislation to assist American workers that have lost their jobs. Even a provision that Chairman THOMAS originally included in the bill is stripped from the legislation. That study would have looked into whether TAA should be expanded as a result of any negative effects of CAFTA.

So I ask, where is the commitment to the American worker in the CAFTA bill? NAFTA, CAFTA, SHAFTA for American workers.

Mr. SHAW. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. OXLEY).

Mr. OXLEY. I thank the gentleman for yielding me this time.

Mr. Speaker, I am pleased to rise in support of this trade agreement. This has enormous upside potential for financial services. As chairman of the Financial Services Committee, we have studied this issue at great length. The opportunity for American financial services companies to provide services in the DR-CAFTA region is truly a unique opportunity for those companies. We would be foolhardy if we were to ignore the opportunity for a two-way street in providing those financial services.

Let us review the bidding. The Caribbean Basin Initiative essentially was a one-way street. That is going to expire. This is an opportunity for American companies, financial services, manufacturers, farmers, to be able to introduce their products to these markets. Currently over 80 percent of the exports that come in from the Caribbean countries come in duty free in this country, unlike some of the rules that restrict our ability to do that in that region.

This is a huge opportunity for my home State of Ohio, whether it be manufacturing or whether it be agriculture. It is easy to talk about job losses, but the idea is to actually improve the opportunity to expand exports into these countries. This Congress time and time again has approved free trade agreements, with Australia, with Chile, with Morocco and other countries, on a large bipartisan major-

ity. Why would we ignore the opportunity in our own backyard to improve the markets and to improve the ability of our exporters to penetrate those markets when we are doing the same for other countries throughout the globe? This is an incredibly important statement. Let us support this free trade agreement and move on.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from North Dakota (Mr. POMEROY), an outstanding member of the Committee on Ways and Means.

Mr. POMEROY. Mr. Speaker, I represent the family farmers of the Red River Valley. They are descendants of the families that broke the prairie of the northern plains and are now raising sugar beets as part of an industry that they have grown with their own sweat and tears. This industry from the farmers to the workers in the processing plants today amounts to an economic impact of \$2 billion to \$3 billion and nearly 30,000 jobs in our rural region alone.

The CAFTA deal places all of this at risk. It allows sugar to pour in from the CAFTA countries whose wages have no relation to ours, and whose environmental protections in their plants are all but nonexistent. That is just the start, because this will serve as a precedent for any number of trade deals with sugar-producing countries to follow.

Some supporters argue we should not even have a domestic sugar industry anymore, that these farms and these jobs should be sacrificed at the altar of free trade just like so many jobs that have been lost in the flawed trade deals that have gone on before. We are now at the deepest trade deficit in the history of our country. My colleagues, this year we are on track to import more food than we sell. The United States of America. A net food importer.

This has to end. When will it end? When will we decide U.S. jobs are worth fighting for and that the economic hopes and dreams of our families are what we ought to be representing? It should end tonight. Tonight we stand for our constituents, their jobs, their lives, their hopes and dreams of a better life. Tonight we need to defeat this bad trade deal. Let us win one for the American people. Vote "no" on CAFTA.

Mr. SHAW. Mr. Speaker, I yield 2 minutes to the gentleman from Arizona (Mr. KOLBE), a great advocate of free trade.

Mr. KOLBE. I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in strong support of the Central American Free Trade Agreement. CAFTA is a little trade agreement with small economic consequences for our country, but it is a huge national security issue with enormous implications for our entire foreign policy. With CAFTA, we can close the book and forever put the decade of the 1980s behind us, or we can start at

the beginning and relive the nightmares of earlier chapters in U.S. relations with Central America.

In a single generation, Central America has been transformed from a region of conflict, instability, and authoritarian regimes to a region of peace, emerging democracies, and growing prosperity.

Today we cast our votes for more than a trade agreement. We are voting for an initiative that will strengthen democracy and promote prosperity in our hemisphere. It is a vote that will have enormous consequences for U.S. national security, because without economic growth and opportunity for the nations and people of Central America, the U.S. will inevitably be confronted with growing political instability and social unrest in our own backyard. Deprive Central America of economic opportunities, and we run the risk of a return to authoritarian regimes and a rising tide of illegal immigration from people without jobs and without hope.

None of us want to return to the dark days of the 1980s when the Sandinistas and the rebel groups prospered from economic policies that left people desperate for a better life, but no one stands to gain more from the defeat of CAFTA than President Hugo Chavez of Venezuela. Fueled by \$100 million each day of oil money, President Chavez is already meddling in Central American affairs and would like nothing more than to pick up the pieces of an economic policy in a region shattered by the defeat of CAFTA. The Washington Post editorialized that Mr. Chavez has spread his money around the region, sponsoring anti-American and anti-democratic movements and promoting alternatives to U.S. initiatives.

Those in opposition say CAFTA will increase poverty, spur immigration, ruin the environment, and exploit workers. Nothing could be further from the truth. Certainly CAFTA does not fix all the problems facing Central America, but increased economic integration can only add jobs and help alleviate poverty, reduce the flow of migration northward, and make our region more competitive in world markets.

Mr. Speaker, let us turn the page and write a new chapter of partnership with the peoples and the countries of Central America. I urge an "aye" vote.

Mr. RANGEL. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio (Mr. BROWN), who has worked very hard in trying to perfect this legislation.

Mr. BROWN of Ohio. I thank the gentleman from New York for yielding me this time.

Mr. Speaker, I have been privileged to work closely with dozens of Democrats and Republicans in building a strong coalition against the Central American Free Trade Agreement. I would like to thank the gentleman from North Carolina (Mr. JONES), the gentleman from Idaho (Mr. OTTER) and their staffs for their outstanding efforts in helping to build this coalition.

I thank the gentleman from New York (Mr. RANGEL), the gentleman from Michigan (Mr. LEVIN) and the gentleman from Maryland (Mr. CARDIN) for their leadership, as well as Tim Reif and Julie Herwig and, in my office, Joanna Kuebler and Brett Gibson for their outstanding work. A special thank you to the members and staff of the CAFTA whip operation, a grassroots bipartisan operation numbering literally in the hundreds, made up of Members and staff on both sides of the aisle.

□ 2145

CAFTA faces broad and deep opposition because it was crafted by a select few for a select few. More than 200,000 Central Americans have protested the Central America Free Trade Agreement. In the United States, thousands, literally thousands of Democrats and Republicans, business and labor groups, small manufacturers, family farmers and ranchers, religious leaders have called on the administration not to reject any CAFTA, but to renegotiate this Central American Free Trade Agreement. We do want trade with Central America, but we want a trade agreement that deserves to pass Congress based on its merits.

CAFTA supporters have resorted to toothless side deals and strong-arm tactics. Late last week, a CAFTA supporter and member of the congressional leadership said they would win this vote by twisting arms until they break in a thousand pieces. By twisting arms until they break into a thousand pieces. When facts fail, they twist arms. They make deals. They buy votes.

The CAFTA debate is not a Democrat or Republican issue. The call to renegotiate crosses party lines and ideologies, as we have seen tonight. Tonight's debate is about social and economic responsibility to our families in this country and our communities and our trading partners abroad. This agreement is about U.S. companies moving plants to Honduras, outsourcing jobs to El Salvador, and exploiting cheap labor in Guatemala. It is not about lifting up standards in the developing world. It hurts our families in this country. It does nothing for the Dominican Republic and the five Central American countries.

Mr. Speaker, when the nations' poor can buy American products, not just make them, then we will know finally that our trade policies are succeeding.

Mr. SHAW. Mr. Speaker, I yield 2 minutes to the gentlewoman from Florida (Ms. ROS-LEHTINEN), who knows what it is like to lose freedom in her native country.

Ms. ROS-LEHTINEN. Mr. Speaker, I thank the gentleman from Florida for yielding me this time and for his great leadership on this important issue.

America is the beacon of hope, the beacon of freedom and hope and opportunity for so many people. It was the beacon of hope and opportunity for my

family when we came over from Cuba. America spreads democracy to every corner of the world. We stand firm in the belief that every person is entitled to the freedom that we in the United States are so fortunate to enjoy. Open trade and free markets with democracies play key roles in sustaining that vision.

This House tonight will demonstrate our unwavering commitment to the spread of democracy by passing CAFTA. Some countries in this region were riddled with internal strife and political instability. I know. I represent many of those people who escaped from that internal strife in their countries. Although many of them have traveled a long way toward democracy in their homelands, now their homelands have arrived. They have democracies, and they are flourishing. But they need our help.

CAFTA will be a critical tool in maintaining this momentum towards a prosperous future. Not only will it promote expanded development and openness in the region; CAFTA will also create new opportunities, economic opportunities, jobs and growth, by eliminating tariffs, by promoting transparency, and by opening markets to U.S. products going abroad.

We have a commitment to work together to promote civil society, the rule of law, and to spread democracy throughout the world; and CAFTA-DR will help us achieve that commitment.

(The gentlewoman from Florida spoke in Spanish.)

Mr. RANGEL. Mr. Speaker, we are privileged on this side to have someone who is very familiar with that area, who worked hard and became a Member of this body.

Mr. Speaker, I yield 2½ minutes to the gentlewoman from California (Ms. SOLIS).

Ms. SOLIS. Mr. Speaker, I thank our ranking member for yielding me this time, and I thank the Members in the House tonight.

I have to tell the Members that, as a proud member of Congress, the only Member of Congress of Nicaraguan descent, I am proud to say that my mother just returned from Nicaragua. The news was not a happy sound at all. Poverty, yes, is very bad. The people there are looking for leadership in the U.S. House of Representatives. They are asking us to vote down CAFTA because they know that the government there does not realize that the people there have been suffering for over 40 years. And to this day, they are looking for Members in the House to provide support so that people there can have dignity and respect.

Why is it that we can pass an agreement like this that does not allow for people in those countries, in El Salvador and Nicaragua and Costa Rica, to collectively bargain? Why is it in El Salvador two people who were trying to organize were shot to death in front of their houses? Why is it that we have to stand up and allow for that disgrace

to occur when this country is so rich and so wealthy that we cannot provide other types of aid and assistance so that people can be empowered to do what they choose to do, to build their houses, to have dignity, to have health care?

What we are doing and are proposing tonight is that the pharmaceutical companies would take away very important medical assistance to people who are dying of HIV and AIDS in Guatemala. How dare we decide the destiny of people in Guatemala by saying we are going to raise the price of medicine for them and for their children. Yes, they are going to want to come to this country because do the Members know why? We are cutting them off at the knees.

And as a proud member of the Hispanic Caucus, 14 members, a majority of that caucus, voted against DR-CAFTA.

We need to go back to the table. We need to have more transparency. We need to stand up for those young women who are going to be drawn into those jobs, who are going to be abused, who are currently being abused even in Mexico.

I would just like to tell the Members that in Mexico, where my father was raised, in the area of Ciudad Juarez, the people who were attracted to those jobs were ages 14 to 20 years old. These are young women who were drawn into the maquiladores. They are the same type of individuals that we have drawn into these types of factories that will work in El Salvador and Nicaragua. Right now there are some free trade zones there. The people that I see lining up for those jobs are 14 and 16 years of age, working 12 hours a day, in an encampment where they are not even allowed to go to the restroom without having permission.

We do not need DR-CAFTA. Please vote for humanity, for respect for the people of Latin America and Central America. I stand tall with the Democratic Party.

Mr. SHAW. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would say to the gentlewoman in the well that this bill contains an unprecedented amount of capacity-building in which we will give assistance to these countries to enforce their own labor laws, more than in any other bill that has ever come to the floor of this House. Also, the enforcement provisions are within the trade bill itself.

Mr. Speaker, I yield 1½ minutes to the gentleman from South Carolina (Mr. INGLIS).

Mr. INGLIS of South Carolina. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I had real doubts about CAFTA as it started. In particular, representing a textile district, there were three specific concerns. And the very exciting thing is that this House really went to work to fix those. I am looking at the gentleman from California

(Chairman THOMAS), who has worked very hard with us, along with Rob Portman, USTR, to address those concerns.

Three of them: one was pockets and linings. That is important only if one comes from a district that makes pockets and linings, I suppose. Another was Mexican cumulation. And then a third was the Nicaraguan TPL.

In working through Rob Portman's office and through the chairman, we were able to get some progress on those, some commitments for some supplemental agreements, some implementation agreements that will address those concerns and go a long way toward fixing the problem in the textile world.

It is not perfect. There are some still in textile districts that are not sure. But I stand here tonight certain that CAFTA is a wise Western Hemisphere strategy. I stand here convinced that it is the best strategy available to combine with our neighbors to the south to compete with the Chinese. If I am concerned, and I am concerned, about the future of the textile industry in competition with China, the best way that I see to fix that is to combine with our neighbors to the south. So I particularly call on those from textile districts to consider is there a better strategy.

This is the best strategy available. Let us vote for CAFTA. Let us pass it and get on with this good strategy.

Mr. RANGEL. Mr. Speaker, I have been reminded by staff that the Costa Rican Government has not approved of these changes; but since they are merely side agreements, I guess that means it is on the side.

Mr. Speaker, I yield 1½ minutes to the gentleman from Texas (Mr. DOGGETT), a distinguished member of the Committee on Ways and Means.

Mr. DOGGETT. Mr. Speaker, it is possible to enjoy the many benefits of trade extolled here tonight without having a race to the bottom on working conditions. It is possible to enjoy the benefits of expanded trade without endangering our environment. It is possible to enjoy trade without yielding our sovereignty by granting foreigners more legal rights than Americans will have under this agreement—special preferences that these foreigners can use to undermine our health and safety laws. It is possible to have a modern 21st-century trade policy, which recognizes that we cannot measure the benefits of trade solely on how many widgets move across the border while forgetting what happens to the workers and the air we breathe and the water that we drink.

But it is impossible to accomplish any of this when the negotiators for our side come from an administration that cares as little about workers in America as those in Honduras, an administration that views the environment as just something to exploit.

I am against CAFTA because, basically, I am against protectionism. I re-

ject an administration that protects polluters, that protects corporate wrongdoers, that protects those who think that arrogance alone can represent an effective foreign policy. I am proud to stand with the NAACP and LULAC and the League of Conservation Voters and so many Americans, who say we need a new trade policy, not yet another failed foreign policy from a narrow-minded administration.

Mr. SHAW. Mr. Speaker, I yield 1½ minutes to the gentleman from Michigan (Mr. KNOLLENBERG).

Mr. KNOLLENBERG. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I think everybody knows. They have heard quite a bit this evening.

Trade adds growth, generates more jobs, and raises our standard of living. Passing CAFTA—DR will bring more of these benefits to our economy.

Let us be very clear: it will. This is a big deal for America.

We already have a trade agreement with the CAFTA—DR countries. It is just not good enough. It is only one way. Currently, 80 percent of their exports come into the U.S. duty free. In fact, about 5 years ago, 309 Members of this House voted in May of 2000 to unilaterally cut and eliminate our tariffs on their goods to help their economies. And I have the list, 183 Republicans and 126 Democrats.

Tonight, those same Members can now vote in favor of this trade agreement which will eliminate their tariffs on our goods and help our economy. And then when this agreement goes into effect, 80 percent of our manufactured exports and 50 percent of our agricultural exports will be immediately duty free. The rest will be phased out over 10 years.

I do not think we can ask for a better deal, and it is about time we evened the score. The facts are clear. CAFTA—DR is a great deal for America.

By the way, I have those results, if anybody is interested, of the vote 5 years ago.

□ 2200

Mr. RANGEL. Mr. Speaker, I yield 2 minutes and 10 seconds to the gentleman from Ohio (Ms. KAPTUR).

Ms. KAPTUR. Mr. Speaker, I thank the esteemed Ranking Member from New York (Mr. RANGEL) for granting me this time.

I want to begin by saying, Mr. Speaker, that DR—CAFTA will give us more of the great sucking sound that we said NAFTA would accelerate, and, indeed, it did; 1 million more lost U.S. jobs, worsening squalor in Mexico, huge trade deficits with Mexico and Canada, as we predicted would happen.

I urge those who have been offered a deal tonight for your vote not to trade your conscience for a deal.

If you think about this, American icon companies leaving our country are—just a month ago, Brunswick Bowling Balls left Muskegon, Michi-

gan, adding to this trade deficit, taking 115 more jobs; and then last week from Nashville, Louisville Ladder Group, 110 more lost jobs; and then this week a Kansas radiator company leaving announced it was leaving for Mexico. These jobs go to places where working conditions are abominable, as the gentlewoman from California (Ms. SOLIS) has so well documented tonight. Sweatshops rule the day.

CAFTA will fuel more such trade deficits as with Mexico, more illegal immigration as people, desperate, try to find some type of refuge north. We know illegal immigration has doubled just since NAFTA passed. We know CAFTA will increase drug trafficking, sexual harassment of women in the workplace. Environmental conditions will worsen. CAFTA will keep Central American workers in sweatshop conditions by rolling back enforcement provisions of the Caribbean Basin Initiative, CBI. Indeed, the administration has cut the U.S. contribution to the International Labor Organization for child labor enforcement by 87 percent. What kind of commitment is that?

CAFTA will regress democratic reform in the countries where our Central American neighbors live.

Your conscience should not allow you to vote for this flawed approach that will bring lower wages and benefits, exploitation and hardship to individuals in our country and our sister nations, where full liberties do not exist. Our policy should be free trade among free people.

Mr. SHAW. Mr. Speaker, I yield 2½ minutes to the gentleman from Michigan (Mr. HOEKSTRA).

Mr. HOEKSTRA. Mr. Speaker, today we have an historic choice to make. It is a choice to unite America and our partners in Central America and the Caribbean in the continued march for progress and democracy, or a choice that pushes them into the arms of Bolivarian socialism, the clutches of Venezuela's Hugo Chavez and Cuba's Fidel Castro.

Mr. Speaker, if we fail to pass DR—CAFTA, then we will potentially undermine the stability of our regional democratic allies across Central America and the Caribbean Basin. Worse, we will open the door for the Venezuelan-Cuban alliance to fill the vacuum created by our failure to construct an economic security partnership with Central America and Caribbean democracies.

This weekend I had 300 pages translated for me to see what the people or the governments in Venezuela and Cuba were saying about this agreement. Castro and Chavez want to defeat CAFTA. I encourage my colleagues to go to the Web page, read the agreement between the President of the Bolivarian Republic of Venezuela and the President of the Council of the State of Cuba for the implementation of the Bolivarian alternative for the Americas. They have an alternative vision for Central and South America

and the Caribbean, and it does not include the United States. Read this agreement and see where they are headed. Read their documents. Venezuela, politics of oil and energy.

The sixteenth World Youth and Students Festival is going to meet in Caracas, Venezuela, August 7 to August 15. Here is what they have to say: Venezuela has the potential to become a center of resistance to imperialist intervention in Latin America. Holding the festival there will be a strong answer of the progressive youth of the world to U.S. imperialism designs to pacify working people in Latin America. Where has the youth conference been held before? In 1947 it was in Prague, 1949 in Budapest.

Now is the time to stand with our allies in Central America. In the war on terror, they have been there with us. Four of these countries have sent troops to Iraq. All six of these countries are part of the coalition to defeat terrorism. Build the relationships with these countries who have stood with us. This is a good agreement. Let us move forward, and let us vote "yes" on CAFTA.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Alabama (Mr. DAVIS).

Mr. DAVIS of Alabama. Mr. Speaker, I thank the gentleman from New York for his leadership on this issue.

Let me begin with an image the President of the United States laid out before us. In his inaugural address very close to where we stand today, the President said that we have the capacity as a superpower on this planet to change the world, to reform it, to make it a better and more democratic place.

I wish that with respect to this debate, I say to the gentleman from New York, that those same values and that same vision had been brought to the floor, because the reality is that, as one who believes an American power can make a difference, this agreement is a missed opportunity.

Instead of taking these nations that struggle so much day in and day out, instead of challenging them to move to a better place, we gave up and we accepted the status quo. And one of the cruelest and strangest arguments, I say to the gentleman from New York, that I have heard tonight is that somehow we are not standing by these countries if we defeat this agreement.

What a bizarre, upside-down world we would have, Mr. Speaker, if we think that we are standing by these countries when we are not standing by the millions of children between the ages of 5 and 14 who got up to go to work this morning, will get up to go to work again tomorrow morning. What a strange and bizarre world if we think we are standing by these countries when we cannot stand by the dignity of their women. And what a strange and bizarre world if we think we stand by these countries when we do not stand by their voiceless and by the people who work and who are shot down in

fire because they speak up for their political rights.

For the Republicans and the conservatives who support this agreement, if you believe in what your President said, if you believe that the superpower has the capacity to help remake this world, then let it begin in Central America, and let it begin by pushing these nations to do better.

The final statement I will make is that this is a values statement. We hear the word "values" in this Chamber a lot. Well, the strongest value is what we take of our conscience and how we extend it to other people. A value is whether or not we push others to do better, and we fall short on the value scale tonight.

Mr. SHAW. Mr. Speaker, I yield 2 minutes to the gentleman from Colorado (Mr. BEAUPREZ), a valued member of the Committee on Ways and Means.

Mr. BEAUPREZ. Mr. Speaker, I thank the chairman of the Subcommittee on Trade for yielding me this time.

After what we just heard from the gentleman from Alabama, I simply have to respond. We had a meeting, we members of the Committee on Ways and Means had a meeting with the six economic ministers of these countries, and I have to tell the Members of this body that it was those ministers who sat in front of us and begged us, be our economic mentor, be our political mentor. Help us as developing countries to become like the great country of the United States of America. They held their hand out.

