

Federal Trade Commission urging that agency to maintain the current standard. As we said in that letter, "Any definition or enforcement standard of 'all or virtually all' that would allow more than a de minimis level of foreign content is unacceptable to us and, we strongly believe, would be unacceptable to the Congress."

Mr. President, I ask unanimous consent that the full text of this letter be printed in the RECORD.

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

CONGRESS OF THE UNITED STATES,  
Washington, DC, October 20, 1997.

Hon. ROBERT PITOFKY,  
Chairman, Federal Trade Commission,  
Washington, DC.

DEAR CHAIRMAN PITOFKY: We are writing this bicameral and bipartisan letter to reiterate our strong opposition to any weakening of the standard for the use of the "Made in USA" label. In light of recent press reports of possible Commission consideration of a new proposal to lower the "Made in USA" label standard to 89 percent U.S. domestic content, we felt compelled to reiterate what growing numbers of our colleagues in the Congress on both sides of the aisle are saying: neither we nor the American people will tolerate any lowering of the standard for the "Made in USA" label.

In its proposed guidelines issued last May, the Commission itself described the current standard as follows:

"Cases brought by the Commission beginning over 50 years ago established the principle that it was deceptive for a marketer to promote a product with an unqualified 'Made in USA' claim unless that product was wholly of domestic origin. Recently, this standard had been rearticulated to require that a product advertised as 'Made in USA' be 'all or virtually all' made in the United States, i.e., that all or virtually all of the parts are in the U.S. and all or virtually all of the labor is performed in the U.S. In both cases, however, the import has been the same: unqualified claims of domestic origin were deemed to imply to consumers that the product for which the claims were made was in all but de minimis amounts made in the U.S.A."<sup>1</sup>

Clearly, an 89 percent U.S. Content standard would allow much more than a de minimis amount of foreign content and therefore would lower the standard for the use of the "Made in USA" label.

We the undersigned introduced legislation in both the House and Senate (H. Con. Res. 80 and S. Con. Res. 52, respectively) to specifically condemn any lowering of the standard for the use of the "Made in USA" label. H. Con. Res. 80 has now been cosponsored by 219 Representatives, a majority of the U.S. House (see enclosed cosponsor list). We note that these Members do not just represent votes against any weakening of the label. But are Members who felt strongly enough about this issue to join with us as cosponsors of this legislation. S. Con. Res. 52, while introduced only recently is receiving the same favorable reception as its companion in the House.

The language of these Resolutions is clear and to the point: "Resolved by the House of Representatives (the Senate concurring), That the Congress (1) maintains that the standard for the "Made in USA" label should continue to be that a product was all or virtually all made in the United States; (2)

urges the Federal Trade Commission to refrain from lowering this standard at the expense of consumers and jobs in the United States."

Any definition or enforcement standard of "all or virtually all" that would allow more than a de minimis level of foreign content is unacceptable to us and, we strongly believe, would be unacceptable to the Congress.

We urge you to reject any recommendation to lower the current standard for the use of the "Made in USA" label and to enforce vigorously the current standard.

Thank you very much.

Sincerely,

JOHN DINGELL,  
Member of Congress.  
ERNEST HOLLINGS,  
United States Senate.  
BOB FRANKS,  
Member of Congress.  
SPENCER ABRAHAM,  
United States Senate.

Mr. ABRAHAM. I have been informed that the FTC will soon make an announcement regarding the "Made in USA" label, probably next week. I am hopeful that the FTC will maintain the current standard, and urge my colleagues to contact the FTC to add their voices to the chorus calling for that decision.

I believe it is crucial for American workers and the American economy that we maintain the integrity of the "Made in USA" label. For over 50 years, consumer goods have worn this label when, and only when, they were made "all or virtually all" in the United States.

But recently the (FTC) announced plans to soften that rule, allowing companies to use the label any product on which they spent 75% of their total manufacturing costs, provided the product was last "substantially transformed" here in the United States. A product also could be labeled "Made in USA" if that product, and all its significant parts and other inputs, were last substantially transformed in the United States.

In practice, this means that products containing no materials or parts of U.S. origin could nonetheless be labeled "Made in USA."

I believe that would be wrong. These new rules would be a slap in the face to American workers. They also would in effect condone false advertising. Many Americans look specifically for the "Made in USA" label because they want to support American workers. These loyal Americans do not believe that they are purchasing products "mostly" made in the USA, let alone products for which "most manufacturing costs" were incurred in the USA, or which were "substantially transformed" in the USA. Quite rightly, consumers who look for the "Made in USA" label believe that when they purchase a product with that label they are getting something made all or virtually all in the United States.