I have heard all night long about phantoms and ghosts and about how terrible things are going to happen if the United States of America, the greatest country on God's green Earth, would not reach out and grasp a hand that is reaching toward us. How in the world can we leave an empty hand? How can we spit in that very hand and say, no, you are not worthy somehow to participate in the freedom, in the dream that we as United States citizens have?

It says right up there, "In God We Trust," and we ask God to bless us, and God has blessed this Nation. We are the greatest Nation on God's green Earth, and it is nations like the United States of America that are good neighbors. This is a good neighbor trade agreement. Neighbors help neighbors. This is a chance to do the right thing.

Mr. Speaker, I have heard all night long, I have heard all night long about the horrors that are going to happen. You can go looking, when you get up in the morning, you can go looking for reasons to not do something. I was raised by a guy who got up in the morning and looked for reasons to do something, to show up.

This is a bill, this is a trade agreement that allows us to do the right thing, to do the right thing for American workers, because the day it is signed, \$1 billion worth of tariffs, like an anvil around their neck, goes away.

I was in the farming business. I know what competitiveness is about. This will make our workers more competitive. This is good for America, and good for our friends in Central America. Let us support CAFTA. Let us do the right thing.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Tennessee (Mr. FORD).

Mr. FORD. Mr. Speaker, I thank the gentleman from New York for yielding me this time.

I have voted for every trade agreement, I say to the gentleman from California (Mr. THOMAS), that has come before this Congress; all the ones that have been listed tonight. I was not here when NAFTA passed, my dad was, but I probably would have voted for it had I been here. Large employers and others in my district and farmers all across my State benefit when markets are open.

But I ran into a problem not long ago. I was traveling through a little area, and, as a matter of fact, the son of this mayor in Crossville, Tennessee, came to me today, Mayor Graham's son, and I ran into a lady who was there with her daughter and granddaughter. Now, the grandmama had just lost her job from a little company called Mallory in Crossville. She is about, almost 60 years old. The daughter is a middle school teacher, eighth grade teacher, and the 11-year-old granddaughter is going to sixth grade.

I felt bad for the grandmother, and I felt okay for the mom, because she had a job. The grandmother worked almost 30 years. But I felt worse for the 11-year-old, because I think about all of these trade agreements and trade policies, and I got to tell you, I like the idea of us being able to sell goods anywhere.

I come back to what the gentleman from Idaho (Mr. OTTER) said a little while ago here. I do not know what to tell the 60-year-old grandmother anymore, because I used to tell them that jobs would be created once we did these things, but she lost hers. She is past her prime, so where does she go? Does she move to India, China, Singapore, Canada, Mexico? I doubt it. The daughter at least has a job. But the granddaughter is 11 years old, and we did not have a national strategy to teach her math, science, or any of the essentials that she needs to learn to compete in a global society.

President Clinton, who supported all of these trade agreements, at least had an investment agenda that accompanied his trade policies. We have neither now.

The challenge before this Congress this evening is not whether we pass this trade bill in the interests of some of my dear friends in the financial services and in the computer and IP industries and entertainment industries; the question we have tonight is, what are we doing for the 11-year-old girl? Sure, we can produce movies here in town, but will we be producing it here? Sure,

we can make things and have the capacity to do it, but will we be making things here?

I ask my colleagues, as somebody that supported you all the time, I say to the gentleman from Florida (Mr. SHAW), how do we answer that 11-year-old granddaughter in Crossville, Tennessee?

I will vote "no" on CAFTA this evening.

Mr. SHAW. Mr. Speaker, I yield 2½ minutes to the gentlewoman from Connecticut (Mrs. JOHNSON), a distinguished member of the Committee on Ways and Means.

Mrs. JOHNSON of Connecticut. Mr. Speaker, this is how we answer that little girl. We tell her the world that she is going to work in is going to be a world in which there will be better labor laws better enforced.

For the very first time ever, the International Labor Organization spent 1 year working with these countries to upgrade their labor laws, and, everyone agrees, their labor laws meet the core standards of the ILO. For the very first time ever, the ILO is going to be the enforcement mechanism to see that those laws are enforced as enforcement is always the weakness. Always the weakness.

Many of you voted for the Jordan Free Trade Agreement. Many of you voted for the Moroccan Free Trade Agreement. Not nearly as good of a body of laws in those countries, and the enforcement was: You must be making efforts towards; you must be striving to enforce. In this labor agreement, in CAFTA, the ILO will come in and review every 6 months and publicly report every 6 months: Are you implementing the plan?

Now, they have written the plan. You can see whether they will have implemented the plan, because it is laid out, how many inspectors, and so on and so forth. It is all detailed. They will be accountable for implementing those plans.

Those Presidents whom we met with were proud that they are upgrading their labor law and upgrading their enforcement. This is capacity-building. The very first Free Trade Agreement or trade agreement that focuses on capacity-building, building the ability of departments of labors within these governments to enforce domestic labor law which meets international labor standards, and the International Labor Organization is going to be there to oversee it, and we are putting money behind it. We are, and others are.

This is a unique labor agreement. It really, really pains me that there is so much ignorance about the details of this agreement. You sit with the people who negotiate an agreement, you sit with the economic ministers, you sit with the Presidents, and you get a concrete, tactical sense of the tremendous strides they have made through the agreement to improve new labor laws and enforcement capacity. This is not status quo; this is going to change their world and protect their workers.

□ 2215

Now, if in addition you care about fair trade, and you want to walk the walk of fair trade and not just talk the talk, then you better remember, their goods come in, no tariffs, no duties, no nothing into our country.

Do you not think our guys deserve the same right? To me that is fair trade. Level the playing field. Our products should have the same access their products have. And their people deserve the same respect our people do. They do not deserve a double standard.

Mr. RANGEL. Mr. Speaker, I yield 30 seconds to the gentleman from Rhode Island (Mr. KENNEDY) for purposes of correcting the record.

Mr. KENNEDY of Rhode Island. Mr. Speaker, just to answer the lady about walking the walk and talking the talk, this administration and this Congress just cut child labor enforcement around the world by 87 percent in our dollars that we contribute to the international labor organization.

So on the one hand for people to say that we are really strengthening labor law, but on the other hand not putting the dollars behind it to make sure children are protected to me does not sound like we are walking the walk that we are so talking the talk.

Mr. SHAW. Mr. Speaker, I yield 2 minutes to the gentlewoman from Pennsylvania (Ms. HART).

Ms. HART. Mr. Speaker, I rise in support of the DR-CAFTA agreement. And I stand here supporting it from a district that has a pretty significant portion of organized labor, and a district that has a pretty significant portion of manufacturing.

Many of my colleagues who support this agreement are from very similar districts. One might wonder why, if one has been listening to the arguments from the other side of the aisle all night. But one does not wonder why if one made the phone calls into the district like we have been making over the last several months, talking to employers about this agreement.

And what we have learned was that companies employing from 12 to 600 are excited about this. American companies with American employees, many of them organized labor, are excited about this agreement. And why? Because they have a very difficult time getting their products into Central America as it is today.

That is because there are very high tariffs on our products going into Central America. Right now Central American countries have very little, if any, barrier getting their products into the United States. It has been that way for 20 years. But one of the best ways we can help move them forward is to get our products into Central America.

Partially because a lot of their industrial development needs to be advanced, and we have the products to help them do that. How to raise their standard of living? Certainly raise their quality of manufacturing. Raise their opportunity to sell quality goods,

give us the opportunity to help them do that.

Interestingly enough, the arguments we hear do not seem to make any sense; they are very circular. We have to oppose this because we will hurt Central Americans, but we have to oppose this because we will hurt Americans. Neither of those arguments holds water.

This agreement is good for Central America, it is good for the United States manufacturing, and I urge my colleagues to support it.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Georgia (Mr. SCOTT).

Mr. SCOTT of Georgia. Mr. Speaker, tonight we stand on the precipice of doing something great for America. And I think we ought to pause for a moment and ask the question: What would the American people want us to do here tonight?

Well, I am here to tell you what I think the American people want us to do. The American people who are watching television tonight, they are hoping with their fingers crossed that finally, finally the Congress will stand up for America.

We stood up for Morocco, we stood up for Singapore, we stood up for China, for India. Now we are about to stand up for the nations in Central America. America is saying, when are you going to stand up for us, the workers, the backbone of America?

This CAFTA is fraught with weaknesses in terms of labor rights all throughout. Ever since we have had our trade agreements, just over the past 10 years we have lost 3 million jobs, manufacturing jobs. We have lost 2½ million jobs to China, to India in servicing.

I say to you tonight, stand up for America and America will be very thankful and very proud that we did. Vote "no" on CAFTA. Let us send it back, and let us fix it.

Trade agreements must benefit both workers and corporations. CAFTA benefits corporations but does not benefit workers. CAFTA fails to include adequate protections for workers. In fact, the U.S. State Department has documented numerous areas where CAFTA countries failed to comply with even the most basic minimum labor standards and worker's rights.

CAFTA will cost American jobs and this is the Achilles' heal in our approach to trade agreements which I find most disturbing. Were sending millions of jobs overseas and manufacturing plants are closing in America because of our trade policies. In the *last 10 years, we have lost 3 million manufacturing jobs and nearly 1 million financial services and call center jobs to China and especially, India because of our trade agreements.*

CHINA & INDIA ARE EATING OUR LUNCH

We must fix this "outsourcing of American jobs" problem in this CAFTA bill before we move forward with it. During one of our Financial Services Committee hearings, I asked Federal Reserve *Chairman Alan Greenspan* what he thought was the big threat to the American economy and he said the 'loss of



jobs, the loss of skilled jobs." We are losing too many American jobs to overseas foreign markets and we are not investing in retaining, retooling our workforce for the technically skilled jobs of the 21st Century.

Finally, we need to ask ourselves how the American people want us to vote on CAFTA tonight. All over the country, they are watching us to see what Congress is going to do. I am there to tell you that the people of America want us to stand up for Americans, for change. In our trade agreements, they want us to keep American jobs in America, to protect workers' rights protect the environment, and stop out sourcing jobs to other countries.

Vote "no" on CAFTA so that we can go back and fix this imbalance. We can do this and still keep trade benefits for American corporations.

To night, let's stand up for American. Ladies and Gentlemen vote "no" on CAFTA.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Louisiana (Mr. MELANCON).

Mr. MELANCON. Mr. Speaker, I have got a lot of emotions running through me tonight. I represent a sugar area. But more important than that, I come from a sugar family. My three sisters and I owe our education and our families and our success to an industry that has been around in Louisiana for 225 years.

It is an efficient industry. It is a good industry. It is the same hard-working people that get up in the West and get up in the East and get up in the North every morning. They are no different. They have just been attacked by the big multinational corporations, and you keep falling for it. NAFTA was horrible.

We were lucky, we had a side letter. We are still negotiating sugar 10 years later. I do not see any benefits for workers, for sugar people. We have given away textiles. We have given away steel. We have given away fruits and vegetables. Now let us just go ahead and give away everything and be dependent on every other country for our food and our defense.

Mr. SHAW. Mr. Speaker, I would remind the gentleman in the well that the vast majority of our agriculture community vigorously supports this bill.

Mr. Speaker, I yield 2½ minutes to the gentleman from California (Mr. HERGER).

Mr. HERGER. Mr. Speaker, I represent one of the richest agricultural districts in the world in Northern California, in the northern Sacramento Valley. And this CAFTA agreement will create important new export opportunities for the Northern California farmers and ranchers I represent.

Three nations have already ratified this one-of-a-kind agreement. However, if this enacting legislation fails, the prospects of approving any similar agreement for the Central American countries fail as well.

Placed in a broader historical context, in May of 2000, I joined 308 of my 435 colleagues in lowering or eliminating completely the tariffs on prod-

ucts entering the U.S. from CAFTA nations. At the time there was no reciprocal treatment, and our U.S. products continued to face high tariffs in CAFTA nation markets.

The ratifying bill now before us will immediately zero out tariffs on 50 percent of U.S. agricultural products exported to the region, with the remaining scheduled to be reduced and eliminated over time.

This is vitally important to all U.S. agriculture, especially in my home State. California produces 350 different agricultural commodities and is America's largest agricultural exporting State. When fully implemented, it is estimated that CAFTA could help boost U.S. agriculture exports by \$1.5 billion.

I firmly believe trade must be a two-way street. Currently, our Nation's agricultural exports like rice, almonds, pistachios, and dried plums, grown in my district, face average tariffs of 35 to 60 percent.

As I previously stated, we already allow 99 percent of CAFTA nations' imports duty free. Mr. Speaker, CAFTA will level the playing field for American agriculture and will help producers from California and other States gain valuable new export opportunities. I urge my colleagues on both sides of the aisle to approve this measure.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Ohio (Mr. KUCINICH), a former Presidential candidate.

Mr. KUCINICH. Mr. Speaker, the average hourly earnings of U.S. manufacturing workers was \$16.01 in March of 2004. The average hourly wages for Honduran workers producing goods for the U.S., 90 cents.

CAFTA is about institutionalizing cheap labor. Multinational corporations want trade agreements where they can make a profit by closing factories in the U.S. and moving jobs to places where workers have no rights and work for very low wages. Cheap labor.

Now, I have traveled across America. And I have seen the effects of agreements like NAFTA and CAFTA: padlocked gates of abandoned factories, grass growing in parking lots of places where workers used to make steel, used to make washing machines, used to make textiles, used to make machine parts.

Free trade has meant freedom for the American worker to stand in the unemployment line while their jobs were traded away. So-called free trade has brought broken dreams, broken homes, broken hearts to the American manufacturing worker. Trade without equity is tyranny. Trade without economic justice is theft. Trade without integrity, without workers' rights, without human rights, without environmental principles is not worthy of a free people.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Maine (Mr. MICHAUD).

Mr. MICHAUD. Mr. Speaker, I thank the gentleman for yielding. As a mill worker at Great Northern Paper Company for over 30 years, I rise in strong opposition to CAFTA. Two days after I was sworn in as a Member of Congress, I learned that the very mill that I worked at, that my dad worked at for 43 years, my grandfather before him for 40 years, filed bankruptcy and was shutting down.

The reason? Unfair trade policies that have devastated our industry. Job loss is something that we Mainers know all about. In Maine, in the wake of NAFTA, we have lost 23 percent of our manufacturing base in the last 3 years alone. The unemployment rate in certain areas is over 30 percent.

CAFTA takes most of the language right out of NAFTA. It only has promises of more job losses. Business organizations, family farms, church groups, Republicans and Democrats are united in opposition to CAFTA.

I ask my colleagues tonight, do not sell the American people out for some back-room deal. Our workers deserve more.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from California (Mrs. CAPPs).

Mrs. CAPPs. Mr. Speaker, I thank my colleague for yielding.

Mr. Speaker, there are many reasons to oppose the CAFTA-DR deal. But I want to talk about one reason that has not gotten much attention, the inclusion of tobacco products.

Mr. Speaker, tobacco is a unique commodity, killing millions of people around the globe each year. Trade agreements are supposed to benefit consumers by spurring competition and reducing prices for beneficial products such as wheat, computers, and auto parts.

While increased trade may offer a range of benefits for exporters and importers alike, these benefits do not apply to tobacco products. Reducing tariffs on cigarettes, other tobacco products, or removing public health measures that may run afoul of trade agreement's rules on non-tariff barriers is going to result in increased smoking rates, needless preventable deaths, and disease. That is a fact.

Tobacco products were excluded from the tariff schedules in the U.S.-Jordan and U.S.-Vietnam free trade agreements negotiated under the Clinton administration.

□ 2230

This administration has done an about-face including tobacco products in the U.S.-Chile agreement at the behest of Philip Morris. This unfortunate turn of events should not be repeated. I urge my colleagues to reject the CAFTA-DR trade agreement. It is bad for workers, it is bad for the environment, and with the inclusion of tobacco products, it is bad for health.

Mr. SHAW. Mr. Speaker, I yield 2 minutes to the gentleman from South Carolina (Mr. BARRETT).

Mr. BARRETT of South Carolina. Mr. Speaker, I thank the gentleman for yielding me time.

We have talked about a lot of different issues tonight. Let me tell you what it is all about, how it hit home with me. Stephen Felker, Avondale Mills, Graniteville, South Carolina, textile manufacturer, asked me to coming down Monday to his factory to look around, and we did. We had a wonderful tour. He showed us around, and I was on the floor taking a tour and happened to see a gentleman behind one of the weaver machines. Roosevelt Mims. This was not a staged event or anything like that. I just happened to see Roosevelt behind the weaver there.

I walked up to him and said, I am Congressman BARRETT. What is your name? He said, Roosevelt Mims. I said, Roosevelt, how long have you been working with Avondale Mills? He said, 36 years. His supervisor came over and whispered in my ear, he said, 36 years, Congressman, perfect attendance.

Roosevelt Mims is the heart and soul of this whole debate, a textile worker in Graniteville, South Carolina; a textile worker in Graniteville, South Carolina that a good CAFTA is going to save.

I do not know about you, but at the end of this debate, I am going to vote for CAFTA. I am going to vote for Roosevelt Mims, and I urge my colleagues to do the same.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the outstanding gentleman from California (Ms. WATERS).

Ms. WATERS. Mr. Speaker, I thank the gentleman from New York (Mr. RANGEL) for yielding me time.

Almost 2.8 million American manufacturing jobs have been lost since President Bush took office in 2001. These were good jobs with good wages, and they have been shipped overseas to countries with cheap labor. CAFTA will export even more American jobs, but it will do nothing to improve wages and living conditions in Central America.

CAFTA is not about free trade at all. It is an outsourcing agreement. It allows profit-hungry corporations to ship American jobs to impoverished countries where workers can be forced to work long hours for little pay and no benefits. It is a bad deal for Central American workers, and it is an equally bad deal for workers here in the United States.

I ask my colleagues who are thinking of voting in favor of CAFTA, how will you tell poor workers in Central America who are trying to organize labor unions and demand living wages that you voted for this agreement which does not require their governments to respect human rights or comply with international labor standards? How will you go home to your constituents and tell them you voted to export their jobs overseas? How will you tell working families in your district that you care more about corporate profits than workers wages?

I request Members to vote no on CAFTA.

Mr. RANGEL. Mr. Speaker, how much time remains?

The SPEAKER pro tempore (Mr. LAHOOD). The gentleman from New York (Mr. RANGEL) has 7 minutes remaining. The gentleman from Florida (Mr. SHAW) has 6 minutes remaining.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. GENE GREEN).

(Mr. GENE GREEN of Texas asked and was given permission to revise and extend his remarks.)

Mr. GENE GREEN of Texas. Mr. Speaker, the reason we do not have enough time is we have so many speakers; but when people talk tonight about how CAFTA will help us with immigration, obviously this side voted for NAFTA, and we have had a bigger problem with illegal immigration, people who are looking for work, coming to this country.

I was in Michoacan in February and saw villages that were 60 percent depopulated because they had no opportunity to work, and that was 10 years after NAFTA. Just wait until 10 years after CAFTA. It is outrageous that we are trying to sell this as a benefit to the American worker.

The ILO is a weak sister compared to even our laws, and in this case if a country in Central America or Dominican Republic does not enforce their laws, they pay themselves a fine. Come on now. This is so outrageous, I cannot believe we even have it on the floor.

To say we are worried about Venezuela the way we are worried about Cuba, do not sell it on that. Sell it on that we are really friends with Costa Rica and Nicaragua and Guatemala and the Dominican Republic. Say we are friends with them, and let us make sure they have a decent standard of living.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Texas (Ms. JACKSON-LEE).

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, there is a dump in Nicaragua where 700 adults and children pick through fields of rotting garbage for scraps of food, metal and plastic to eat and sell.

I want the American people to know that this is the trade agreement, 3,600 pages, 3,000-plus pages; not one statement is in this document that talks about protecting American jobs. Not one statement is in here that confirms that the language in the laws of labor in these particular nations refers to the children age 5 and 14 to work that are working in these dumps, that are picking up the trash in these dumps.

There is no language in here about creating American jobs. There is no specific language in here that talks about the language of labor laws that would protect the children from these dumps.

I say to you out of 3,000 pages, do you not think America deserves one line protecting their jobs? Do not you think the children of Central America deserve one specific line about keeping them from the damages of a dump in Central America?

Vote against CAFTA. It does not protect American jobs, and it does not protect children.

Mr. Speaker I rise in opposition to CAFTA though not without reservation. Increased Economic, social, and political ties with Central America are noble goals and ones for which we should strive. However, the facts behind the crafting of DR-CAFTA suggest that this is an irresponsible and rushed trade agreement.

I can support an agreement that serves to support the interests of all parties at stake. By this standard, I have based my previous votes on free trade agreements, and by this standard I have decided to vote against CAFTA. While I do not doubt that several parts of the US economy will benefit from passage of this bill I shudder at the repercussions that will face many of our manufacturing industries.

Increased trade with this region will lead to an increase in economic exchange and probably to overall job growth. I also recognize that overall job growth as a result of NAFTA in all likelihood exceeded job losses. However, trade agreements should not be judged by job loss and creation statistics alone. CAFTA will undoubtedly create more opportunities for exports to Central America and will produce more wealth, but where does that wealth go? Thousands of hard working Americans will lose their jobs under CAFTA. Will they benefit from the increased trade with Central America?

The problem with wealth created through free trade agreements is the high probability it will not reach the average worker. The example of NAFTA proves this point. Some economic gains in both the United States and Mexico have made from NAFTA, but there is scant evidence as to the improvement of the livelihood of the average worker. The fact of the matter is that NAFTA has led to neither improved working conditions in Mexico nor a windfall for higher paying jobs here in the U.S. Instead it has led to more employer who pay their employees 5 dollars per day. There simply has not been enough effort on the part of the US or the Mexican government to ensure that the poor and middle classes benefited from the accord.

Trade agreements should be implemented to increase the standing of both nations and help both all people. We must guarantee the protection of rights and wellbeing of the poor. Without this guarantee, we can not nor will we make strides in fighting poverty. In the words of the Great Cesar Chavez, "What is at stake is human dignity. If a man is not accorded respect he cannot respect himself and if he does not respect himself, he cannot demand it." When the lower classes have no power or support, they cannot stand up and fight for themselves. Poverty reduction must be a key factor in all trade agreements.

The United States does not see such inept poverty. I have been to Honduras and Guatemala and have seen the pain and suffering of the masses. In Guatemala, over 75 percent of the population lives below the poverty line. In Nicaragua, the GDP per capita is \$2,300. This sort of endemic poverty is far too common in

the region. At the "La Chureca" (La—Chew-RAKE-aa) dump in Managua (mun-A-gwa), Nicaragua (knee-ka-Rah-gwa) about 700 adults and children pick through fields of rotting garbage for scraps of food, metal, and plastic to eat and sell. For these residents, the dump is home—one laden with disease and danger, broken bottles and old tires, cardboard-and-tin shacks, grazing cattle, circling buzzards, screeching bulldozers and smoke that often obscures the sun. This is poverty on a level most Americans have never seen.

In order to fight this poverty, we must be committed to a comprehensive plan to help the poor. I would like to think that free trade agreements would alleviate poverty in third world nations, but unfortunately, the facts prove otherwise. Conditions in Mexico over the past 10 years demonstrate this fact quite succinctly. Since the passage of NAFTA, environmental problems along the border with Mexico have worsened, drug trafficking and violent crime in the border regions have increased, and violence against women has intensified. Ten years ago, there were few reports of rape and kidnappings of women in northern Mexico, today they are wide spread. These are not the indicia of progress.

In order to ensure progress, we must establish a system of improved standards in education, labor, and environment, among others. In this regard, the DR-CAFTA fails drastically. The DR-CAFTA does not have sufficient labor protection provisions. This omission of labor standards will result in the continuation of awful and unconscionable labor conditions for both adults and children. What concerns me most is the use of child labor throughout the region. Child labor is an activity that must be eradicated from all corners of the world. The DR-CAFTA contains no provisions that would prevent or alleviate the use of child labor. The DR-CAFTA fails to enforce international labor standards set by the International Labor Organization. This will result in the continued use of child labor in the fields and factories of the signatory countries. With this agreement, many will make money on the backs of Central American children, literally. These children will be our beast of burden. I cannot accept an agreement that allows others to increase their profits margins on the backs of children. These children should be in school getting educated, not toiling on a farm for 5 dollars a day under the hot Central American sun.

It seems clear to me that under the current system of "free trade to fight poverty," sufficient resources are not being used to help the poor. Businesses are often more interested in the bottom line than the bottom of society. Foreign governments are often far too eager to invite these companies into their nations. This is not the best manner to help fight poverty in the 3rd world. In order to fight poverty, we must insist on the resources used to protect the poor, not exploit them. We must insist on better labor and environmental standards in order to ensure that the poor also benefit from free trade agreements. Fair trade should be our paramount concern.

Supporters of the bill have claimed that its passage is imperative for Central America and will be mutually beneficial to all parties. They also argue that since 80 percent of goods from the DR-CAFTA countries already enter the United States duty free as a result of the Caribbean Basin Initiative and on that basis

we have no reason to fear job exportation to the region. They argue that if job exportation was to happen, it would have occurred all ready. Yet, they also argue that passage of the DR-CAFTA is imperative for Central American economies to succeed. It seems to me that while they use the 80 percent duty free number to quell fears of job exportation, they somehow forget it when they talk of the necessity of the agreement for Central America's economies. If the DR-CAFTA countries already import 80 percent of their goods duty free then they have already received most of the benefits of a free trade agreement!

I am not opposed to allowing Central American nations to import many of their goods duty free. I believe that this number, 80 percent duty free importation, is a good number because it was designed to help alleviate poverty in the region. It has succeeded in doing so. Central America is far better off today than it was 20 years ago. Yet, this duty free access also means that it is not imperative for the US to pass this legislation. Since these countries already import 80 percent of goods duty free, the remaining 20 percent will not have such a dramatic effect. The USTR should have taken the success of the Caribbean Basin Initiative and used it to negotiate a fair and balanced trade agreement. Clearly, passage of this bill is not imperative to the economic well-being of Central America. So why were the USTR and the Bush administration so hasty in forcing execution and enactment of this agreement? Because of the success of the Caribbean Basin Initiative, we have the leeway to send this agreement back to the Bush Administration and ask that it not return until it has an agreement that genuinely benefits the poor and marginalized sectors of society both here in the United States and in Central America and the Dominican Republic.

The DR-CAFTA is not a fair trade agreement. It is a mechanism to support business interests in the United States and Central America. In the United States, we have sufficient labor standards to accommodate business interests. Over the past 200 years, the labor movement in this country has fought diligently to provide us with these protections. In Central America, these safeguards exist on paper, but not in practice. When we submit to special interests in this situation, we forfeit work protections. Therefore, we must insist that our trade agreements contain more than an expansion of business interests, they must contain provisions that expand social and justice interests. We must ensure that trade agreements benefit all of the people, men and women, young and old. This agreement fails to meet these standards and therefore should not be supported.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Chicago, Illinois (Mr. DAVIS).

Mr. DAVIS of Illinois. Mr. Speaker, I do not profess to know everything that CAFTA is going to do, but I do know that when I wake up in the morning, my congressional district has lost more than 150,000 good-paying manufacturing jobs. I know that we make candy. We make a lot of it. We used to be called the Candy Capital of the World. But my candy makers are leaving because the price of sugar is too high.

I was told and I was hoping that CAFTA would help reduce the price of

sugar for my candy makers. It will not. Therefore, there is no reason for me to vote for CAFTA, and I shall not.

Vote no for CAFTA.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. Mr. Speaker, I am about to cast my first vote ever against a trade agreement. While this has very little impact overall in the United States economy, it is very important for the direction of our trade and economic policy. Are we going to continue to parcel out piecemeal agreements? When pushed, are we going to cut side deals and understandings like we have done of late with citrus and steel and textiles and sugar? Are we going to fail to own up to our own agricultural subsidies?

We do not do a very good job in this country anymore enforcing our own labor laws. I am no longer interested in one more suboptimal agreement. Because it has such a small impact, there is no excuse for not advancing workers and their environment at home and abroad. There is no reason to settle for this agreement, and I urge its rejection.

Mr. RANGEL. Mr. Speaker, I yield for the purpose of making a unanimous consent request to the gentleman from North Carolina (Mr. ETHERIDGE).

(Mr. ETHERIDGE asked and was given permission to revise and extend his remarks.)

Mr. ETHERIDGE. Mr. Speaker, I have supported trade agreements that have come through this body since I have been here, but this one falls short. I stand in opposition to the legislation.

Mr. Speaker, I rise today in reluctant opposition to the implementation legislation for the Free Trade Agreement with the Dominican Republic and Central America, known as DR-CAFTA.

Throughout my service in the U.S. House, I have supported policies that encourage export promotion because exports can play an important role in strengthening our economy. But our economic policies must work to build the American middle class by investing in education, training and health care for working families as well as expanding access to new markets for our products. Our trade policies must lift living standards in other countries whose workers will compete for American jobs. If American workers are forced to compete with workers from countries without a growing standard of living, the race to the bottom will lower the economic opportunities and quality of life for everyone. I firmly believe that America must exert our global economic leadership to promote democracy and economic growth, but that engagement must be matched with a commitment to empower middle class Americans to compete and win in the global economy. We can do better than this DR-CAFTA, and we must.

First, as a member of the House New Democrats Coalition, I have worked with administrations of both political parties, including the Bush administration, to promote policy for sound economic growth and a growing middle class. I have met with business leaders and officials from each of the DR-CAFTA countries, and I recently traveled to visit Honduras

and El Salvador to see for myself the conditions of these trading partners. Although I want to help the peoples of the DR-CAFTA countries to secure their democracies and build economic opportunities, this free trade agreement fails to erect the conditions necessary for those goals. For example, in Honduras, I saw oxen pulling carts as a primary means of industrial production and impoverished workers struggling to eke out a meager living. Without strict, enforceable labor standards, these workers will suffer exploitation of market forces without enjoying any upward mobility. I also want to see our trading partners make the kind of commitment to education and infrastructure that we have in the U.S. that has provided us the foundation for our economic growth and rising living standards for our people.

Unfortunately, this DR-CAFTA represents a step backwards in strengthening labor standards, and thereby standards of living, abroad. Specifically, DR-CAFTA is a step back from the progress made in the Jordan Free Trade Agreement and even the rules under the Generalized System of Preferences, GSP, and the Caribbean Basin Initiative, CBI. America must maintain our global economic leadership and be a force for rising living standards with all of our trading partners so that broad-based economic growth creates sustainable markets for American goods and services. The countries of the DR-CAFTA accord possess some of the world's worst records for workers' rights, and this DR-CAFTA not only fails to correct this glaring problem but reverses progress made in previous trade agreements to raise labor standards abroad.

It is also important to note DR-CAFTA's weak environmental enforcement provisions. Although the agreement contains important protections for intellectual property that are subject to dispute resolution, it fails to include adequate enforcement of environmental protection, which will put American companies at a competitive disadvantage with companies in the DR-CAFTA countries. In fact, what language DR-CAFTA does contain on environmental protection and improvement of standards is explicitly excluded from dispute settlement under the agreement, rendering it meaningless. Previous trade pacts, such as the Jordan Free Trade Agreement, contain strong labor and environment provisions, and DR-CAFTA should as well.

Finally, the vote on DR-CAFTA comes at a time when the Bush administration economic program has reversed years of progress in building a thriving middle class. Instead of making critical investments in education, training and health care so working families can compete and prosper in the global economy, the administration is cutting these vital initiatives. Specifically, this administration and Congress have shortchanged our schools \$39 billion they were promised in order to comply with the No Child Left Behind education reform law. And last month, the House passed an appropriations bill with devastating cuts in needed efforts for education, Trade Adjustment Assistance and other job training, and rural health care. In the global economy of the 21st century, working Americans can compete and win only if they are equipped with the tools to make the most of their God-given abilities. We need an economic policy that helps middle class families, those striving to get into the middle class and those struggling to stay in the middle class.

In conclusion, I will vote against DR-CAFTA because it is a missed opportunity to help our

neighbors in the Dominican Republic and Central America and put America back on the path to a growing middle class.

Mr. RANGEL. Mr. Speaker, I yield for the purpose of making a unanimous consent request to the gentleman from New York (Mr. ENGEL).

(Mr. ENGEL asked and was given permission to revise and extend his remarks.)

Mr. ENGEL. Mr. Speaker, I rise in opposition to the bill, which will hurt workers and cost jobs.

I am opposed to the Central American Free Trade Agreement (CAFTA), because if enacted, it would have severe economic and social consequences.

CAFTA virtually turns back the clock on labor and environmental standards.

Many factory workers in Central America are underpaid and overworked, and CAFTA's weak labor provisions will not effectively force the Central American governments to enforce their labor laws.

If CAFTA is enacted, goods produced by industries that overwork their labor force and abuse the environment will have an unfair advantage over products manufactured in the United States.

Additionally, CAFTA threatens the livelihood of U.S. sugar producers and refineries, including Domino Sugar in my district in Yonkers. CAFTA would open the U.S. market to sugar from CAFTA countries which need not comply with the robust U.S. labor and environmental protections.

Thousands of people in Central America have protested against CAFTA. These people worry about their jobs, their health, and their families. They deserve an agreement which would improve their livelihoods and promote economic stability.

I would prefer to see reasonable, fair trade agreements which contain adequate labor and environmental protections with our Latin American neighbors.

Mr. Speaker, I have supported free trade agreements in the past when there have been adequate labor and environmental standards. But CAFTA does not measure up.

I believe CAFTA would not serve the best interests of the nation, and I urge my colleagues to vote no.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to a gentleman from California (Mr. FARR), who was a Peace Corps volunteer in South America.

(Mr. FARR asked and was given permission to revise and extend his remarks.)

Mr. FARR. Mr. Speaker, I want to ask this body what is the rush? There is no need to adopt. There is no deadlines on this agreement. Three of the six countries have not even ratified it yet. I think when we are trying to do a trade agreement, we have got to do the best that America can do.

The richest country in the world is about to enter into a trade agreement with the poorest countries in the Western Hemisphere so that we can open up nontariff issues. They send us goods without tariffs. Yes, we do not grow bananas in the United States or guanabana or platano, but we want to send them our goods so that people who are earning \$2 a day can buy Two Buck Chuck.

Come on, America, can do better. You cannot have fair trade until you

have basic aid. You cannot have a middle class without having schools and water and sewers. There is nothing in here; even the Millennium Fund that the President introduced, a good program, underfunded it to these countries.

You have got to build up countries so that they have a faith in themselves before they have the opportunity for a middle class. We can do better, America. Congress, put this over. Vote against it.

Mr. SHAW. Mr. Speaker, I yield myself 3½ minutes.

Mr. Speaker, I have been listening to particularly the last few people who have gotten up, and they talk about how they support free trade, but they cannot support this agreement. And I ask why. This is the strongest trade agreement we have ever had, it has the best labor standards of any that we ever had, and they voted for the others, and they cannot vote for this.

Mr. Speaker, we already have free trade. The problem is it is free trade from the CAFTA countries into the United States, not from the United States into the CAFTA countries. Now we want fair trade. We want to have the same privacy for American workers and American business, American farmers that the CAFTA countries have by having access to our markets. How can one be against that, particularly when these other countries are behind it?

We even put capacity building into this agreement so that we are assisting these countries in enforcing their own labor laws, and we put more enforcement money in this for our being able to enforce those labor laws and keep watch over these other countries.

This is a strong agreement. It is a strong agreement. But let us look at something else. The President was up here on the Hill yesterday talking to the Republican Members, and he made a statement that I think all of us can agree to, and that statement is that family values do not end at our border. And he is absolutely correct.

We know right well that any of us here as a mother and a father, that if our children are hungry, we are going to find a way to work. And so many of these countries now send their workers north into the United States, most of them illegally. We want to build jobs at home for them, permanent jobs, good jobs, and at the same time we would be able to use our markets to get to supply them.

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If you get a pair of blue jeans made in Honduras, it is 70 percent American content. These jobs that go to China, if those sewing factories move out and it goes to China, those same jeans are 1 percent American content. So we know that American workers, American jobs will benefit from this type of agreement. And it brings wealth into our

hemisphere. Right now, in Nicaragua, the average salary, the average pay for a worker is somewhere less than \$800 a year. This will help.

Politically, let us talk about it. What is going on down there politically and what will happen? We are going to be driving these countries away that are looking towards us. They are all looking north. They have democracies now, they are capitalistic systems, and they are working towards being a part of this hemisphere. And my colleagues want to kick them in the teeth? They are also supporting us in our war against terror in Iraq, and that is not an easy lift for all of these countries, I can tell you that.

This CAFTA agreement has been endorsed by a number of groups, and I would like to put their endorsement in the RECORD at this time. Former President Jimmy Carter, the American Jewish Committee, and B'nai B'rith, they have all endorsed this agreement. We have also enjoyed the endorsement by many of the newspapers, including The Washington Post and the New York Times, the Miami Herald and the Orlando Sentinel.

This is a good agreement. It is good for America, so let us vote for it.

Mr. Speaker, I submit herewith for the RECORD the letters of support I just referred to:

Hon. BILL THOMAS,  
Rayburn House Office Building,  
Washington, DC.

JUNE 8, 2005.

TO REPRESENTATIVE BILL THOMAS: As you prepare for your initial consideration of the Central American Free Trade Agreement (CAFTA) with the nations of Central America and the Dominican Republic, I want to express my strong support for this progressive move. From a trade perspective, this will help both the United States and Central America.

Some 80 percent of Central Americas exports to the U.S. are already duty free, so they will be opening their markets to U.S. exports more than we will for their remaining products. Independent studies indicate that U.S. incomes will rise by over \$15 billion and those in Central America by some \$5 billion. New Jobs will be created in Central America, and labor standards are likely to improve as a result of CAFTA.

Some improvements could be made in the trade bill particularly on the labor protection side, but, more importantly, our own national security and hemisphere influence will be enhanced with improved stability, democracy, and development in our poor, fragile neighbors in Central America and the Caribbean. During my presidency and now at The Carter Center, I have been dedicated to the promotion of democracy and stability in the region. From the negotiation of the Panama Canal Treaties and the championing of human rights at a time when the region suffered under military dictatorships to the monitoring of a number of free elections in the region, Central America has been a major focus of my attention.

There now are democratically elected governments in each of the countries covered by CAFTA. In negotiating this agreement, the presidents of each of the six nations had to contend with their own companies that fear competition with U.S. firms. They have put their credibility on the line, not only with this trade agreement but more broadly by

promoting market reforms that have been urged for decades by U.S. presidents of both parties. If the U.S. Congress were to turn its back on CAFTA, it would undercut these fragile democracies, compel them to retreat to protectionism, and make it harder for them to cooperate with the U.S.

For the first time ever, we have a chance to reinforce democracies in the region. This is the moment to move forward and to help those leaders that want to modernize and humanize their countries. Moreover, strong economies in the region are the best antidote to illegal immigration from the region.

I appreciate your consideration of my views and hope they will be helpful in your important deliberations.

Sincerely,

JIMMY CARTER.

THE AMERICAN JEWISH COMMITTEE,  
New York, February, 2005.

Hon. \_\_\_\_\_,  
House of Representatives  
Washington, DC

DEAR REPRESENTATIVE: We are writing to express our deep support for the free trade agreement between the U.S., the Dominican Republic and Central America. (DR-CAFTA). The American Jewish Committee has been actively involved in Latin America for many decades, promoting democracy, the rule of law and respect for human rights. We actively support free trade—and therefore DR-CAFTA—as a tool to generate sustained development in the region and as a contributor to long-term potential and strategic cooperation between the United States and some of its closest neighbors.

We believe this historic pact makes sense for various reasons. Once in force, DR-CAFTA will become the U.S. second largest free trade agreement after NAFTA. As such it will surely contribute much to generate economic prosperity by securing increased trade and investment flows and thus better opportunities for the improvement of living standards for all of the people in this region who only two decades ago were immersed in civil wars. In addition, it will strengthen the ties between the U.S. and the Central American nations as key allies in the fight against narcotics and terrorism.

As an organization committed to U.S. leadership in world affairs and as a friend of the Dominican Republic and the Central American nations, we urge you to support this important agreement which stands out as a shining example of our country's commitment to bolstering democracy and promoting stability in Latin America and elsewhere. It represents, undoubtedly, a joint investment in a more vibrant future for our countries and for the hemisphere at large.

We thank you for your consideration of our views.

Sincerely,

E.R. GOODKIND,  
President,  
American Jewish Committee.

BRUCE RAMER,  
Chair,  
Latino and Latin American Institute.

B'NAI B'RITH INTERNATIONAL,  
Washington, DC, July 27, 2005.

Hon. KEVIN BRADY,  
House of Representatives, Washington, DC

DEAR REPRESENTATIVE KEVIN BRADY: On behalf of B'nai B'rith International's more than 110,000 members and supporters, we write to urge your vote in favor of the Central America Free Trade Agreement. (CAFTA). B'nai B'rith, which has members throughout Latin America, strongly encourages the passage of CAFTA, a trade agreement with the Central American nations of Costa Rica, El Salvador, Guatemala, Hon-

duras, and Nicaragua, as part of a broader support for democracy and economic stability.

B'nai B'rith, an organization with a long history of involvement in Latin America and a registered NGO member of the Organization of American States, views CAFTA as a positive step in the U.S.-Central America trade relationship, one that will greatly help the economies of Central American nations and bolster democratization in the region. As we believe that the spread of democracy is essential to the advancement of human rights worldwide, we feel that CAFTA will produce lasting and far-reaching benefits.

B'nai B'rith further recognizes the significance of the decision by Costa Rica and El Salvador to maintain embassies in Jerusalem; they are the only two countries in the world to do so. Costa Rica and El Salvador have persisted in keeping their embassies in Jerusalem, despite intense international pressure to move them to Tel Aviv, in what has amounted to a remarkable act of solidarity with America's greatest ally in the Middle East: the State of Israel.

We ask that you encourage these positive trends by voting in favor of CAFTA. We look forward to remaining in contact with you on this and other issues of mutual interest in the near future.

Respectfully,

JOEL S. KAPLAN,  
President

DANIEL S. MARIASCHIN,  
Executive Vice President

Mr. SHAW. Mr. Speaker, I reserve the balance of my time.

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume to note that when the chairman of the Committee on Ways and Means indicated that the speech and debate clause of the Constitution allowed us to distort the truth, I had no idea where he was coming from. But I now truly understand why he opened up the debate that way.

Mr. Speaker, I yield the balance of my time to the gentlewoman from California (Ms. PELOSI), our gentle minority leader, who made certain that we did not make this a partisan issue, who struggled hard to keep this agreement and to try to get it open so that we could have input and have a bipartisan agreement, and who will close on behalf of the minority.

Ms. PELOSI. Mr. Speaker, I thank the gentleman for yielding me this time and, more importantly, for his distinguished leadership on many issues concerning America's working families. I know I speak for all our colleagues when I say it is a privilege to call the gentleman from New York (Mr. RANGEL) colleague.