Perhaps worst of all, Mr. President, these new rules will hurt American workers. Many companies have invested a great deal in plant and equipment, as well as hiring and training, in the United States. These companies have a right to expect that the "Made in USA" label, which they have worked

so hard to earn and maintain, will continue to apply only to products made all, or virtually all, in the United States. If they lose that advantage, these companies may well decide to move some or all of their production—and American jobs—overseas.

To dilute the requirement for use of the "Made in USA" label would be to lower the value of that label. It would allow companies operating substantially overseas to deceive American consumers who are attempting to support truly American made products and workers. It would discourage companies from investing in this country by telling them, in effect, that they will no longer receive any benefit for keeping jobs at home. The result would be a loss of American jobs and morale, as well as a critical blow to consumer confidence in the veracity of product labels.

The American people have a right to expect that the "Made in USA" label will mean what it says. For over 50 years they have depended on that label to assure them that they are purchasing products made "all or virtually all" in the United States. I again call on the FTC to maintain the traditional standard for labelling products "Made in USA," and urge my colleagues to do the same.

I yield the floor.

#### MESSAGE FROM THE PRESIDENT

#### REPORT CONCERNING PEACEFUL USES OF NUCLEAR ENERGY—MESSAGE FROM THE PRESIDENT—PM 76

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Foreign Relations:

*To the Congress of the United States:*

I am pleased to transmit to the Congress, pursuant to sections 123 b. and 123 d. of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2153 (b), (d)), the text of a proposed Agreement for Cooperation Between the Government of the United States of America and the Government of the Federative Republic of Brazil Concerning Peaceful Uses of Nuclear Energy, with accompanying annex and agreed minute. I am also pleased to transmit my written approval, authorization, and determination concerning the agreement, and the memorandum of the Director of the United States Arms Control and Disarmament Agency with the Nuclear Proliferation Assessment Statement concerning the agreement. The joint memorandum submitted to me by the Secretary of State and the Secretary of Energy, which includes a summary of the provisions of the agreement and various other attachments, including agency views, is also enclosed.

<sup>1</sup>Federal Trade Commission Request for Public Comment on Proposed Guides for the Use of U.S. Origin Claims, Federal Register, Vol. 62, No. 88, May 7, 1997, p. 20500.

The proposed agreement with Brazil has been negotiated in accordance with the Atomic Energy Act of 1954, as amended by the Nuclear Non-Proliferation Act of 1978 and as otherwise amended. In my judgment, the proposed agreement meets all statutory requirements and will advance the non-proliferation and other foreign policy interests of the United States. The agreement provides a comprehensive framework for peaceful nuclear cooperation between the United States and Brazil under appropriate conditions and controls reflecting a strong common commitment to nuclear non-proliferation goals.

The proposed new agreement will replace an existing United States-Brazil agreement for peaceful nuclear cooperation that entered into force on September 20, 1972, and by its terms would expire on September 20, 2002. The United States suspended cooperation with Brazil under the 1972 agreement in the late 1970s because Brazil did not satisfy a provision of section 128 of the Atomic Energy Act (added by the Nuclear Non-Proliferation Act of 1978) that required full-scope International Atomic Energy Agency (IAEA) safeguards in nonnuclear weapon states such as Brazil as a condition for continued significant U.S. nuclear exports.

On December 13, 1991, Brazil, together with Argentina, the Brazilian-Argentine Agency for Accounting and Control of Nuclear Materials (ABRAC) and the IAEA signed a quadrilateral agreement calling for the application of full-scope IAEA safeguards in Brazil and Argentina. This safeguards agreement was brought into force on March 4, 1994. Resumption of cooperation would be possible under the 1972 United States-Brazil agreement for cooperation. However, both the United States and Brazil believe it is preferable to launch a new era of cooperation with a new agreement that reflects, among other things:

- An updating of terms and conditions to take account of intervening changes in the respective domestic legal and regulatory frameworks of the Parties in the area of peaceful nuclear cooperation;
- Reciprocity in the application of the terms and conditions of cooperation between the Parties; and
- Additional international non-proliferation commitments entered into by the Parties since 1972.