I also extend my thanks to the distinguished ranking member of the Subcommittee on Trade, the gentleman from Maryland (Mr. CARDIN), for his very, very substantive review of this CAFTA treaty. It has been an enormous help to Members, and I thank him for his leadership as well.

Mr. Speaker, I rise in strong opposition to the Central American Free Trade Agreement. It is a small treaty economically, but it has enormous implications for our country. I oppose CAFTA because it is a step backward for workers in Central America and a job killer here at home.

As a Californian, and there are many of us in the Chamber this evening, we all know full well the significance of our close ties to Central America. My own city of San Francisco is blessed with large populations of Central Americans, including those who sought sanctuary from El Salvador and those fleeing decades of civil war in Guatemala. Our fate is tied with our neighbors in the hemisphere.

President John F. Kennedy recognized this in 1961 when he announced the Alliance for Progress calling for "vast multilateral programs to relieve the continent's poverty and social inequities." The Alliance for Progress included both economic cooperation and called for economic reforms as conditions of participation, just as we call for stronger labor and environmental standards today as the reasonable condition for trade agreements.

Mr. Speaker, I wish that the CAFTA bill we are debating tonight were an agreement that opened markets, included basic labor standards, and protected our environment. This type of agreement would have lifted the economies of both the United States and Central America. It would have attracted support from a large number of Democratic Members who have long histories of supporting free and fair trade, including recent trade agreements with Australia, Singapore, Chile, Morocco, Jordan, Vietnam, and Cambodia. Unfortunately, that is not the type of trade agreement before us tonight.

Instead, we are considering a trade agreement that promotes a race to the bottom, that hurts U.S. workers, that turns back the clock on basic internationally accepted worker protections, and fails to protect the environment. As a result, the Republican leadership is having a hard time convincing its own Members to vote for this bill.

We have heard our colleague earlier, the gentleman from Ohio (Mr. BROWN), talking about twisting arms until they are broken into a thousand pieces. The New York Times today, the gentleman referenced The New York Times, so I will too, said that a White House official said that the last votes are likely to be won with the most expensive deals. We should be able to pass good fair trade agreement treaties on their merits. Instead, the administration is trying to persuade people with side bars, side letters, and side deals. They have never worked in the past. They are just a con. And I hope that our colleagues will not fall for the con.

In their desperation to win votes, the President and the Republican leadership in the House have also proclaimed that CAFTA here tonight will promote U.S. security and democracy in Central America. The truth is if we want to improve our national security and promote democracy there, we should heed the words of Pope Paul VI, who said "If you want peace, work for justice."

Trade alone, devoid of basic living and working standards, has not and

will not promote security, nor will it lift developing nations out of poverty. Our national security will not be improved by exploiting workers in Central America.

Here at home, this CAFTA threatens U.S. jobs by making it harder for American businesses and farmers to compete with countries that have excessively low wages and deficient working conditions. Mr. Speaker, I repeat: here at home CAFTA threatens U.S. jobs by making it harder for American businesses and farmers to compete with countries that have excessively low wages and deficient working conditions. We have lost 2.8 million manufacturing jobs since President Bush took office. CAFTA does not solve the jobs problem; it only digs the hole deeper.

These downward pressures create a race to the bottom that needlessly threaten U.S. jobs. Nothing in this agreement will help raise substandard wages in Central America or help create a strong middle class that has the disposable income to buy U.S. goods. Democrats understand the need to help our Central American neighbors reap the benefits of increased trade, but the cost of this CAFTA are too high, with too little to justify this agreement's deficiencies.

We must have basic worker protections which ensure that our trading partners abide by the most fundamental standards of common decency and fairness. The CAFTA we are debating today fails to promote these basic measures of decency and fairness and, in fact, takes a step backward from current law because it removes the requirement from these countries to abide by the workers' rights standards of the international labor standards.

When it comes to the environment, Democrats believe that environmental principles must be a central part of the core trade agreement. CAFTA will do absolutely nothing to improve environmental protection in Central America, and it will open up our own environmental laws to attack by foreign corporations.

My colleagues, this CAFTA allows multinational corporations to sue governments, including our own, for compensation if the environmental laws reduce the value of their investment or cut their profits. I repeat: CAFTA allows multinational corporations to sue governments, including our own, for compensation if an environmental law reduces the value of their investment or cuts into their profits.

CAFTA places no value on the environmental health of the Americas. Moreover, the enforcement provisions of this CAFTA are virtually nonexistent. It merely calls for CAFTA countries to enforce their own laws. Enforcement in these areas must be written in to CAFTA if they are to be effective. They are not.

Democrats believe that to keep America in the lead, the Nation must adopt a bold new and sustained com-

mitment to technological innovation and educational excellence. That commitment would ensure that our country remains competitive and vibrant against formidable international competition, generating high-quality jobs throughout the 21st century.

We are committed to addressing challenges of increasing competitive global market. Our economic future rests on our ability to innovate new products and to create new markets for those goods and services. We insist that this administration revisit its flawed trade policy and work with Democrats so that we can pass free trade agreements, including a new improved CAFTA that will expand markets, spur economic growth, protect the environment, and raise living standards in the United States and abroad. That would allow us to move forward with our other priorities.

Mr. Speaker, American families are facing serious challenges: rising health care costs, record gas prices, climbing college costs, and massive job layoffs. They are worried about the direction of our country. Instead of addressing the serious issues that directly affect America's families and coming up with real solutions, Republicans have abused their power and focused on the wrong priorities: pursuing an energy bill that does nothing to lower gas prices or a Social Security privatization plan that weakens the safety net for America's elderly.

Sadly, this trade agreement and the way it has been pursued by the administration has become yet another example of those misplaced priorities and missed opportunities. Again, President Kennedy said in 1961 that the United States and Latin America are "firm and ancient friends, united by history and experience and by our determination to advance the values of American civilization. We must support all economic integration, which is a genuine step toward larger markets and greater competitive opportunity." It was true then; it is an inspiration now.

I urge my colleagues to send this CAFTA back to the drawing board. The administration can negotiate a new CAFTA that will open new markets, include basic labor standards, and protect the environment. Such an agreement would attract strong bipartisan support. This CAFTA does none of the above. It does not protect the environment, it does not grow the economy in our country, it does not lift the living standard in Central America, and it does not have my support. Vote "no" on this CAFTA.

Mr. SHAW. Mr. Speaker, I yield the balance of my time to the gentleman from California (Mr. THOMAS), chairman of the Committee on Ways and Means.

□ 2300

Mr. THOMAS. Mr. Speaker, I wondered when this moment would come, and apparently it comes tonight.

For more than 40 years the Democratic Party was a very forward-looking, progressive party. It led us into



many new and important endeavors in helping people around the world. It was FDR that coined the phrase “good neighbor policy.” I want to explain what this is all about.

This is a letter from 20 labor leaders, and it is addressed to the minority leader. It says, The American labor movement has been one of the Democratic Party’s most consistent and stalwart supporters. Every election cycle labor delivers. We expect that House Democratic leadership will convey very strongly to all wavering Democrats that voting for CAFTA against our strong, clear, and loud objections, would signal to the labor movement that those candidates do not want our support. Our work to help elect at-risk Members at your urging will not extend to those who vote against us on this issue.

Tonight I will tell my party, they moved from the majority to the minority. We moved from the minority to the majority. And tonight we have an opportunity to move to the progressive, aggressive and good neighbor policy party. They have urged all-night protectionism. They have urged fear. They have urged that we do not do what is right.

All I ask of Members is tonight we have been a majority for a decade. It is time that we mature into a permanent majority. We will lead, we will be progressive, we will help our neighbors. We will not quote 40-year-old quotes about how much we want to help and, when we have an opportunity to do so, heel to the protectionism labor union movement in this country.

Please, those freely elected Presidents came to us and said, help us. We help them by voting “yes” on CAFTA. We will be the good neighbors.

Mr. COSTA. Mr. Speaker, I fully support global commerce.

Almonds, which I grow on my land in Fresno, have become one of California’s most valuable exports through development of foreign markets. In fact, more than two-thirds of this \$1 billion a year crop is shipped outside of the United States every year. So, I truly understand the benefit of opening the world to the abundance of U.S. products. Of the producers in my district, some will win and some will lose with CAFTA.

I am here to speak on behalf of America’s best interest. That interest is a trade policy that is free and, more importantly, fair.

Unfortunately, regardless of the diligent work and excellent intentions of our trade negotiators, the bi-lateral and multi-lateral agreements we have entered into are not serving America well, especially not American agriculture, if you use the last 10 years of increasing trade deficit as the standard.

The evidence of our trade failures is undeniable. Over the last dozen years, the U.S. trade deficit has grown exponentially from a deficit of \$38 billion in 1992 to \$668 billion last year, an incredible increase of more than \$630 billion in 12 years—more than 1700 percent. This year, in spite of the Trade Promotion Authority enjoyed by the President and the plethora of agreements brought before this body, America’s trade deficit is the largest it has been in nearly 50 years.

Last year, of the ships arriving from Asia to West Coast ports—Seattle, Portland, Oakland, Los Angeles—more than half of them traveled back across the Pacific empty. This is a tragic illustration of a trade policy that is not working.

It is not working because these agreements give us little or no ability to leverage our strengths as a trading partner.

Do we truly need another agreement when Japan, one of our most important trading partners, continues to refuse entry to American beef—one of our safest and highest quality food products?

For the sake of the American agricultural economy, and other American industries, we must do better. We must seriously evaluate the way in which we conduct trade, beginning with the agreements we negotiate; to look at what is working and, more importantly, what is not working.

Ten years ago, I supported NAFTA. But, with the current state of our trade situation and the weakness and our current agreements, I cannot find any sense in supporting another trade agreement that perpetuates this sort of ineffective policy. I am reminded of a familiar quote attributed to Albert Einstein that illustrates my hesitation about CAFTA. “Insanity is doing the same thing over and over and expecting different results.”

In light of our trade deficits, how can we improve another agreement and expect different, better results for the American farmer?

In conclusion, my vote today against CAFTA is a vote of protest, a vote of dissatisfaction, a line in the sand. My “nay” vote today is a message on behalf of American agriculture, American businesses, and American workers to the administration and my colleagues in Congress that we absolutely must develop a new trade strategy, a strategy that reverses, over time, our trade deficit.

This new trade strategy must be straight with the American public. It must define who—over the next 10, or 20, or 30 years—will be the winners and losers. Because, for America to be economically strong in the 21st century, we must have a plan to address the transitions and shifts in our domestic economy.

As participants in the 21st century economy that Thomas Friedman refers to as “the new flat earth,” American workers and businessmen deserve to know what their chances are in the global economy. They need to know who among them will be the winners and losers. And, throughout that deliberation, American agriculture must have a seat at the table.

Ms. SCHAKOWSKY. Mr. Speaker, I rise today in strong opposition to the Dominican Republic-Central America-United States Free Trade Agreement Implementation Act, DR-CAFTA or CAFTA. This trade agreement will eliminate thousands of American jobs without raising the quality of life for Central Americans and Dominicans. It is an agreement written to raise profits for multinational corporations at the expense of workers and the environment in the U.S. and the CAFTA countries. CAFTA should be renegotiated or voted down.

There is wide, bipartisan opposition to this bill here in the Congress because it endangers workers and jobs in the U.S. and abroad, it endangers our economy and it endangers the environment. Opposition to congressional ratification of this flawed agreement also runs deep outside of the Congress, throughout this country and the other signatory nations. The public as well as labor leaders, environmental-

ists, economists, and business owners and the clergy all strongly oppose the measure. Hundreds of thousands of Central Americans have taken to the streets to protest CAFTA.

I strongly support increased global trade for the United States. However, when negotiated, I believe free trade agreements should place human and labor rights and the protection of the environment on an equal par with the rights of capital. While CAFTA provides extensive protections for goods and capital, it provides no new protections for workers or the environment, and allows the signatory nations to do nothing more than enforce their own laws on labor and the environment.

Implementation of CAFTA would further the failed experiment that was NAFTA. As a result of NAFTA, my home State of Illinois has suffered the loss of over 100,000 jobs. The Nation has lost almost 1 million jobs due to the displacement of production that supported them prior to the implementation of NAFTA. Free trade agreements like NAFTA and PNTR for China perpetuate the race to the bottom in the global economy. They lower working and living standards for workers in other countries and kill jobs in the United States. CAFTA’s effects would be no different.

The labor provisions in CAFTA are intentionally unenforceable. Violations of core labor standards cannot be taken to dispute resolution. The commitment to enforce domestic labor laws is subject to remedies weaker than those available for commercial disputes. This violates the negotiating objective of current U.S. trade law that equivalent remedies should exist for all parts of an agreement. Further, the “enforce your own laws” standard allows countries the opportunity to rewrite and weaken their labor laws to attract investment.

Instead of pursuing policies that undermine the rights and security of U.S. workers and workers in other countries, the United States should lead the world by example through a trade policy that improves the lives of individuals and does not just add to the profits of major corporations. Our policies should benefit workers here in this country, create and sustain jobs and help our small and medium-sized and family-owned businesses grow. CAFTA will not accomplish those goals nor will it offer better opportunities to the people of Central America and the Dominican Republic.

The abysmal working conditions in Mexico should serve as a sign of what CAFTA will bring to Central America and the Dominican Republic. The Mexican middle class that was supposed to arise as a result of NAFTA is missing. I visited Ciudad Juarez on the tenth anniversary of NAFTA. Instead of finding a thriving Mexican middle class, I found workers living in the packing crates of the products that they were manufacturing. The poverty rates and disparities in wealth in Mexico have actually grown since NAFTA. CAFTA would just spread those conditions further south by offering multinational corporations new opportunities to profit off the backs of low-wage workers.

I dispute the attempts by free trade proponents to reduce the debate to a choice between “free trade” and “no trade,” “this agreement” or “no agreement.” We can do better. We can achieve our economic objectives and moral responsibilities through responsible trade. And we can and should go back to the drawing board and fix CAFTA if we want to protect workers and the environment and give

the people of the DR–CAFTA countries the chance for a better future. I urge my colleagues to vote no on CAFTA so that we can renegotiate this flawed trade agreement.

Mr. RAMSTAD. Mr. Speaker, I rise in strong support of the U.S.–Central American Free Trade Agreement.

For me, free trade has always been about jobs and economic opportunity. But this agreement is about much more than that. It's also about increasing democracy in a region whose stability is fragile but moving in the right direction. It's about improving the environment. And it's about stemming illegal immigration.

The economic benefits of CAFTA are undeniable. CAFTA countries comprise the tenth largest market for U.S. goods, and the rapid growth of U.S. exports to CAFTA countries suggests this market could grow even more with the lowering of trade barriers.

My home State of Minnesota exported \$12.7 billion in goods worldwide last year and ranks seventh in State agriculture exporters. Between 2000 and 2004, Minnesota manufacturers' exports to Central America increased by 83 percent, which clearly demonstrates Central America's viability as an emerging market for U.S. exports. And the elimination of protectionist tariffs in Central American countries will provide further increases in export opportunities for Minnesota farmers, manufacturers and service providers.

Passage of this agreement is so important to the U.S. economy because under the Caribbean Basin Initiative, over 80 percent of Central American imports already receive duty-free treatment. And if you separate the agriculture sector, CAFTA countries receive duty-free treatment on 99 percent of imports, 99 percent. It's time for our farmers and manufacturers to get fair treatment by allowing our exports to have duty-free access to their market.

CAFTA's passage is also necessary to advance overall trade liberalization. CAFTA's failure could cause a significant setback to other bilateral agreements in the works and also to the WTO-wide Doha Round negotiations.

The U.S. must remain competitive in the global economy, especially with the emergence of major exporters like China. Lowering trade barriers with developing countries in our hemisphere helps our overall competitiveness against China by increasing competition in growth sectors that China would otherwise dominate—like textiles, apparel and light manufacturing.

So the economic argument is rock solid, but CAFTA's passage goes beyond economic considerations. It will also help promote democracy, decrease illegal immigration and increase environmental standards.

For decades during the cold war, the U.S. spent significant resources fighting the spread of Communist and tyrannical dictatorships in Central America. Fortunately, Daniel Ortega's Sandinistas and the other leftist insurgencies which tore Central American countries apart have since been defeated and replaced by fledgling democracies. But now another destabilizing leader—Venezuela's Hugo Chavez—threatens peace and prosperity in the region.

Just last week, Chavez was reportedly revving up his military—warning them to be prepared for the imminent invasion by the U.S. And not surprisingly, Chavez is also the most vociferous opponent of CAFTA in the region.

Make no mistake, Hugo Chavez is licking his chops at the prospect of CAFTA's failure—

waiting to exploit our missed opportunity and trap these nascent democracies under his thumb. These Central American countries lie on the precipice of economic stability and democratic government, and they deserve a chance to develop the same freedoms we have here.

Mr. Speaker, in addition to the economic and political benefits, CAFTA's passage will also improve environmental standards in Central America and decrease the flow of illegal immigrants from the region.

Study after study has shown that as economies improve, so do environmental standards. Once people get beyond the basic needs of food and shelter for their families, they can focus on the greater goods of clean air, clean water and conservation. Trade is not a zero-sum game. The elimination of tariffs helps increase exports and grow economies, and as the economies of Central America grow, so will their environmental quality.

Similarly, illegal immigration stems from the human desire to improve one's economic condition. As a member of the Immigration Reform Caucus, I believe we have a long way to go to improve our border security and stop the flow of illegal immigration. An improving economy in Central America will help achieve this goal, as the increase in job opportunities in the region will encourage more people to remain in their native countries.

The empirical data supports the agreement. Trade liberalization has always had the empirical data on its side. The immediate tariff reductions found in CAFTA expand market access for U.S. farmers, manufacturers and service providers and continue our country down the path of even greater market access worldwide. It will also significantly improve standards of living in Central America.

Congress must now have the resolve to do what is right and pass CAFTA. The future of our economy and the political stability of our region depend on it.

Ms. LEE. Mr. Speaker, I join my colleagues from both sides of the aisle in strong opposition to CAFTA.

Mr. Speaker, this trade agreement is a complete failure on all levels. The defeat of CAFTA is the only option.

Mr. Speaker, what we need is not just free trade, but fair trade.

What we need is a trade agreement that supports domestic manufacturers, while promoting labor standards overseas.

What we need is a trade agreement that protects our environment and stops corporations from trampling local governments.

And most importantly, what we need is a trade agreement that doesn't turn back the clock and deny access to lifesaving medicine to people suffering from diseases like HIV/AIDS.

Generic competition has reduced the cost of medicine and made access to treatment a possibility in developing countries, but DR–CAFTA puts profits over people and sacrifices access to medication to drug industry greed.

Experts estimate that in some DR–CAFTA countries, drug costs could increase as much as 800 times.

People will be dying in order to promote the profits of the pharmaceutical industry. It is morally outrageous, and it sets a horrible precedent for future trade agreements.

DR–CAFTA is an absolute failure on every count. We have all learned from 10 years of

failed NAFTA policies, and we cannot and we must not repeat those mistakes.

The administration needs to go back to the table and develop a trade agreement that reduces our trade deficit, upholds labor and environmental standards and protects the access to lifesaving medicines for those who need them most.

This bill must be defeated. I urge a “no” vote.

Mr. MEEHAN. Mr. Speaker, I have long believed that as a matter of principle we should try to take down barriers that divide economies and people. Under the right conditions, trade between countries can create American jobs and raise standards of living both at home and abroad. But globalization is a developing issue and our policies need to reflect developments in our economy and the economies of our trading partners.

When seeking new markets for our products and services, we need to ensure that we are competing on a level playing field. We must work to ensure that our trade agreements are not only free, but also fair.

Tonight I will cast my vote against the Central American Free Trade Agreement because it is not free and fair trade.

When this Administration cuts the job retraining and education assistance necessary for our workers to compete in the global economy, we should reject trade agreements like CAFTA that fail to protect workers on both sides of the agreement.

The United States has a half-trillion dollar trade deficit. American businesses are choosing not to invest at home and our economy is no longer attracting private foreign capital.

The minimum wage is at its lowest level in 50 years, and nearly 7.5 million Americans are unemployed. The Republican Congress has enacted legislation that actually creates incentives for companies to move jobs overseas.

The CAFTA agreement President Bush has submitted to Congress would open U.S. markets to products from Latin American countries with poverty-level wage scales and poor environmental conditions. In return, we get access to six countries whose combined economic output is smaller than that of the city of Boston. Under this agreement, hard-working Americans will be forced to compete with nations that don't enforce international human rights standards in wage and hour rules and child labor laws.

Rather than foster sustained economic growth, CAFTA would freeze Central America's substandard labor laws in place. CAFTA is as bad a deal for Central American workers as it is for workers in the United States.

Time and time again, the Bush Administration has failed to take the necessary steps to help American workers succeed in the changing global economy. When the Senate Finance Committee made a bipartisan recommendation to include aid for displaced American workers in CAFTA, the Bush Administration simply ignored the request.

This indifference to the needs and concerns of the people most likely to be hurt by this agreement is typical of the Bush Administration's handling of economic policy. Instead of strengthening job training programs, the Administration has cut funding for these programs by over \$750 million over the last five years. Instead of strengthening education, the Administration has cut these programs by over \$500 million. Instead of addressing the health

care crisis in this country, the Administration has brought us legislation to protect the profits of HMOs and insurance companies.

I urge my colleagues to join me in voting to send the Central American Free Trade Agreement back to the White House with a clear message that we will not approve this agreement unless it reflects our priorities and values.

Mrs. BIGGERT. Mr. Speaker, I rise to urge my colleagues to cast their votes in support of DR-CAFTA for three very compelling reasons:

First and foremost, the agreement will help our manufacturers, workers and farmers. Let's face it—the U.S. is the most open market in the world. Right now, about 80 percent of the goods made in DR-CAFTA countries enter the U.S. with no duties whatsoever. In contrast, our \$1.6 billion in exports face about \$1 billion in tariffs and additional non-tariff barriers. That's not fair. DR-CAFTA will change that.

Second, it bolsters our national security as it helps strengthen relationships with six very important new governments in our own backyard. If we turn our backs on the fledgling democracies of the DR-CAFTA nations, we risk a return to the instability, leftist insurgencies, and Marxist leadership of the 1980's. Our worldwide anti-terrorist efforts could all be for naught if we drive our friends in Central America back into the arms of leaders like Venezuela's Hugo Chavez and Cuba's Fidel Castro.

And last, DR-CAFTA is the right thing to do. Those who wish to help the anti-poor efforts in these six nations, or stem the flow of illegal immigration to the U.S., or reverse China's dominance in textiles and apparel, should vote for this agreement. It is expected to create 300,000 jobs in these industries in the DR-CAFTA nations, while creating new demand for U.S.-sourced inputs—not raw materials from China. Upon enactment, more than 90 percent of all apparel made in the region will be sewn from fabric and yarn made in the U.S.

I urge my colleagues to support the agreement.

Mr. SPRATT. Mr. Speaker, there are various good reasons to vote against CAFTA, but the first is enough and it's basic: this is not a good deal.

The U.S. is running unprecedented trade deficits—\$618 billion last year, \$195 billion this year in the first quarter alone. And the deficit worsens every year, weakening our economy and our independence. Virtually every trade deal the U.S. has made has resulted in far more imports than exports. Yet we keep creating free trade zones in the blind faith that the market will optimize the outcome.

Central American countries are part of the Caribbean Basin and already enjoy wide-open access to our markets by virtue of tariff Item 807, the Generalized System of Preferences, the Caribbean Basin Trade Partnership Agreement, and the Uruguay Round of GATT, which has removed all quotas on textile/apparel imports. Far from being disadvantaged, these countries enjoy preferential access now.

In fact, the Caribbean Basin countries as a group already export more to the U.S. than Mexico and import less. The CBI countries shipped \$2.6 billion in apparel exports to the U.S. versus \$1.6 billion in apparel shipments from Mexico. During the most recent quarter, CBI countries imported \$655 million in fabric from the U.S. Mexico imported \$809 million.

Overall, in 2004 our textile/apparel trade deficit with Mexico was \$3.765 versus \$5.669 with CBI countries.

CAFTA purports to be based on a rule of origin adopted from NAFTA. NAFTA provides that for textile and apparel goods to move freely among Mexico, Canada, and the U.S., they must be made from the yarn stage forward in these three countries. CAFTA follows the same rule, but carves out so many exceptions that the exceptions swallow the rule.

Here are some of the exceptions to the rule of origin that CAFTA allows for textiles and apparel:

Only the component that gives the garment its essential character is subject to the rule of origin. Non-essential components are accepted.

Textile or apparel goods that contain fabric or yarn deemed "in short supply" in the U.S. are treated as originating in CAFTA, regardless of origin. This opens the door to more Chinese components entering the U.S. duty-free.

Denim, wool, cotton, and man-made fiber woven products from Mexico and Canada, are permitted under the rule of "cumulation." Cumulation allows countries that have free trade agreements with us to supply component parts to CAFTA countries without affecting duty-free treatment. This opens the sale of U.S. yarn and fabric to competition and increases the likelihood that transshipped textiles from China will enter the U.S. duty free.

For the first 10 years, CAFTA grants Tariff Preference Levels (TPL) to Nicaragua, for up to 100 million square meter equivalents of out-of-region cotton or man-made fiber garments. These goods come into the U.S. at nominal duties. This exception represents  $\frac{2}{3}$  of Nicaragua's current capacity and opens another back door to Chinese imports.

The origin of collars, cuffs, and linings is not considered when determining the origin of the apparel goods. This allows the use of Chinese collars, cuffs and linings.

CAFTA allows Central American countries to use components from anywhere—including China—to make pajamas, bras, and boxers and import them duty-free. The import of these goods from China has been found disruptive to our markets. So, they are subject to "restraints" under a special "safeguard" agreement with China. By allowing duty-free access to the U.S. for these goods, CAFTA allows China a route around the "safeguard" restraints.

Here's another oddity about CAFTA. CAFTA benefits are retroactive to January 1, 2004. Manufacturers will receive duty rebates if CAFTA is ratified. Under the Caribbean Basin Trade Partnership Act, garments made in the region from U.S. yarns and fabrics already receive duty-free treatment. The only manufacturers who will benefit from retroactivity are the ones who want to use non-U.S. fabric as part of the single transformation, TPL, or cumulation loopholes. Retroactivity is essentially an invitation from the U.S. government to manufacturers to start using non-U.S. fabrics immediately.

The U.S. has been unable to make labor and environmental standards a condition of free trade for GATT/WTO members, though they should be. Otherwise, free trade becomes a race to the bottom. Our goal should not be just to expand markets, but to raise living standards. All CAFTA says is that a coun-

try must enforce its own laws. CAFTA sanctions the status quo, doing nothing for labor or environmental laws.

All in all, CAFTA strikes a poor bargain. China is now making trade deals world-wide, using as leverage the largest emerging market in the world. The U.S. still has the largest existing market in the world. Surely in exchange for access to our markets, we can cut a better deal than CAFTA—better for our workers and theirs.

Mr. MEEK of Florida. Mr. Speaker, I am a strong supporter of trade. Since I came to Congress, I have voted for free trade agreements with Australia, Chile, Morocco, and Singapore.

There has been a lot of exaggeration about the benefits and the problems that would be attributable to DR-CAFTA, but I look at this agreement in a larger context.

First, I believe that the Bush Administration has never done enough to provide Florida businesses with the government services they need to expand, develop new markets, and operate efficiently, especially with regard to Miami International Airport, which is the single largest employer in Miami-Dade County.

Second, we know the state of Florida lost 35,000 jobs after the passage of NAFTA. While some Florida businesses will benefit from DR-CAFTA, I don't believe the gain in new business will be as pronounced as proponents have claimed, and I am deeply concerned about the impact on some industries, like sugar.

Third, I believe that it is unjust to include the Dominican Republic in this trade agreement while excluding Haiti. The Administration had the opportunity to promote stability, job growth and democratic government in Haiti last year with the HERO bill, but the President was never fully committed to the legislation and the opportunity was lost.

I think it is disingenuous of the President to now claim that the passage of DR-CAFTA is essential for the growth of democracy in the hemisphere when he passed up the opportunity to help Haiti with both of these trade bills.

Mr. VAN HOLLEN. Mr. Speaker, today, after much deliberation, I decided to cast my vote against the Central American Free Trade Agreement. After careful review, I have concluded that the benefits of CAFTA are likely to flow to a few powerful economic special interests at the expense of working men and women in the United States and Central America. It is my hope that a 'no vote' will encourage the President to go back and re-negotiate the labor and environmental provisions of CAFTA so that everyone, not just a few special interests, will experience the rewards of free trade.

The Bush Administration offered as one of its reasons for negotiating this agreement that the growing economic prosperity in Central America as a result of CAFTA would pull Central Americans up from poverty to become enthusiastic consumers of American goods. But by not sufficiently addressing the issue of weak labor protections throughout Central America, the Bush Administration neglected an important tool that could help make this dream a reality.

According to the Administration, CAFTA adequately addressed labor concerns by requiring that each country enforce its own labor laws. Ordinarily, I would not object to this.

Similar language is included in some of the other FTAs I have supported in the past. But what is troubling about CAFTA is that, while Central American countries may indeed have worker protections on the books, they have a dismal record of enforcing them. This became clear to me while researching the human rights records of CAFTA countries.

I was disheartened to learn that while the constitutions of each CAFTA country provides for rights of workers, bureaucratic impediments, ineffective legal systems and insufficient resources have precipitated a culture of neglect that has left workers vulnerable to exploitation by employers.

In Guatemala, the law prohibits retribution for forming or participating in trade unions. But, enforcement of these provisions is weak. Employers often circumvent the Labor Code or simply ignore judicial pronouncements altogether.

In El Salvador, there have been repeated complaints that the government prevents workers from exercising their constitutionally recognized right of association by employing excessive judicial formalities and denying unions legal standing.

In Honduras, the Labor Code expressly prohibits retribution by employers for trade union activity and blacklisting—but such violations continue.

The Administration's response to objections about the dismal enforcement records of Central American governments is that CAFTA contains penalties to discourage such activities. While CAFTA does contain provisions crafted to encourage enforcement of labor rights, these provisions fall short of the strength needed to reverse years of indifference and systematic neglect.

CAFTA's enforcement mechanism centers on a strategy of financial penalties. Each time a party is found guilty of violating a worker's rights, that country is assessed a fine. This approach has been employed in earlier agreements with few objections. But in CAFTA, such an approach is problematic.

My principal concern is that only the U.S. has the standing to bring a case against a CAFTA country. NGOs and other international institutions, who are often the most knowledgeable about the labor conditions in these countries, are forbidden from seeking redress on behalf of workers—which means that only the U.S. government will be able to take issue with labor violations under CAFTA. Given our poor history of forcing compliance with labor laws among our trading partners, I am not convinced that this approach will adequately protect Central American workers.

Equally troubling is the requirement that countries found to be in violation pay the fine back to themselves instead of to the United States. This hardly seems like a penalty at all.

Unfortunately, CAFTA would turn the labor conditions in some Central American countries from bad to worse. The Caribbean Basin Initiative, which currently governs U.S. trade relations with Central America provides for periodic opportunities to reconsider and re-negotiate its provisions—including its labor provisions. That creates a mechanism where, over time, we can press for improved labor conditions. But the labor provisions in CAFTA would preempt the CBI process. Once passed, CAFTA can only be changed if each individual country agrees to the change.

Over the years, unions have helped bring scores of Americans into the middle class.

Unions helped shield workers from retribution as they sought a fair wage and better benefits for themselves and their families. Given the increased opportunity for trade that CAFTA will bring about, Central American workers deserve the chance to enjoy some of the benefits.

The debate on CAFTA has been long and spirited. Along the way, critics have had time to clearly announce their objections. The Bush Administration heard and responded to concerns about textiles and even re-opened negotiations on the issue. Why can't the same be done for labor rights?

Mr. President, many of the flaws in the agreement with respect to labor rights also apply to its environmental provisions. The enforcement mechanisms are weak.

I have therefore concluded that CAFTA is a missed opportunity. Without adequate mechanisms to enforce labor and environmental standards it will trigger a race to the bottom—a race for certain special economic interests to exploit lax labor and environmental protections. The result will be substantial benefits for a few at the expense of many. We can do better. We must do better.

Mr. President, Americans and Central Americans deserve a chance to have their concerns about this agreement addressed—please re-negotiate CAFTA.

Ms. ROYBAL-ALLARD. Mr. Speaker, I rise in strong opposition to H.R. 3045, the Central American Free Trade Agreement (CAFTA). I am a supporter of trade when it is used to help lift developing countries out of poverty and when it provides jobs with fair wages and protections. However, as negotiated, the CAFTA fails on both counts.

On May 15, 2003, I joined colleagues of the Congressional Hispanic Caucus in sending a letter to U.S. Trade Representative Robert Zoellick regarding concerns we had about the direction the Administration was taking during its negotiations of the Central American Free Trade Agreement. As a signatory to that letter, I urged Ambassador Zoellick to negotiate to strengthen the enforcement of internationally recognized labor rights, such as freedom of association, the right to organize, and to bargain collectively. I regret that U.S. negotiators ignored this critical request and finalized the CAFTA without strong and clear language that would hold the CAFTA countries accountable to such internationally recognized core labor rights.

There are many other concerns I have with the trade agreement that is before us. For example, I am troubled by the fact that the CAFTA does not adhere to the provisions of the 2002 Trade Promotion Authority, which requires that new U.S. trade agreements not provide greater legal rights to foreign investors than to U.S. investors. Under CAFTA, foreign investors have the right to challenge U.S. laws and regulations if they believe the law negatively impacts their ability to conduct trade. As a result, a foreign investor can seek financial compensation from the U.S. by going through an international arbitration panel. Congress was clear in its opposition to this continued foreign investor overreach of power, and it is disturbing that the Administration has not done a better job of protecting U.S. interests.

In addition, I oppose the provisions of this agreement which would impede access to safe and affordable prescription drugs for patients throughout Central America and the Do-

minican Republic. Specifically, CAFTA would block governments from approving the sale of generic drugs for at least five years after a new drug is introduced in each market, even if the drug's patent has already expired. The agreement would also block the approval of generics unless drug regulators can prove that the drug's patent has expired. These obligations create additional burdens on CAFTA countries that need to focus their limited resources on monitoring the safety and efficacy of their pharmaceutical products. Furthermore, it is unconscionable that we would place the financial interest of large multicultural drug companies above the health needs of families in developing countries.

In conclusion, I continue to express my support for a U.S. Central American Free Trade Agreement that would protect U.S. interests and create economic opportunities for workers, businesses, and farmers here and in Central America. Such an agreement would help break the cycle of poverty in Central America and serve as a model for hemispheric trade. Unfortunately, the agreement your office has negotiated falls far short of meeting these goals.

Mr. SHAYS. Mr. Speaker, I rise in strong support of the Dominican Republic-Central American Free Trade Agreement. There are a whole host of reasons to support this legislation.

CAFTA will benefit both the U.S. economy and the economies of the Central American nations. Opponents of CAFTA would have us believe the North American Free Trade Agreement moved all our jobs to Mexico and seriously harmed the American economy. Contrary to their assertion, our economy's strength is due in no small part to the advancement of free trade.

Expanding trade is critical to strengthening our economy. This is especially true in Connecticut where our businesses exported \$8.3 billion in 2002, up \$1.1 billion since 1999. In fact, export-supported jobs accounted for an estimated 7.5 percent of the state's total private-sector employment.

Many of my friends in the labor and environmental communities have expressed concern that signing this agreement will be bad for their interests. I strongly believe by integrating ourselves with these countries, we give ourselves greater leverage to work on enforcing labor standards and environmental safeguards. Only through isolation do we risk letting these countries slip down the very path these groups are concerned about.

Furthermore, I believe the best way the United States can facilitate social and economic reforms in other countries is through an open dialogue and greater trade. Free trade leads to a richer and more educated populace, which leads to the expansion of democracy and a desire to be accepted as a full member in the world community.

Leaders like Venezuela's Hugo Chavez are advancing an anti-American, anti-Western agenda in our hemisphere. It amazes me we would turn our back on leaders who are standing up and asking to be more closely linked with the United States.

CAFTA is good for our economy and our workers, it's good for the economies of these countries and their workers, and it's good for the stability of our continent by promoting democratic governments. I urge this legislation's passage.

Mr. FILNER. Mr. Speaker, the Republic Leadership has insisted on bringing the proposed Central American Free Trade Agreement (CAFTA) before the House tonight. CAFTA tacitly endorses labor and environmental conditions in Central America that would be illegal in the U.S.

CAFTA allows goods produced under these conditions to unfairly compete with the Imperial County sugar growers, of my district. If we pass this agreement, American farmers and ranchers that comply with U.S. environmental and labor standards will be at a grave disadvantage in the global economy.

My district which encompasses the border of California and Mexico, has felt the negative impact from the failure of the North America Free Trade Agreement (NAFTA). My district has seen NAFTA's promises broken, translating free trade into poverty; increasing social inequality; and creating severe environmental degradation.

The current CAFTA proposal would expand on NAFTA's failures, and send the wrong message: labor and environmental standards are not as important as producing cheap goods under horrible labor conditions.

At the minimum CAFTA should call for basic labor standards including child labor protections, and environmental standards. Make no mistake about it, CAFTA is not about national security, it's about the exploitation of cheap labor!

Mr. HOLT. Mr. Speaker, I rise today to oppose approval of the US-Dominican Republic-Central American Free Trade Agreement (DR-CAFTA).

On the floor today we are considering a far reaching and important trade agreement with our Central American neighbors, and yet we will only spend two hours debating DR-CAFTA. I am disappointed that more time was not provided to debate this highly controversial legislation. We will have spent more time this week naming various post offices than seriously debating this trade agreement. This is simply wrong. When the House considered the North American Free Trade (NAFTA), a full eight hours of debate was allowed. This is how the House should consider such agreements, with meaningful and extended debate.

International trade is not just inevitable, it is a good thing. But lowering the cost of goods and increasing their availability is not the single goal of trade. Trade done right helps lift the global standard of living and works to protect the irreplaceable environment we inherited. Trade is about values. Trade agreements are not just about goods and commodities; they are also about what constitutes acceptable behavior in environmental matters, worker's rights, intellectual property, and so forth. We should make sure we export the goods we produce and not the workers who produce them. Unfortunately, the DR-CAFTA before us today fails these basic tests. The DR-CAFTA does not contain the values we would require in America and that we must help spread in Central America. Even the United States Conference of Catholic Bishops has come out in opposition to DR-CAFTA because of its effect on the poor and most vulnerable in Central America.

Each new trade agreement entered into by the U.S. should be very closely scrutinized. Each ought to include the strongest enforceable worker rights, human rights, and environmental safeguards attainable, like those in-

cluded in the U.S.-Jordan agreement of 2000. Each should also include enforceable rules to protect intellectual property rights and guarantee access for U.S.-based corporations to foreign markets. This can be achieved in trade agreements if we enter negotiations with clear principles.

I voted against the Chile and Singapore trade agreements, for example, because the inadequate labor and environmental provisions included in them, in my estimation, failed to meet the negotiating objectives that Congress carefully spelled out in the 2002 law extending fast-track negotiating authority to the President. They did not provide, for example, that trade dispute settlement mechanisms within those free trade agreements afford equivalent treatment to trade-related labor and environmental protection as intellectual property rights and capital subsidies, and the impending DR-CAFTA fails in this regard, too. The agreement between the US and Jordan, on the other hand, is a fine example that good agreements are achievable.

I am deeply troubled by the DR-CAFTA before us today. The DR-CAFTA does not contain strong, enforceable provisions to protect internationally-recognized worker rights. Nor does it have any provisions for environmental safeguards. Such provisions are critical because they both preserve existing labor laws and environmental standards in the affected countries, and because they ensure that American companies will be competing on a more level playing field with our Central American neighbors. Without such provisions, U.S. companies and employees are forced to compete with countries that have inadequate wage, working conditions, or environmental protections. The people of all countries lose in such a "race to the bottom".

Mr. Speaker, I am going to vote no on DR-CAFTA tonight, and I urge my colleagues to do the same.

Mr. KIND. Mr. Speaker, as our nation leads the world into the 21st century, we should not shy away from opportunities to guide and expand global trade. Lowering tariffs and advancing economic engagement among nations not only helps the American economy, it also can provide real opportunity to those in the developing world who are working to eradicate poverty, build their nations and bring prosperity to their people.

It is critical that we build a bipartisan consensus around the importance of trade, which, unfortunately, does not currently exist. Such a consensus requires that trade agreements be balanced and fair for American workers and companies as well as for the nations with which we seek to engage. It also requires that domestic priorities be put in place to assist Americans in transitioning to the global economy.

While I have supported previous free trade agreements, it is with regret that I oppose H.R. 3045, legislation implementing the Central American Free Trade Agreement (CAFTA) between the United States, the Dominican Republic and five Central American nations: Costa Rica, Honduras, Nicaragua, El Salvador and Guatemala. DR-CAFTA does not build the bipartisan consensus we must achieve to succeed in the emerging global economy.

When increasing opportunities through trade, we must be sure to do more to empower the American workforce through a comprehensive and upgraded education and work-

er training policy. The single most important factor in determining America's success in the 21st Century will be maintaining our innovation and creativity.

Over the last few years, the world has become a smaller and more integrated place with technology, which levels the playing field like never before. Greater competition and collaboration exist now between countries, companies, and individuals. Meeting this challenge requires a new set of big ideas. Instead of this Administration being so eager to dismantle the new deal, it should be working with Congress to offer the American people a new "New Deal."

This new "New Deal" should provide working families with the skills to compete successfully in the 21st Century economy. We must renew our commitment to worker training programs, an education investment that emphasizes math, science and engineering, research funding in science and medicine, and a comprehensive broad-band strategy for all America.

Unfortunately, DR-CAFTA fails on a number of fronts. While the Administration has aggressively negotiated intellectual property and investor rights provisions in the agreement, it has simply not taken the same approach to protect workers' rights abroad or address the needs of working families here at home.

DR-CAFTA does not require nations to bring their laws into compliance with the International Labor Organization (ILO) core labor standards, even though the ILO and U.S. State Department have documented numerous areas where the CAFTA countries' laws fail to comply with even the most basic international norms. Further, the agreement lacks critical dispute settlement and enforcement mechanisms for worker rights provisions beyond a normal fine for countries that fail to enforce their own current labor laws. Even this minimal standard is flawed, as DR-CAFTA does not require countries to maintain their current labor laws.

In addition to the inadequate labor provisions in the trade agreement, the Administration has done nothing to prepare hard-working American families for the consequences of increased trade. Rather, the Administration and Congressional Leadership have provided irresponsible tax cuts benefiting the wealthiest one percent of Americans at the expense of investing in education, skills training, and research and development.