Over the past several years Brazil has made a definitive break with earlier ambivalent nuclear policies and has embraced wholeheartedly a series of important steps demonstrating its firm commitment to the exclusively peaceful uses of nuclear energy. In addition to its full-scope safeguards agreement with the IAEA, Brazil has taken the following important nonproliferation steps:

- It has formally renounced nuclear weapons development in the Foz do Iguaçu declaration with Argentina in 1990;

—It has renounced “peaceful nuclear explosives” in the 1991 Treaty of Guadalajara with Argentina;

—It has brought the Treaty for the Prohibition of Nuclear Weapons in Latin America and the Caribbean (Treaty of Tlatelolco) into force for itself on May 30, 1994;

—It has instituted more stringent domestic controls on nuclear exports and become a member of the Nuclear Suppliers Group; and

—It has announced its intention, on June 20, 1997, to accede to the Nuclear Non-Proliferation Treaty (NPT).

The proposed new agreement with Brazil permits the transfer of technology, material, equipment (including reactors), and components for nuclear research and nuclear power production. It provides for U.S. consent rights to retransfers, enrichment, and reprocessing as required by U.S. law. It does not permit transfers of any sensitive nuclear technology, restricted data, or sensitive nuclear facilities or major critical components thereof. In the event of termination key conditions and controls continue with respect to material and equipment subject to the agreement.

From the U.S. perspective, the proposed new agreement improves on the 1972 agreement by the addition of a number of important provisions. These include the provisions for full-scope safeguards; perpetuity of safeguards; a ban on “peaceful” nuclear explosives using items subject to the agreement; a right to require the return of items subject to the agreement in all circumstances for which U.S. law requires such a right; a guarantee of adequate physical security; and rights to approve enrichment of uranium subject to the agreement and alteration in form or consent of sensitive nuclear material subject to the agreement.

I have considered the views and recommendations of the interested agencies in reviewing the proposed agreement and have determined that its performance will promote, and will not constitute an unreasonable risk to, the common defense and security. Accordingly, I have approved the agreement and authorized its execution and urge that the Congress give it favorable consideration.

Because this agreement meets all applicable requirements of the Atomic Energy Act, as amended, for agreements for peaceful nuclear cooperation, I am transmitting it to the Congress without exempting it from any requirement contained in section 123 a. of that Act. This transmission shall constitute a submittal for purposes of both sections 123 b. and 123 d. of the Atomic Energy Act. The Administration is prepared to begin immediately the consultations with the Senate Foreign Relations and House International Relations Committees as provided in section 123 b. Upon completion of the 30-day continuous session period provided for in section 123 b., the 60-day

continuous session provided for in section 123 d. shall commence.

WILLIAM J. CLINTON.

THE WHITE HOUSE, October 30, 1997.

## MESSAGES FROM THE HOUSE

### ENROLLED BILLS SIGNED

At 4:03 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

S. 1227. An act to amend title I of the Employee Retirement Income Security Act of 1974 to clarify treatment of investment managers under such title.

H.R. 2013. An act to designate the facility of the United States Postal Service located at 551 Kingstown Road in South Kingstown, Rhode Island, as the “David B. Campagne Post Office Building”.

The enrolled bills were signed subsequently by the President pro tempore [Mr. THURMOND].

## REPORTS OF COMMITTEES

The following report of a committee was submitted on October 29, 1997:

By Mr. SPECTER, from the Committee on Veterans' Affairs, with an amendment in the nature of a substitute and an amendment to the title:

S. 987: A bill to amend title 38, United States Code, to authorize a cost-of-living adjustment in the rates of disability compensation for veterans with service-connected disabilities and dependency and indemnity compensation for survivors of such veterans and to revise and improve certain veterans compensation, pension, and memorial affairs programs; and for other purposes (Rept. No. 105-120).

The following reports of committees were submitted on October 30, 1997:

By Mr. SPECTER, from the Committee on Veterans' Affairs, with an amendment in the nature of a substitute and an amendment to the title:

S. 714. A bill to make permanent the Native American Veteran Housing Loan Pilot Program of the Department of Veterans Affairs (Rept. No. 105-123).

By Mr. MCCAIN, from the Committee on Commerce, Science, and Transportation, without amendment:

S. 1231. A bill to authorize appropriations for fiscal years 1998 and 1999 for the United States Fire Administration, and for other purposes (Rept. No. 105-124).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 799: A bill to direct the Secretary of the Interior to transfer to the personal representative of the estate of Fred Steffens of Big Horn County, Wyoming, certain land comprising the Steffens family property (Rept. No. 105-125).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 814. A bill to direct the Secretary of the Interior to transfer to John R. and Margaret J. Lowe of Big Horn County, Wyoming, certain land so as to correct an error in the patent issued to their predecessors in interest (Rept. No. 105-126).

By Mr. CHAFEE, from the Committee on Environment and Public Works, without amendment:

S. 1324. A bill to deauthorize a portion of the project for navigation, Biloxi Harbor, Mississippi.