Mr. Speaker, economics and trade need not be a zero-sum game; it can be a win-win for everyone involved as long as people have the tools to succeed. I cannot in good faith support an incomplete trade and economic policy that leaves Americans less able to be creative and innovative.

Mr. KILPATRICK of Michigan. Mr. Speaker, I rise in opposition to H.R. 3045, the Central American Free Trade Agreement (CAFTA). My opposition is based on my conclusion that CAFTA is another chapter in trade legislation that will spur job losses, depress American wages, eviscerate laborer's rights, emasculate the environment, and contribute to our nation's deficit.

Recent statistics from the Labor Department indicate that America has lost more than 2.5 million manufacturing jobs since the passage of NAFTA. In my home state of Michigan, we have experienced a net job loss of over 200,000 manufacturing jobs due to exports.

Throughout the U.S., American workers suffer with anxiety about the elimination of their jobs each time we pass another free trade agreement. They know that factories are being relocated to foreign countries where they will be immune from paying U.S. taxes, and will be able to pay workers a fraction of U.S. hourly wages that range from \$14 to almost \$18. Each time we pass another trade agreement, their worst fears are realized.

According to the United Nations International Labor Organization (ILO), the average hourly wage earner in Nicaragua makes 95 cents; \$1 in Guatemala, and \$1.25 in El Salvador. Such minuscule wages pose a tremendous incentive to Asian and U.S. manufacturers to build factories and strategic alliances in Central America. The same factories that will be created in Central America will be able to avoid strong environmental laws that exist in the U.S., thereby contributing to environmental degradation throughout Central America.

If Americans have any concerns about the prospects posed by CAFTA, we need only look at the explosion of our deficit after the passage of NAFTA. Our trade deficit with Mexico mushroomed to \$15 billion from a figure of \$3 billion, resulting in a loss of 200,000 high wage U.S. jobs.

I am a very concerned that worker protection provisions throughout Central America will be weakened if CAFTA is passed. The legislation omits an important protection that was included in NAFTA—that labor enforcement proceedings not be unnecessarily complicated. I reject the hypocrisy of a trade agreement that would sanction placing the welfare of low wage earners in jeopardy. In my state of Michigan, we have strong worker protections in place. I cannot in good conscience support a measure that would pose potential harm to workers throughout countries in Central America.

Finally, supporters of CAFTA state that its passage will facilitate the elimination of tariffs and quotas and will ultimately result in increased trade and long-term growth. In reality, consumers and laborers in Central America will not be able to afford American manufactured goods. They will, however, be able to manufacture goods in Central America that will be sold in America with a profit margin that could not be realized if the same item were manufactured domestically.

Mr. Speaker, I rise in strong opposition to HR 3045, the Central American Free Trade Agreement (CAFTA). Passage of this bill will accelerate job losses, contribute to our deficit, circumvent labor rights and contribute to global environmental degradation. My constituents have overwhelmingly expressed their concerns and opposition to HR 3045. I urge my colleagues in the House to defeat this measure and stand up for fair and free trade.

Mr. SALAZAR. Mr. Speaker, I came to Congress to defend the values of rural Colorado; our farming lifestyle, our ranching communities, our jobs. DR-CAFTA, the Dominican Republic-Central America Free Trade Agreement goes against those values, posing a threat to the very backbone of our economy and our lifestyle.

Trade has always been a way for cultures to exchange not only goods, but also ideas and good will. I support trade with our neighbors; it is what we should be doing to help promote democracy and economic prosperity. But just because we have a trade agreement before us does not mean it is the right agreement.

DR-CAFTA is an attempt to liberalize trade between the United States and six Latin American countries. The Administration negotiated with other foreign leaders in 2004 and today the House of Representatives will vote whether to approve the agreement. Due to Fast Track Authority, however, Congress will not have an opportunity to amend the agreement—it will merely have an up-or-down vote regardless of any concerns that may be voiced. DR-CAFTA has divided many agricultural groups among the states as well as other industries, business groups and human rights organizations.

Over the last several months, I have met with a variety of groups from Colorado and around the nation about DR-CAFTA and I am sad to report there is no consensus about how this agreement will affect our nation's economy.

The promise of new markets for agricultural exports has prompted many groups to throw their weight behind DR-CAFTA, but a deeper examination of the supposed benefits vs. the actual consequences of DR-CAFTA's enactment warrants hesitation.

Our beef industry is strong and fiercely protected in our state. According to the proponents of the deal, DR-CAFTA will open up new markets and opportunities for the U.S. beef industry. But our local ranchers and beef producers will not benefit from the agreement—DR-CAFTA will only allow duty-free access for prime and choice cuts of U.S. beef, which makes little sense when 40 percent of the people in DR-CAFTA nations make \$2 a day or less.

Meanwhile, DR-CAFTA is silent on the issue of imports meeting our rigorous food safety and sanitary standards, creating a challenge to the safety of our food supply.

The Colorado Farm Bureau has publicly expressed its opposition to this agreement because of the potential adverse effects it would have on agricultural sectors. In particular, the Colorado sugar industry could be devastated by increased imports of sugar from the Dominican Republic. According to estimates, the effect of lower sugar prices after increased imports could be nearly \$180 million. This means the loss of nearly 150,000 sugar-industry jobs. A report prepared by the United States International Trade Commission estimates job loss in the sugar industry will be 38 times higher than the next most harmed sector.

Not only would DR-CAFTA threaten the livelihoods of thousands of U.S. sugar farmers and workers, but it would cost taxpayers millions of dollars. Another government report reveals information condemning DR-CAFTA as a burden on taxpayers. According to the Congressional Budget Office, the influx of sugar from Central American countries would push prices down so low that our own sugar farmers would be forced to forfeit government loans on their crops. These forfeitures would cost taxpayers about \$50 million annually through 2015. When added to a trade deficit that has ballooned to \$617 billion, claims of economic gain are hard to believe.

The trade commission study states DR-CAFTA will actually accelerate the pace at which jobs are outsourced overseas. The North America Free Trade Agreement certainly hasn't set a good precedent, with estimates of nearly 900,000 jobs lost.

In the wake of NAFTA, Trade Adjustment Assistance programs were designed to assist

those who lose their jobs as a result of companies moving out of the United States. More than a decade after NAFTA, the programs receive only one-quarter of the needed funding. Despite progress made in recent years to improve the Trade Adjustment Assistance program, budget cuts have left many workers who qualify for TAA benefits without access to this program when they need it most. Workers in Grand Junction were displaced this year when their jobs were outsourced overseas; I would hate to see other communities have to deal with this problem.

How will the TAA programs keep up with DR-CAFTA's fast-paced outsourcing? And why spend millions of dollars to fix the effects of a flawed trade agreement, instead of renegotiating the entire agreement? Proponents of DR-CAFTA can't seem to defend the agreement on its own merits.

Since the solid economic reasoning isn't there, curbing illegal immigration has become the new purpose of DR-CAFTA, another argument that doesn't have the backing of facts or figures. In the wake of NAFTA, 1.3 million farmers in small to medium-size operations were forced off their land because they were unable to compete with the multinational producers. For those concerned about "broken borders," think of this: The employed farmers and agriculture workers of 10 years ago have become the undocumented immigrants of today. I fear DR-CAFTA will create a new wave of illegal immigration from Latin America.

I will close as I began by reiterating my feelings about free trade. I support trade as part of a long-term strategy to grow our economy and support democracy. Economic ties with other nations help the American economy and national security. But trade agreements should provide real gains for U.S. workers and businesses. In any agreement, we must be vigilant about protecting our economic security. DR-CAFTA is a flawed agreement that needs to be renegotiated to address the concerns of our agricultural sector and the concerns of illegal immigration. Safeguards to protect American jobs and rural values must be strengthened before moving ahead with free trade in Latin America.

Mr. SKELTON. Mr. Speaker, over the past several weeks, I have closely studied the proposed free trade pact between the United States and Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and the Dominican Republic, commonly referred to as CAFTA.

After careful consideration, research, and meetings with national security experts and representatives of Missouri agriculture, labor, and business, I have decided to vote in favor of CAFTA. While this legislation is far from perfect—no trade pact ever is—my support comes down to two issues.

First, CAFTA is a national security issue. As the ranking Democrat on the House Armed Services Committee, I have the opportunity to consider not only the military component of national security, but other elements as well. Our security depends upon the success and the competitiveness of the U.S. economy. We must exert leadership, especially in our own hemisphere.

Just 20 years ago, civil wars, communist insurgencies, and military dictatorships oppressed and destabilized much of Central America. Because conditions in Central America are critical to our national security, the



United States has actively supported these nations during the transition from insurgency and military rule to democracy. However, these new democratic governments cannot be taken for granted. Threats to their existence remain, notably from countries in South America that are suffering the effects of civil war, narcotics trafficking, and communist inspired agitation. Turning our backs on a region only recently freed from the grasp of dictatorship would diminish our international credibility and would send the wrong message to the world at a time when our troops are fighting in Afghanistan and Iraq to build stable, democratically-elected governments.

As former President Jimmy Carter said, "For the first time ever, we have a chance to reinforce democracies in the region. This is the moment to move forward and to help those leaders who want to modernize and humanize their countries."

Second, the market access provided by CAFTA will benefit American agriculture, which is of primary importance to those of us who care about the future of rural America and want to promote a strong rural economy. Currently, 99 percent of agricultural products from CAFTA countries enter the United States duty free, while U.S. farm exports face significant barriers in these markets. Many of these commodities are produced in Missouri, where agricultural exports totaled \$1.24 billion in 2003 and account for one-fourth of farm cash receipts.

Under CAFTA, U.S. farm products—like pork, poultry, soybeans, corn, and beef—will receive preferential access to Central American markets, giving Missouri's agricultural exports a significant economic advantage over agricultural exports from our competitors in South America, Europe, and Canada. It is projected the CAFTA could increase agricultural exports in the Show-Me State by \$33 million annually once the agreement is fully implemented in 2024.

Again, no trade deal is perfect. Clearly, some improvements could be made in the bill, especially on the labor protection side. But, as I studied CAFTA and heard from national security, agriculture, labor, and business leaders, I became convinced that this trade agreement is critical to U.S. national security and rural America.

JUNE 8, 2005.

Hon. BILL THOMAS,  
Rayburn House Office Building,  
Washington, DC.

TO REPRESENTATIVE BILL THOMAS: As you prepare for your initial consideration of the Central American Free Trade Agreement (CAFTA) with the nations of Central America and the Dominican Republic, I want to express my strong support for this progressive move. From a trade perspective, this will help both the United States and Central America.

Some 80 percent of Central America's exports to the U.S. are already duty free, so they will be opening their markets to U.S. exports more than we will for their remaining products. Independent studies indicate that U.S. incomes will rise by over \$15 billion and those in Central America by some \$5 billion. New jobs will be created in Central America, and labor standards are likely to improve as a result of CAFTA.

Some improvements could be made in the trade bill, particularly on the labor protection side, but, more importantly, our own national security and hemispheric influence will be enhanced with improved stability, de-

mocracy, and development in our poor, fragile neighbors in Central America and the Caribbean. During my presidency and now at The Carter Center, I have been dedicated to the promotion of democracy and stability in the region. From the negotiation of the Panama Canal Treaties and the championing of human rights at a time when the region suffered under military dictatorships to the monitoring of a number of free elections in the region, Central America has been a major focus of my attention.

There now are democratically elected governments in each of the countries covered by CAFTA. In negotiating this agreement, the presidents of each of the six nations had to contend with their own companies that fear competition with U.S. firms. They have put their credibility on the line, not only with this trade agreement but more broadly by promoting market reforms that have been urged for decades by U.S. presidents of both parties. If the U.S. Congress were to turn its back on CAFTA it would undercut these fragile democracies, compel them to retreat to protectionism, and make it harder for them to cooperate with the U.S.

For the first time ever, we have a clause to reinforce democracies in the region. This is the moment to move forward and to help those leaders that want to modernize and humanize their countries. Moreover, strong economics in the region are the best antidote to illegal immigration from the region.

I appreciate your consideration of my views and hope they will be helpful in your important deliberations.

Sincerely,

JIMMY CARTER.

Mr. BURTON of Indiana. Mr. Speaker, the debate over the potential costs and benefits of the proposed Dominican Republic-Central American Free Trade Agreement, CAFTA, has been contentious; and at times it has been difficult to separate fact from fiction and the myths from reality. In fact, I don't think I have ever seen as many wild and unsubstantiated allegations thrown around about a bill as I have seen during the debate over CAFTA. I rise tonight though because one myth perpetuated by opponents of CAFTA has caused me great deal of concern; namely the myth that CAFTA will restrict American consumers' access to the wide range of vitamin and mineral supplements of varying potencies that are legally sold in the United States. Then there are the related myths that CAFTA will limit the amount and type of information on the labels of dietary supplements sold in the United States or even require that dietary supplements be sold as drugs.

I, along with millions of Americans, firmly believe that dietary supplements have been shown through research and historical use to be of immeasurable benefit to human health. As a regular consumer, I know firsthand the health benefits of using dietary supplements on a daily basis. Whether taking a multi-vitamin, herbal product, or specialty supplement, I know that people can and do live healthier lives and save money in long-term health costs by supplementing their diets.

Approximately 10 years ago, seeing a need for the Federal Government to address the American consumer's growing interest in dietary products and public safety, Congress overwhelmingly passed the Dietary Supplement Health and Education Act, DSHEA, to make certain that all dietary health products sold in the United States are held to the highest and safest quality standards.

This legislation ensures the safety of dietary supplements by requiring manufacturers to fol-

low standards called "Good Manufacturing Practices," or GMPs. Essentially, all ingredients in supplements sold in the United States must be previously approved by the FDA and listed on the bottle label, and distributors must follow strict guidelines on any claims that are made in regard to a particular product—to provide consumers with the most accurate information on supplements. Additionally, if at any time the FDA decides that a particular product or dietary ingredient is detrimental to human health; it reserves the right to have those items removed from the marketplace.

This legislation provides the current framework for how the Federal government ensures the safety and efficacy of dietary supplements sold in the United States, and there is no provision in CAFTA that requires the United States to change DSHEA in any way.

Nevertheless, I was so concerned about this issue that I asked the U.S. Trade Representative's, USTR, Office to clear up any misunderstanding about CAFTA and DSHEA. I would like to have the text of the USTR's fact sheet on CAFTA and Dietary Supplements placed into the CONGRESSIONAL RECORD following my statement.

#### CAFTA AND DIETARY SUPPLEMENTS

The CAFTA-DR will not limit consumer access to dietary supplements in any way, nor will it change the way the federal government or U.S. states regulate dietary supplements.

Chapter Six of the CAFTA-DR (Sanitary and Phytosanitary Measures—SPS), which some have claimed could limit access by American consumers to dietary supplements, does not create *any* substantive rights or obligations. It merely:

Says the seven governments do not intend the CAFTA-DR to change their existing SPS rights and obligations under the WTO.

Note: WTO rules, in effect since 1995, have had absolutely no impact on the regulation or availability of dietary supplements in the United States.

Establishes an inter-governmental committee to discuss SPS issues of mutual interest.

The SPS committee will not seek to harmonize national SPS regulations governing dietary supplements. In fact, Chapter Six does not require, recommend, or even mention harmonization.

The committee will simply work to assist the seven governments in carrying out their obligations under the WTO SPS Agreement.

Contrary to assertions some have made, the CAFTA-DR will not require the United States to:

Apply the recently adopted Codex Alimentarius Guidelines for Vitamin and Mineral Supplements. In fact, the agreement imposes no obligations regarding Codex standards or guidelines.

Change the Dietary Supplement Health and Education Act of 1994 (DSHEA), which regulates dietary supplements in the United States.

The Codex Guidelines provide voluntary guidance to governments relating to the composition of vitamin and mineral supplements and criteria for establishing maximum amounts of vitamins and minerals per daily portion of supplement consumed.

The Guidelines do not establish upper limits for vitamins and minerals in supplements.

Nothing in the WTO SPS Agreement will require the United States to adopt the Codex Guidelines.

Mr. FEENEY. Mr. Speaker, I rise today in support of the Central American Free Trade

Agreement, but I do so some reservation. While CAFTA should provide economic benefits to most industries in Florida, it does create some difficulties for our State's sugar farmers. I am disappointed that tonight's vote will have a negative impact on an important agricultural industry in our State, but along with this vote comes the broad economic benefits of free trade.

I have made a difficult decision tonight to support an agreement that will negatively impact some farmers in my State because of my belief in the principles of free trade. So it would be irresponsible of me not to make several points perfectly clear to my colleagues from other areas of the Nation, particularly the Midwest, whose farmers receive billions of dollars in farm program subsidies each year.

Unlike most commodity programs, the U.S. sugar program is designed to operate at no cost to the taxpayer. Unlike other crops, our Nation does not produce too much sugar, in fact we are the fourth largest importer in the world. We don't have to prop up sugar farmers by finding ways to get excess sugar out of the country, and we don't have to write billions of dollars of government checks to sugar farmers to allow them to stay in business.

I want to be sure that my colleagues understand that they may be called on to make an equally hard choice in the near future. Some corn groups have been especially critical of their fellow farmers who produce sugar cane and sugar beets. According to the President's budget, corn farmers will receive almost \$9 billion in government support for the 2004 crop alone. If sugar farmers received billions of dollars in government subsidies, they might produce a surplus like corn and be less concerned about increased imports.

I don't raise this issue in an effort to attack other Members' constituent industries; rather, like many of my colleagues, I am very concerned about Federal Government spending and the deficit. I just ask that those who are so quick to dismiss the concerns of my State's farmers be willing to take the same position of responsibility when you are called on to cut spending to your farmers. There has been a great deal of scrutiny of the sugar program in recent months. It is time we applied that scrutiny to other, high cost, farm programs as well, and all do our part to cut government spending.

Mr. STUPAK. Mr. Speaker, the late Pope John Paul said, "If globalization is ruled merely by the laws of the market applied to suit the powerful, the consequences cannot be but negative."

I agree with the late Pope John Paul. Trade is more than just economics. It's about people's lives and livelihoods. Our economic policies should create the rising tide that lifts all boats. Each decision we make must take into account the welfare and dignity of all people, but especially the poor and vulnerable who struggle daily to support themselves and their families.

When CAFTA is viewed through this moral framework, it is clear the agreement does not pass muster. That is why Pax Christi, Catholics for Faithful Citizenship and 34 other organizations (attached) of faith oppose CAFTA. If this agreement is enacted, the poor will get poorer and the rich will get richer.

The consequences of CAFTA will be felt by people throughout the Northern hemisphere—from the Michigan sugarbeet farmer trying to

put food on the table for his family to the poor Dominican laborer in need of basic medicines.

The developing countries affected by CAFTA have an enormous need for better access to medication. Despite these compelling health needs, CAFTA would undermine their access to affordable medicine and potentially give billions of dollars worth of patent protections to drug companies.

Closer to home, the sugarbeet farmers in Michigan will be forced off their farms as the price of sugar plummets. Hourly workers at sugar refineries will find their jobs outsourced to other countries. These workers' and farmers' livelihoods will be ruined. We're not talking about big Agri-business here—we are talking about small farmers who will no longer be able to support themselves. We're talking about small businesses owners laying off their workforces.

I ask the Bush Administration and the Republican Leadership, "If enacted, can you imagine what kind of damage CAFTA would inflict on Michigan's sugar industry, which ranks fourth in the country?"

With a state sugar beet economy that spans 2,000 farms, employs thousands of people, and totals over \$300 million annually, it doesn't take a genius to predict that flooding our market with sugar imports will strike a blow that may be unrecoverable.

The National Farmers Union, the National Family Farm Coalition, the Institute on Agriculture and Trade Policy, Michigan Sugar Company, and the Monitor Sugar Company—they understand the impact it will have on the sugar industry. Why doesn't the House Leadership pushing this bill get it? Or maybe they just don't care.

This bill is bad for sugar beet growers and bad for Michigan.

As Pope John Paul said, let's not strengthen the powerful at the expense of the less fortunate. That is what CAFTA will do—advance the financial interests of large multinational companies at the expense of the common good.

I cannot support an agreement that fails to protect the livelihood of so many families, in Michigan, the United States, and abroad. That is why I will vote "NO" on CAFTA.

Interfaith Working Group on Trade and Investment member organizations have mission workers and partner institutions in Central America who believe that DR-CAFTA will harm their families and communities. IWG members on record as opposing CAFTA include:

American Friends Service Committee, Center of Concern, Church of the Brethren Witness/Washington Office, Church World Service, Conference of Major Superiors of Men Religious, Columban Mission Center, Columban Office: Justice, Peace and Integrity of Creation, Congregation Justice Committee: Sisters of Holy Cross, Notre Dame, IN, Congregation of St. Joseph, Cleveland, Ohio, Office of Governmental Affairs (Evangelical Lutheran Church of America), Franciscan Sisters of Allegheny, New York, Holy Cross Institute Office, Institute Justice Team: Sisters of Mercy of the Americas, International Association of the Presentations, Leadership Conference of Women Religious, Lutheran World Relief, Maryknoll Office of Global Concerns.

Mennonite Central Committee: Washington Office, Medical Mission Sisters Alliance for Justice, Missionary Oblates: Justice, Peace and Integrity of Creation, National Council of Churches USA, NETWORK:

A National Catholic Social Justice Lobby, Presbyterian Church (USA Washington Office), Religious Task Force on Central America and Mexico, SHARE Foundation, Sisters of Charity of St. Augustine: Social Concerns Committee, Sisters of Charity of Cincinnati, Sisters of Humility of Mary, Sisters of Notre Dame, Notre Dame, Indiana, Sisters of Notre Dame, Justice and Peace Office, United Church of Christ Justice and Witness Ministries, United Methodist Church: General Board of Church and Society, Unitarian Universalist Association of Congregations, Witness for Peace.

Mr BACA. Mr. Speaker, I rise in opposition to this bill.

I urge all of my colleagues to join me in standing up for America and our working families by rejecting CAFTA.

CAFTA is a bad deal: bad for workers and businesses in my district, bad for America, and bad for workers in Central America.

CAFTA would cause more job losses, more poverty and more hardship for workers both here at home and in Central America, while expanding the gap between rich and poor.

We all should have learned from the mistakes of NAFTA, which was passed 12 years ago and has hurt American workers.

Let's all keep in mind the saying, "Fool me once, shame on you. Fool me twice, shame on me."

After NAFTA, there should be no CAFTA. When NAFTA was passed, many believed it would lead to higher wages and economic development in the U.S., Mexico and Canada and less illegal immigration.

Those hopes turned out to be false: Instead of helping American workers, NAFTA took away jobs. Instead of helping American businesses, many were forced to close down or move out of the country.

As we work hard to strengthen the American economy, we cannot afford a bad trade bill that is unfair to American workers.

CAFTA does not hold companies in other countries to the same standards. Workers in those countries do not have the same rights or protections. They do not have a voice and do not have safety standards.

Central American workers will be exploited. They will be expected to work like elephants and if they are not producing enough to satisfy their bosses, their jobs will be eliminated and replacements brought in.

We must not help or reward companies that prefer to exploit Central American workers in sweatshops instead of creating jobs in the U.S., hiring American workers and increasing wages.

It seems every day we read in the papers about another factory closing down. Since President Bush took office, 2.5 million manufacturing jobs have been lost. At least 750,000 American jobs have been lost directly due to NAFTA. And they are not coming back.

My constituents know about the impact of offshoring. We remember when Kaiser Steel closed its factory in Fontana, California, resulting in devastating job losses that hurt hundreds of workers, their families and their neighborhoods.

I am especially concerned about the harmful effect that CAFTA would have on Hispanic communities in the U.S. because we have seen that almost half (47%) of the American workers who lost jobs due to NAFTA were Latinos.

In addition to protecting American jobs, I want to protect our homeland security and I

am concerned that CAFTA would make us less secure. Our ports and borders are already vulnerable. Many shipments of cargo enter our country without inspection. Increasing shipments of goods from Central America could pose additional threats to our security.

I am disappointed that the Administration did not work closely with my colleagues in the Congressional Hispanic Caucus to propose an agreement that protects American workers and businesses.

Instead, the Administration is proposing an unacceptable trade deal that I cannot support.

Ms. DEGETTE. Mr. Speaker, having voted in favor of every free trade agreement considered during my tenure in Congress, I have been and continue to be an avid supporter of free trade. However, I cannot, in good faith, vote for the Central American Free Trade Agreement (CAFTA) as it stands today. Instead of helping to improve labor and environmental standards and increase the enforcement of those standards in Central America, CAFTA is a rubber stamp of the status-quo. CAFTA fails to strengthen existing labor and environmental laws and deliberately excludes meaningful penalties for Central American governments that fail to enforce such laws. What is worse, CAFTA removes the current ability of the United States to withdraw trade benefits when countries in the region refuse to improve labor and environmental standards. By removing this important—and proven—oversight mechanism, CAFTA could perversely weaken the few protections that exist for workers and the environment in Central America today.

CAFTA also includes an investment provision similar to North America Free Trade Agreement's (NAFTA) Chapter 11, which puts profits of multinational firms before the public safety and public health of citizens in the United States and in Central American countries. With CAFTA in its current form, the Administration makes its priorities clear: corporate need and greed above all else.

At the same time it leaves workers behind in Central America, CAFTA fails to help workers here at home. When drafting CAFTA, the Bush Administration refused to expand Trade Adjustment Assistance (TAA) to service workers who stand to lose from CAFTA, and similarly, it did not increase the amount of assistance for those workers who are currently eligible under the TAA program. More generally, this Administration repeatedly refuses to fund education and training programs that would help to ensure the future competitiveness of the American people.

It is unfortunate that I, along with my other like-minded Democrats who support free trade, do not have the opportunity to vote on a free and fair trade agreement with Central America. I believe that free, fair trade can be a powerful means to improve living standards abroad and to broaden economic opportunities for people here at home. Unfortunately, the Bush Administration negotiated this agreement behind closed doors without soliciting the bipartisan input of Congress. While the Administration has had numerous opportunities to make simple, but important changes to CAFTA, it has consistently refused, and instead, has insisted on supporting the deeply flawed agreement we have before us today—an agreement that I oppose in its current form.

Mr. LANGEVIN. Mr. Speaker, today I rise in strong opposition to H.R. 3045, to implement

the Dominican Republic-Central America-United States Free Trade Agreement. While I favor expanding trade and eliminating restrictive tariffs and barriers, the DR-CAFTA agreement does not create a fair playing field for United States companies and workers to compete. I urge my colleagues to join me in rejecting H.R. 3045 and tell the Administration to renegotiate a more responsible trade agreement. We can do better.

For the DR-CAFTA countries, the agreement would permanently expand preferential market access for most goods. For us, DR-CAFTA would phase out duties on manufactured and agricultural goods over 10 to 20 years. The countries included in this trade agreement, the Dominican Republic, Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua, are of extreme strategic importance to us. We must not neglect our neighbors to the south, and improving economic ties to these countries should be a top priority. However, the DR-CAFTA agreement before us today is just as likely to hurt workers in these countries as it is to help them.

While a properly written agreement could mutually benefit companies and workers in all of the countries involved, this agreement avoids specific language to improve working conditions abroad. H.R. 3045 does not contain strong environmental or labor enforcement, which are the keys to fair trade. The agreement requires the DR-CAFTA countries to enforce their own laws, but it does not demand compliance with the International Labor Organization's core labor standards. Central America has among the worst working conditions in the world. In Nicaragua, for instance, more than 40 percent of the population lives on less than \$1 per day, so the agreement could have vastly improved their living conditions. Instead, DR-CAFTA will likely continue the status quo of cheap labor and weak worker protections.

Likewise, DR-CAFTA does not require countries to meet any minimum standards on the environment or public health. DR-CAFTA countries have no restrictions on air or water quality, which creates unhealthy living conditions and damages the environment. If a country does not meet its own environmental laws, it could be fined up to \$15 million, a stark contrast to intellectual property violations, which have unlimited fines under the agreement. On a level playing field, American workers can compete and win, but it is unfair for our companies to compete against a DR-CAFTA country that employs minors earning pennies per hour without the same air and water quality guidelines under which American companies operate.

In 2004, Rhode Island exported approximately \$30 million to these countries, or 2 percent of the state's worldwide exports. This agreement is important to several companies in my district, but we must go back to the drawing board to ensure American companies and American jobs are not left behind. I urge my colleagues to join me in opposing H.R. 3045 and encouraging the Administration to renegotiate a more equitable agreement.

Mr. STARK. Mr. Speaker, I rise today in strong opposition to H.R. 3045, the implementing legislation for the U.S.-Central America-Dominican Republic Free Trade Agreement (CAFTA). When big business calls, Republicans always answer, and today we vote on a gift to big business paid for by American and Central American workers.

The signatory countries inked this agreement 14 months ago. CAFTA is so unpopular that the Republicans were unwilling to bring it up for a vote before the 2004 elections. Now we're voting at the final hour with supporters relying on promised favors and twisted arms for victory. This is not the example we should be setting for growing democracies in Central America and around the world.

Beyond the example we set globally, this agreement does not include basic labor, environmental and public health standards.

Instead of forcing countries to meet basic environmental standards, the agreement allows them to enforce their own substandard environmental laws. If you have ever wanted to see the pristine beauty of the Costa Rican rain forest or Lake Atitlan in Guatemala you might want to book your tickets before the "benefits" of CAFTA begin to destroy these natural wonders.

"Enforce your own laws" must be the favorite new saying in the Bush Administration because CAFTA applies this meaningless standard to labor rights as well. It would have been simple to require all CAFTA signatories to codify the International Labor Organization's core labor standards. But the Bush Administration doesn't care about workers rights as long as American companies have a cheap Central American labor pool to draw from. When Central American workers don't have the right to organize, or even the right to a safe workplace, at least the Bush Administration can take solace in the fact that they have sent them low-paying jobs that used to belong to hard-working Americans.

There are other egregious provisions in CAFTA, some written for Republican benefactors like the pharmaceutical industry. At the behest of PhRMA—the Pharmaceutical Research and Manufacturers Association—the Bush Administration negotiated a sweet deal for brand name drugs that will limit CAFTA countries' access to affordable generic alternatives.

The pharmaceutical industry will solely benefit from a provision to extend its monopolies to Central America. If this agreement is approved, the most profitable industry on the planet will get an additional five years to exploit the sick to maximize profits. This provision will raise the price of drugs for CAFTA-country residents and could limit their ability to provide more affordable generic drugs during public health emergencies.

In countries where people make two dollars a day, it is abhorrent to eliminate cheaper generics from the market and force workers to pay for expensive, brand name drugs.

Instead of voting on CAFTA today, we should be telling the Bush Administration to renegotiate. This is a bad agreement for America and for Central America. I urge all my colleagues to ignore the Majority's empty promises and arm-twisting and vote against this reprehensible free trade agreement.

Mr. DINGELL. Mr. Speaker, I rise in vigorous opposition to this so-called "free trade" agreement. It is a bad agreement—bad for US workers, bad for Central American workers, bad for small farmers, bad for the environment, and bad for our economy.

The proponents of this deal point not to facts, but to predictions. They talk about projected growth and theorize that our Central American neighbors will enjoy increased living standards and a better future.

We don't have to consult a crystal ball to see what effect CAFTA will have on the lives of American and Central American citizens. We have an example before us, it is called NAFTA. CAFTA is a junior version of NAFTA; it is quite literally the "Son of NAFTA".

Ask the people of Michigan, Ohio, North Carolina, Pennsylvania, Indiana, Oklahoma, or any other State that saw factories shuttered if they have benefited from NAFTA.

Ask the people of Mexico who have dirtier air, dirtier water, little collective bargaining rights, and are now watching their new factories close and move across the Pacific if they have benefited from NAFTA.

If you can look at the results of NAFTA and think our quality of life has improved; if you think there are more and better jobs post-NAFTA than before; if you think Mexico is on the verge of joining the ranks of the G-8, then CAFTA is the trade agreement for you.

Evaluate carefully the claims which will be made about CAFTA. For example, we have heard that CAFTA will open important markets for U.S. goods. Sound familiar? As we learned from NAFTA, if labor standards are not improved as part of these Agreements, few workers in these markets will be able to afford our goods.

We make cars and trucks in my home State of Michigan. American auto manufacturers are currently putting over \$1,400 of health care costs into each American-made car. Yet the average Nicaraguan worker earns only about \$2,300 a year. Yes, that's for an entire year.

While the rising health care burden on American manufacturing is an important issue for another day, it illustrates the absurdity of the claims that new markets will be flooded with American products. How many cars or computers can we reasonably expect to sell in these new markets?

Instead of raising the living standards of people in Central America, CAFTA will accelerate a race to the bottom. Instead of creating new, high value jobs in the United States, CAFTA will only replace good jobs with unemployment checks.

I urge all my colleagues not only to read the details of this deal, but also to look around. Look at the closed factories, talk to unemployed manufacturing workers, and remember the promise of NAFTA.

Mr. Speaker, in closing, I can think of no better distillation of my vote against CAFTA than the old saying, "Fool me once, shame on you. Fool me twice, shame on me." I urge my colleagues not to be fooled again.

Mr. LARSON of Connecticut. Mr. Speaker, I rise in unfortunate opposition to this DR-CAFTA agreement. represents a real missed opportunity for this Congress and this Administration to engage in a real meaningful negotiation to improve trade relations between the United States, the Central American countries, and the Dominican Republic. Unfortunately, this agreement represents a step backward from over 20 years worth of U.S. laws and enforcement efforts.

The pact falls short of the standards that any trade agreement America signs onto should meet: the broad fulfillment of America's economic interests, the opening of fair markets for America's goods and services and the reversal of America's ever-growing trade deficit. Whoever the winners, they're not the American or the Central American worker. I support free—and fair—trade, but that isn't what CAFTA will accomplish.

At a Chamber of Commerce meeting in my district, I was struck by the fact that many small manufacturers were outraged at the lack of focus by the Administration in protecting their industry and their jobs. In fact, had I closed my eyes I would have thought I was at an A.F.L.—C.I.O. rally. In a moment of candor, one of the manufacturers said, when large companies started downsizing their labor force and outsourcing their work to us we were silent, we couldn't conceive that it was only a matter of time before we too would be outsourced. When will the government do something about this race to the bottom?

That's how my district sees this, and I share their view. Unfortunately, this is a missed opportunity, an opportunity where frankly CAFTA countries told us they were more than willing to accept stronger provisions if they had only been asked to. Violations of international labor standards should not be held to a different standard than other violations on matters like intellectual property.

Supporters of CAFTA also point to the fact that labor standards and working conditions will be monitored by agencies like the International Labor Organization, part of the United Nations which established international labor standards and which verifies that these standards are met. I guess now with this trade agreement the Administration is running out of American Jobs to outsource and has moved on to official U.S. government functions. Since when are we are going to allow the United Nations to determine whether or not other countries are in compliance with our treaties?

In the typical "bait and switch" tactics of the Republican Majority, what they are not telling you here is that just a few weeks ago, they approved an \$82 billion funding cut Proposed by President Bush to the principal agency that supports foreign labor standards technical assistance, virtually assuring that no oversight or enforcement will ever actually take place.

Jobs are now America's fastest-growing export. We should be exporting our values and market goods not our jobs. As the world's richest nation, we have a moral obligation to lift the standard of living of the world's poor. It is double-speak for the President to say he wants to promote democracy to the south of our borders but pushes a trade agreement that consigns subsistence workers to economic bondage and forces American businesses to compete on an uneven playing field.

This is the wrong trade agreement for the United States and for Central America. I urge my colleagues to vote no and send this treaty back to President Bush to be renegotiated.

Mr. EVERETT. Mr. Speaker, I rise today in support of H.R. 3045, the Dominican Republic-Central America-United States Free Trade Agreement Implementation Act. Passage of this important legislation will give Alabama exporters greater access to Central American markets and bolster American security.

When I co-chaired the Republican anti-NAFTA task force in 1993 we were determined to defeat NAFTA, but we failed by a few votes. I remain convinced that NAFTA has been bad for my district and increased the Nation's trade deficit with Mexico. While CAFTA and NAFTA sound alike, the two trade agreements have substantial differences that cannot be overlooked. NAFTA exported thousands of jobs to Mexico, while dramatically increasing the flood of Mexican made products into the U.S. market. CAFTA, meanwhile, gives U.S.

goods the same market access to Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, and Nicaragua as those countries already enjoy here, thereby leveling the playing field for American exporters.

Ratifying CAFTA actually benefits the United States significantly more than it does Central America since those nations already have 90 percent duty-free access to our markets. CAFTA simply gives American companies and workers equal access to Central America. As such, Alabama agriculture and other industry will benefit from the ability to export more goods duty-free, resulting in lower prices and increased consumption in this area. Alabama ranks eighth among all U.S. states in exports to Central America and that is expected to grow with CAFTA's passage.

However, I did not give my support to this agreement without carefully considering several issues. First, I remain concerned about saving thousands of remaining textile jobs in Alabama and protecting agriculture and other industries in my district. Secondly, I have serious concerns over the return of leftist insurgencies in the struggling democratic countries that are a part of CAFTA and the harm that would do to our national security. Finally, I also have concerns about the threat of illegal immigration.

Most of the Alabama textile plants that survived the effects of NAFTA did so by establishing relationships with Central American partners who assemble Alabama-made components. This delicate balance would be upset if this relationship were not allowed to continue; ultimately forcing the remaining U.S. textile industry to Asia. CAFTA strengthens this beneficial arrangement by making these current trading arrangements permanent.

While I have consistently supported tougher immigration laws, the Congress has resisted approving some of these measures. Also, the Administration has not been as helpful as I would like in trying to solve the border security problem.

I am convinced that should CAFTA fail the illegal immigration flow into America would increase. Venezuelan president Hugo Chavez is using his country's vast oil money to create anti-American and anti-democratic upheaval in the countries affected by CAFTA. Should CAFTA fail and Chavez is successful in bringing down these fragile governments, thousands more would flood our borders seeking to escape new leftist regimes. Such an unstable situation would increase many times over our worry of terrorists crossing into the United States.

In summary, passage of CAFTA will provide a tremendous economic boost to our critical industrial base, support fledgling democracies in a crucial part of the world, and help stem the tide of illegal immigration into the U.S.

I urge all of my colleagues to support this measure.

Mrs. TAUSCHER. Mr. Speaker, I rise today to voice my strong opposition to the Dominican Republic-Central American Free Trade Agreement and intend to vote it against.

I am proud to be a pro-trade Democrat in Congress and am proud of my record—having supported every free trade agreement since I took office in 1997.

I voted in favor of granting the President Trade Promotion Authority in 2002 and voted against withdrawing from the World Trade Organization in 2000 and again earlier this year.

I am a longtime member, and the current chair of the New Democrat Coalition, a group of members who often support free trade. We see our role as a group of pro-business, pro-defense, and pro-trade leaning members who seek ways to open foreign markets to American goods and services. I also co-chair the Friends of New Zealand Caucus in the House, and hope we may soon see a free trade agreement with New Zealand.

Mr. Speaker, I believe that free trade, when organized properly, benefits our economy. It can only help to improve our relations with the other countries involved.

In the case of CAFTA, I want to see our Nation maintain close ties with our neighbors in Central America. Our economic security and our National security depend on cooperative relationships with our friends and allies.

However, in pursuing free trade, we must also consider the impact and direct effects the agreements will have on workers—both here and abroad.

And CAFTA fails to provide adequate protection.

It simply does not do enough to invest in basic job training and education for Americans—specifically those Americans who lose their jobs due to trade.

The current budget for Trade Adjustment Assistance is insufficient: the President's 2005 request was \$300 million less than Congress authorized for FY 2004, despite the obvious needs for job training and retraining. What's worse, Mr. Speaker, is that CAFTA does not provide any TAA funds for service workers, who comprise 80 percent of today's American workforce and produce three-quarters of our products. When job training programs go under funded, American workers are at risk.

Furthermore, CAFTA is the first FTA negotiated by the United States with developing countries, some of which have weak labor laws and a history of suppressing the rights of their workers.

We need to do all in our power to ensure that this agreement helps these countries raise their working standards. Unfortunately, the labor chapter requires that each country simply enforce its existing laws. It does nothing to require the DR-CAFTA countries improve their laws to reflect fairness to working people. There are also no safeguards in the agreement to prevent countries to explicitly weakening their labor laws. This "enforce your own laws" standard is a giant step backwards. Under our current trade policy, the Caribbean Basin Initiative allows us to withdraw trade benefits from countries who violate the labor standards of the agreements they have signed. If CAFTA goes into effect, those remedies are wiped out and simply replaced with the "enforce your own laws" standard.

This labor agreement is simply unacceptable.

And finally Mr. Speaker, I feel compelled to say a word about the legislative process here in Congress. I would be remiss if I did not do so.

This Administration has made a habit of regularly excluding Democrats from the table during the negotiation and drafting of all major legislation. We saw this with the energy bill, the Medicare prescription drug bill, and again with CAFTA. We were not consulted at all on this FTA.

We all have valid ideas and concerns worthy of discussion regarding improving inter-

national market economies and they need to be fully and fairly debated. That did not happen with CAFTA. We were not engaged. I thought that at some point in the process members of the New Democrat Coalition would be consulted, as we generally support free trade. However, I was wrong. There was no outreach from House leaders or from the President to us.

One would think that after the passage of Trade Promotion Authority in 2002—by a 3 vote margin—a clear signal was sent to the Administration that passing free trade agreements will not be easy. Everyone ought to be at the table. Instead of heeding past warnings, they have continued to make a habit of regularly excluding Democrats. CAFTA has been no exception.

As a result of poor negotiations with the Democrats and a lack of steady involvement by the President with members of his own party, on the day of the CAFTA vote, President Bush made an eleventh hour trip to Congress to twist arms in hopes of squeaking out the minimum number of votes needed to pass this agreement.

Mr. Speaker, trade should not be a Republican or Democrat issue. It is an American issue. Passing trade agreements by one or two votes, in the dead of night when both the American and Central American people are sleeping, is not the way to have a responsible trade policy.

Both the people of Central America and workers here in the United States deserve better.

Mr. WAXMAN. Mr. Speaker, It is with great disappointment that I rise in opposition to CAFTA. I support free trade. Trade agreements are an important tool to strengthen ties with strategic partners, expand opportunities for American industry, and improve the standard of living. Unfortunately, I believe that this agreement will do more harm than good.

Among my chief concerns, the agreement perpetuates weak and unenforced labor and environmental standards. The failure to raise these standards will hurt Central Americans and create unfair competition for American workers.

CAFTA would also allow foreign companies to bypass the U.S. court system and challenge Federal, State and local laws and regulations through a veiled and unaccountable trade tribunal.

But, today I would like to focus my remarks on a major issue that unfortunately has gotten relatively little attention in this debate, which is that CAFTA will seriously impede access to essential medicine in poor developing countries.

In June, the minority staff on the Government Reform Committee released a report entitled "Trade Agreements and Access to Medications Under the Bush Administration." The complete report is available at [www.democrats.reform.house.gov](http://www.democrats.reform.house.gov) and I would ask unanimous consent that the Executive Summary be printed in the CONGRESSIONAL RECORD.

The alarming conclusion the report reached is that under CAFTA, patients in poor countries will often have to wait longer than those in the United States to gain access to generic drugs.

Specifically, CAFTA would block governments from approving the sale of generic drugs for at least five years after a new drug

is introduced, even if the drug's patent has already expired. The agreement would also inhibit generic competition with patent extensions and other measures that will make it harder for drug regulators to approve generic drugs.

The impact will be devastating in the developing world where large poor and uninsured populations cannot afford brand name drugs. For many patients suffering from diseases like AIDS, tuberculosis, heart disease and cancer, waiting five years to afford new cures will mean the difference between life and death.

In reality, the pharmaceutical companies actually stand to gain little from these protections in a region of the world that barely represents one half of one percent of the global drug market. But the companies view this trade agreement as a cookie cutter model for USTR to negotiate with all countries regardless of the consequences.

The Bush Administration has boldly advanced the pharmaceutical agenda, claiming that the provisions are merely an extension of a U.S. law known as Hatch-Waxman. As an author of that legislation, I could not disagree more.

Hatch-Waxman was a carefully crafted measure that reflects both the need to promote innovation and the need to facilitate generic competition. In contrast, CAFTA does not establish a proper balance between the interests of the drug companies and consumers, between intellectual property rights and the human rights of patients.

It is reckless and dangerous to force our partners in the developing world to trade away their timely access to inexpensive, lifesaving medications.

It is irresponsible for the United States to undermine its commitment to the 2001 Doha Declaration, which expressly called for trade rules to respect public health needs.

It is wrong for CAFTA to advance the financial interests of large multinational drug companies at the expense of the developing world's ability to address public health problems.

If we defeat CAFTA today, we can put pressure on the Bush Administration to change course. Then we can vote on an agreement that is both ethically and economically sound.

#### EXECUTIVE SUMMARY

In 2001, 142 countries, including the United States, adopted "the Doha Declaration," an international agreement that trade obligations should be interpreted and implemented in ways that protect public health and access to essential medications. In August 2002, the U.S. Congress passed the Trade Promotion Authority Act, which directs adherence to the Doha Declaration in U.S. trade negotiations.

Since the adoption of the Doha Declaration and the passage of the Trade Promotion Authority Act, the Bush Administration has signed and Congress has ratified bilateral free trade agreements with three developing countries: Chile, Singapore, and Morocco. The Administration has signed one regional free trade agreement, commonly referred to as CAFTA, with five Central American nations and the Dominican Republic, and a bilateral agreement with Bahrain. Six more free trade agreements with 13 developing countries have been initiated, including a proposed agreement with four Andean nations. Negotiations have also continued on the Free Trade Agreement of the Americas (FTAA).

At the request of Rep. Henry A. Waxman, this report examines whether the Administration is complying with the Doha Declaration in its pursuit of these trade agreements. The report finds that contrary to the Doha Declaration, U.S. trade negotiators have repeatedly used the trade agreements to restrict the ability of developing nations to acquire medicines at affordable prices. In effect, the President's trade representatives have elevated the protection of pharmaceutical patents above the pressing health needs of developing countries.

Specifically, the report finds that the agreements:

Delay approval of generic drugs. CAFTA and the other four signed trade agreements, as well as the Andean proposal and FTAA draft, contain provisions that block the approval of inexpensive generic drugs until the more expensive brand-name drug has received at least five years of market exclusivity in the developing nation. Under the agreements, the developing nations will often have to wait longer than the United States to gain access to low-cost versions of essential medications.

Require patent extensions. CAFTA and the other four signed trade agreements, as well as the Andean proposal, require the developing nations to grant patent extensions to the manufacturers of brand-name drugs to account for delays in the regulatory approval process in the developing nation. These provisions can extend the term of patents in the developing nations beyond their duration in the United States.

Link drug approval to patent status. CAFTA and the other four signed trade agreements, as well as the Andean proposal and the FTAA draft, require drug regulatory authorities in the developing nations to adjudicate patents despite their lack of expertise in the area of patent enforcement, placing an additional constraint on the approval and availability of low-cost generics.

Restrict compulsory licensing. The Singapore agreement, the Andean proposal, and the FTAA draft limit the circumstances under which developing nations can issue compulsory licenses authorizing generic manufacturers to produce low-cost versions of patented drugs.

Prohibit parallel importation. The trade agreements with Morocco and Singapore, as well as the Andean proposal and the FTAA draft, prevent the developing nations from importing patented drugs from abroad at the lowest available price.

Expand patent protections. The Andean proposal has a provision that would require the Andean nations to issue patents for diagnostic, therapeutic, and surgical methods that are currently exempted from patentability.

Taken together, these trade provisions will significantly impede the ability of developing countries to obtain access to inexpensive, lifesaving medications. Contrary to the principles of the Doha Declaration, these provisions in the trade agreements advance the financial interests of large multinational drug companies at the expense of the developing world's ability to address public health problems.

Ms. HARMAN. Mr. Speaker, Congress debated the North American Free Trade Agreement in 1993, I wrote an op-ed titled "Not This Treaty, Not Now," arguing that NAFTA's time had not come, that the U.S. and Canada should require Mexico to meet certain preconditions before agreeing to the trade deal. Over the objections of those who argued NAFTA should be used to leverage reforms in Mexico, it passed without enforceable provisions to protect labor rights or the environ-

ment. Supporters of the agreement insisted NAFTA would create millions of good jobs, help stem illegal immigration and raise living standards "from the Yukon to the Yucatan."

A decade later, NAFTA's promise is largely unrealized. Environmental conditions in Mexico have worsened, real wages have stagnated, the income disparity between the U.S. and Mexico has widened, and illegal immigration shows no signs of slowing. Clearly, NAFTA is not all that advocates claimed.

The broken promises of NAFTA should serve as a warning, and cast doubt on similar claims that the recently negotiated Central American Free Trade Agreement (CAFTA) will do what NAFTA has not.

Our Central American neighbors have made real economic and political progress in recent years, and the U.S. should work to re-enforce that progress. But as with NAFTA, CAFTA brings together countries with greatly varying labor and environmental standards and enforcement methods. This disparity necessitates strong and enforceable provisions to protect workers and the environment. As did NAFTA, CAFTA comes up short. CAFTA's penalties for failing to enforce labor and environmental laws provide no real deterrent against future abuses; it offers no incentives to improve standards over time. In fact, CAFTA weakens labor protections by removing an existing oversight mechanism available under our current system of trade preferences for the region.

CAFTA also incorporates NAFTA's troubling Chapter 11 provisions, which effectively give foreign investors the right to challenge U.S. health, safety and environmental laws. California has been at the forefront of efforts to protect its communities from air and water pollution, yet CAFTA gives foreign investors the right to challenge our state law if it affects their commercial interests.

Free and fair trade can lift living standards both at home and abroad, encourage technological innovation, create jobs and empower individuals. But each agreement must be considered on its merits. Bilateral agreements with Chile, Singapore, Jordan, and Australia; normal trade relations with China; and renewal of "fast track" approval were issues I supported.

But trade is not fair if desperate people are forced to work in hazardous conditions or communities are forced to bear the costs of environmental degradation. In the context of lax enforcement of labor and environmental regulations, free trade can provide perverse incentives to impose the costs of production onto workers, communities and the environment. Such incentives serve neither the economic interests of the U.S. nor our trading partners.

Mr. Speaker, with respect to CAFTA, I echo my refrain from 10 years ago: "Not this treaty, and not now."

The SPEAKER pro tempore (Mr. LAHOOD). All time for debate has expired.

Pursuant to House Resolution 386, the bill is considered read, and the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. RANGEL. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, this 15-minute vote on H.R. 3045 will be followed by a 5-minute vote on suspending the rules on H. Res. 308.

The vote was taken by electronic device, and there were—ayes 217, noes 215, not voting 2, as follows:

[Roll No. 443]

AYES—217

Aderholt	Gerlach	Nunes
Akin	Gibbons	Nussle
Alexander	Gilchrest	Ortiz
Bachus	Gillmor	Osborne
Baker	Gingrey	Oxley
Barrett (SC)	Gohmert	Pearce
Bartlett (MD)	Goodlatte	Pence
Barton (TX)	Granger	Peterson (PA)
Bass	Graves	Petri
Bean	Green (WI)	Pickering
Beauprez	Hall	Pitts
Biggert	Harris	Platts
Bilirakis	Hart	Poe
Bishop (UT)	Hastert	Pombo
Blackburn	Hastings (WA)	Porter
Blunt	Hayes	Price (GA)
Boehler	Hayworth	Pryce (OH)
Boehner	Hefley	Putnam
Bonilla	Hensarling	Radanovich
Bonner	Herger	Ramstad
Bono	Hinojosa	Regula
Boozman	Hobson	Reichert
Bradley (NH)	Hoekstra	Renzi
Brady (TX)	Hulshof	Reynolds
Brown (SC)	Hyde	Rogers (AL)
Brown-Waite,	Inglis (SC)	Rogers (KY)
Ginny	Issa	Rogers (MI)
Burgess	Istook	Rohrabacher
Burton (IN)	Jefferson	Ros-Lehtinen
Buyer	Jenkins	Royce
Calvert	Johnson (CT)	Ryan (WI)
Camp	Johnson (IL)	Ryun (KS)
Cannon	Johnson, Sam	Saxton
Cantor	Keller	Schwarz (MI)
Carter	Kelly	Sensenbrenner
Castle	Kennedy (MN)	Sessions
Chabot	King (IA)	Shadegg
Chocola	King (NY)	Shaw
Cole (OK)	Kingston	Shays
Conaway	Kirk	Sherwood
Cooper	Kline	Shimkus
Cox	Knollenberg	Shuster
Crenshaw	Kolbe	Skelton
Cuellar	Kuhl (NY)	Smith (TX)
Culberson	LaHood	Snyder
Cunningham	Latham	Sodrel
Davis (KY)	LaTourette	Souder
Davis, Tom	Leach	Stearns
Deal (GA)	Lewis (CA)	Sullivan
DeLay	Lewis (KY)	Sweeney
Dent	Linder	Tanner
Diaz-Balart, L.	Lucas	Terry
Diaz-Balart, M.	Lungren, Daniel	Thomas
Dicks	E.	Thornberry
Doolittle	Manzullo	Tiahrt
Drake	Marchant	Tiberi
Dreier	Matheson	Towns
Duncan	McCaul (TX)	Turner
Ehlers	McCrery	Upton
Emerson	McKeon	Walden (OR)
English (PA)	McMorris	Walsh
Everett	Meeks (NY)	Wamp
Feeney	Mica	Weldon (FL)
Ferguson	Miller (FL)	Weldon (PA)
Fitzpatrick (PA)	Miller, Gary	Weller
Flake	Moore (KS)	Westmoreland
Foley	Moran (KS)	Whitfield
Forbes	Moran (VA)	Wicker
Fortenberry	Murphy	Wilson (NM)
Fossella	Musgrave	Wilson (SC)
Franks (AZ)	Myrick	Wolf
Frelinghuysen	Neugebauer	Young (AK)
Galleghy	Northup	Young (FL)



NOES—215

Abercrombie	Green, Gene	Napolitano
Ackerman	Grijalva	Neal (MA)
Allen	Gutierrez	Ney
Andrews	Gutknecht	Norwood
Baca	Harman	Oberstar
Baird	Hastings (FL)	Obey
Baldwin	Herseth	Olver
Barrow	Higgins	Otter
Becerra	Hinchev	Owens
Berkley	Holden	Pallone
Berman	Holt	Pascrell
Berry	Honda	Pastor
Bishop (GA)	Hooley	Paul
Bishop (NY)	Hostettler	Payne
Blumenauer	Hoyer	Pelosi
Boren	Hunter	Peterson (MN)
Boswell	Insee	Pomeroy
Boucher	Israel	Price (NC)
Boustany	Jackson (IL)	Rahall
Boyd	Jackson-Lee	Rangel
Brady (PA)	(TX)	Rehberg
Brown (OH)	Jindal	Reyes
Brown, Corrine	Johnson, E. B.	Ross
Butterfield	Jones (NC)	Rothman
Capito	Jones (OH)	Roybal-Allard
Capps	Kanjorski	Ruppersberger
Capuano	Kaptur	Rush
Cardin	Kennedy (RI)	Ryan (OH)
Cardoza	Kildee	Sabo
Carnahan	Kilpatrick (MI)	Salazar
Carson	Kind	Sánchez, Linda
Case	Kucinich	T.
Chandler	Langevin	Sanchez, Loretta
Clay	Lantos	Sanders
Cleaver	Larsen (WA)	Schakowsky
Clyburn	Larsen (CT)	Schiff
Coble	Lee	Schwartz (PA)
Conyers	Levin	Scott (GA)
Costa	Lewis (GA)	Scott (VA)
Costello	Lipinski	Serrano
Cramer	LoBiondo	Sherman
Crowley	Lofgren, Zoe	Simmons
Cubin	Lowe	Simpson
Cummings	Lynch	Slaughter
Davis (AL)	Mack	Smith (NJ)
Davis (CA)	Maloney	Smith (WA)
Davis (FL)	Markey	Solis
Davis (IL)	Marshall	Spratt
Davis (TN)	Matsui	Stark
DeFazio	McCarthy	Strickland
DeGette	McCollum (MN)	Stupak
Delahunt	McCotter	Tancredo
DeLauro	McDermott	Tauscher
Dingell	McGovern	Taylor (MS)
Doggett	McHenry	Thompson (CA)
Doyle	McHugh	Thompson (MS)
Edwards	McIntyre	Tierney
Emanuel	McKinney	Udall (CO)
Engel	McNulty	Udall (NM)
Eshoo	Meehan	Van Hollen
Etheridge	Meek (FL)	Velázquez
Evans	Melancon	Vislosky
Farr	Menendez	Wasserman
Fattah	Michaud	Schultz
Filner	Millender-	Waters
Ford	McDonald	Watson
Fox	Miller (MI)	Watt
Frank (MA)	Miller (NC)	Waxman
Garrett (NJ)	Miller, George	Weiner
Gonzalez	Mollohan	Wexler
Goode	Moore (WI)	Woolsey
Gordon	Murtha	Wu
Green, Al	Nadler	Wynn

NOT VOTING—2

Davis, Jo Ann Taylor (NC)

□ 0003

Mr. HAYES changed his vote from “nay” to “yea.”

So the bill was passed.

The result of the vote was announced as above recorded.

SUPPORTING GOALS OF NATIONAL MARINA DAY AND URGING MARINAS CONTINUE PROVIDING ENVIRONMENTALLY FRIENDLY GATEWAYS TO BOATING

The SPEAKER pro tempore (Mr. LAHOOD). The pending business is the question of suspending the rules and agreeing to the resolution, H. Res. 308.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina (Mr. COBLE) that the House suspend the rules and agree to the resolution, H. Res. 308, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 385, nays 0, not voting 48, as follows:

[Roll No. 444]

YEAS—385

Abercrombie	Davis (AL)	Hooley
Ackerman	Davis (CA)	Hostettler
Aderholt	Davis (FL)	Hoyer
Akin	Davis (IL)	Hulshof
Alexander	Davis (KY)	Hunter
Allen	Davis (TN)	Hyde
Andrews	Davis, Tom	Inglis (SC)
Baca	Deal (GA)	Insee
Bachus	DeFazio	Israel
Baird	DeGette	Issa
Baldwin	Delahunt	Jackson (IL)
Barrett (SC)	DeLauro	Jackson-Lee
Barrow	DeLay	(TX)
Bartlett (MD)	Dent	Jindal
Barton (TX)	Diaz-Balart, L.	Johnson (CT)
Bean	Diaz-Balart, M.	Johnson (IL)
Beauprez	Doggett	Johnson, E. B.
Becerra	Doolittle	Johnson, Sam
Berkley	Doyle	Jones (NC)
Berman	Drake	Jones (OH)
Berry	Dreier	Kanjorski
Biggart	Duncan	Kaptur
Bilirakis	Ehlers	Keller
Bishop (GA)	Emanuel	Kelly
Bishop (NY)	Emerson	Kennedy (MN)
Bishop (UT)	Engel	Kennedy (RI)
Blackburn	English (PA)	Kildee
Blumenauer	Eshoo	Kilpatrick (MI)
Boehlert	Etheridge	Kind
Boehner	Evans	King (IA)
Bonilla	Everett	King (NY)
Bonner	Farr	Kingston
Bono	Fattah	Kirk
Boozman	Feeney	Kline
Boren	Ferguson	Knollenberg
Boswell	Filner	Kolbe
Boustany	Fitzpatrick (PA)	Kucinich
Boyd	Flake	Kuhl (NY)
Bradley (NH)	Foley	LaHood
Brady (PA)	Forbes	Langevin
Brown (OH)	Ford	Lantos
Brown (SC)	Fortenberry	Larsen (WA)
Brown, Corrine	Fossella	Larson (CT)
Brown-Waite,	Fox	Latham
Ginny	Frank (MA)	LaTourette
Burgess	Franks (AZ)	Leach
Burton (IN)	Frelinghuysen	Lee
Butterfield	Galleghy	Levin
Calvert	Gerlach	Lewis (CA)
Camp	Gibbons	Lewis (GA)
Cannon	Gilchrest	Lewis (KY)
Cantor	Gillmor	Linder
Capito	Gingrey	Lipinski
Capps	Gohmert	LoBiondo
Capuano	Gonzalez	Lofgren, Zoe
Cardin	Goodlatte	Lowe
Cardoza	Granger	Lucas
Carnahan	Graves	Lungren, Daniel
Carter	Green (WI)	E.
Case	Green, Al	Lynch
Castle	Green, Gene	Mack
Chabot	Gutierrez	Maloney
Chandler	Hall	Manzullo
Chocola	Harman	Marchant
Cleaver	Harris	Marshall
Clyburn	Hart	Matheson
Coble	Hastings (FL)	Matsui
Cole (OK)	Hastings (WA)	McCarthy
Conaway	Hayes	McCaul (TX)
Conyers	Hayworth	McCollum (MN)
Cooper	Hensarling	McCotter
Costa	Herger	McCrery
Costello	Herseth	McDermott
Cox	Higgins	McGovern
Crenshaw	Hinchev	McHenry
Crowley	Hobson	McIntyre
Cuellar	Hoekstra	McKeon
Culberson	Holt	McKinney
Cummings	Honda	McMorris

McNulty	Porter	Smith (NJ)
Meehan	Price (GA)	Smith (TX)
Meek (FL)	Price (NC)	Smith (WA)
Melancon	Pryce (OH)	Snyder
Menendez	Putnam	Sodrel
Mica	Radanovich	Solis
Michaud	Rahall	Souder
Millender-	Ramstad	Spratt
McDonald	Rangel	Strickland
Miller (FL)	Regula	Stupak
Miller (MI)	Rehberg	Sullivan
Miller (NC)	Reichert	Sweeney
Miller, George	Renzi	Tanner
Mollohan	Reynolds	Tauscher
Moore (KS)	Rogers (AL)	Taylor (MS)
Moore (WI)	Rogers (KY)	Terry
Moran (KS)	Rogers (MI)	Thomas
Moran (VA)	Rohrabacher	Thompson (CA)
Murphy	Ros-Lehtinen	Thompson (MS)
Musgrave	Ross	Tiahrt
Myrick	Rothman	Tiberti
Nadler	Roybal-Allard	Tierney
Napolitano	Royce	Turner
Neal (MA)	Ruppersberger	Udall (CO)
Neugebauer	Rush	Udall (NM)
Ney	Ryan (OH)	Upton
Northup	Ryan (WI)	Van Hollen
Nunes	Ryun (KS)	Vislosky
Nussle	Sabo	Walden (OR)
Oberstar	Sánchez, Linda	Walsh
Obey	T.	Wamp
Olver	Sanchez, Loretta	Wasserman
Ortiz	Sanders	Schultz
Osborne	Saxton	Waters
Owens	Schakowsky	Watson
Pallone	Schiff	Watt
Pascrell	Schwartz (PA)	Waxman
Pastor	Schwarz (MI)	Weiner
Paul	Scott (GA)	Weldon (FL)
Payne	Scott (VA)	Weldon (PA)
Pearce	Sensenbrenner	Weller
Pelosi	Serrano	Westmoreland
Pence	Sessions	Wexler
Peterson (MN)	Shadegg	Wilson (NM)
Peterson (PA)	Shaw	Wolf
Petri	Shays	Woolsey
Pickering	Sherman	Wu
Pitts	Sherwood	Wynn
Platts	Shimkus	Young (AK)
Poe	Shuster	
Pombo	Simmons	
Pomeroy	Slaughter	

NOT VOTING—48

Baker	Goode	Otter
Bass	Gordon	Oxley
Blunt	Grijalva	Reyes
Boucher	Gutknecht	Salazar
Brady (TX)	Hefley	Simpson
Buyer	Hinojosa	Skelton
Carson	Holden	Stark
Clay	Istook	Stearns
Cramer	Jefferson	Tancredo
Cubin	Jenkins	Taylor (NC)
Cunningham	Markey	Thornberry
Davis, Jo Ann	McHugh	Towns
Dicks	Meeks (NY)	Velázquez
Dingell	Miller, Gary	Whitfield
Edwards	Murtha	Wilson (SC)
Garrett (NJ)	Norwood	Young (FL)

□ 0011

So (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SHAW. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 3045.

The SPEAKER pro tempore (Mr. LAHOOD). Is there objection to the request of the gentleman from Florida?

There was no objection.