for Environmental Ethics, League of Women Voters of the U.S., National Association of Manufacturers, National Citizens Communications Lobby, National Newspaper Association, National Taxpayers Union, NetAction, OMB Watch, Project on Government Oversight, Public Citizen, Radio-Television News Directors Association, Reform Party of the United States, Taxpayers for Common Sense, U.S. Public Interest Research Group (USPIRG).●

● Mr. LEAHY. Mr. President, I am pleased to join today with Senator MCCAIN to introduce the Congressional Openness Act of 1999. I want to thank Senators ABRAHAM, ENZI, LOTT and ROBB for joining us as original cosponsors.

Our bipartisan legislation makes certain Congressional Research Service products, lobbyist disclosure reports and Senate gift disclosure forms available over the Internet to the American people.

The Congressional Research Service (CRS) has a well-known reputation for producing high-quality reports and information briefs that are unbiased, concise, and accurate. The taxpayers of this country, who pay $65 million a year to fund the CRS, deserve speedy access to these public resources and have a right to see that their money is being spent well.

The goal of our legislation to allow every citizen the same access to the wealth of information at the Congressional Research Service (CRS) as a Member of Congress enjoys today. CRS performs invaluable research and produces first-rate reports on hundreds of topics. American taxpayers have every right to direct access to these wonderful resources.

Online CRS reports will serve an important role in informing the public. Members of the public will be able to read these CRS products and receive a concise, accurate summary of the issues before the Congress. As elected representatives, we should do what we can to promote an informed, educated public. The educated voter is best able to make decisions and petition us to do the right things here in Congress.

Our legislation also ensures that private CRS products will remain protected by giving the CRS Director the authority to hold back any products that are deemed confidential. Moreover, the Director may protect the identity of CRS researchers and any copyrighted material. We can do both—protect confidential material and empower our citizens through electronic access to invaluable CRS products.

In addition, the Congressional Openness Act would provide public online access to lobbyist reports and gift disclosure forms. At present, these public records are available in the Senate Office of Public Records in Room 232 of the Hart Building. As a practical matter, these public records are accessible only to those inside the Beltway.

The Internet offers us a unique opportunity to allow the American people to have everyday access to this public information. Our bipartisan legislation would harness the power of the Information Age to allow average citizens to see these public records of the Senate in their official form, in context and without editorial comment. All Americans would have timely access to the information that we already have voted to give them.

And all of these reports are indeed ''public'' for those who can afford to hire a lawyer or lobbyist or who can afford to travel to Washington to come to the Office of Public Records in the Hart Building and read them. That is not very public. That does not do very much for the average voter in Vermont or the rest of this country outside of easy reach of Washington. That does not meet the spirit in which we voted to make these materials public, when we voted ''disclosure'' laws.

We can do better, and this bill does better. Any citizen in any corner of this country with access to a computer at home or the office or at the public library will be able to get on the Internet and for the first time read these public documents and learn the information which we have said must be disclosed.

It also is important that citizens will be able to get the information in its original, official form. At present, the information may be selected by an interested party who can afford to send a lawyer or lobbyist to the Hart Building to cull through the information. Selected information then may—or may not—be given to the press and public with commentary. Our bipartisan legislation allows citizens to get accurate information themselves, the full information in context and without editorial comment. It allows individual citizens to check the facts, to make comparisons, and to make up their own minds.

I want to commend the Senior Senator from Arizona for his leadership on opening public access to Congressional documents. I share his desire for the American people to have electronic access to many more Congressional resources. I look forward to working with him in the days to come on harnessing the power of the information age to open up the halls of Congress to all our citizens.

This is not a partisan issue; it is a good government issue. That is why the Congressional Openness Act is endorsed by such a diverse group of organizations as the Congressional Accountability Project, American Association of Law Libraries, American Conservation Union, American Society of Newspaper Editors, Common Cause, Computer & Communications Industry Association, Computer Professionals for Social Responsibility, Consumer Project on Technology, Electronic Frontier Foundation, Fairness and Accuracy in Reporting, Forest Service Employees for Environmental Ethics, League of Women Voters of the U.S., National Association of Manufacturers, National Citizens Communications Lobby, National Newspaper Association, National Taxpayers Union, NetAction, OMB Watch, Project of Government Oversight, Public Citizen, Radio-Television News Directors Association, Reform Party of the United States, Taxpayers for Common Sense and U.S. Public Interest Research Group. I want to thank each of these organizations for their support.

As Thomas Jefferson wrote, ''Information is the currency of democracy.'' Our democracy is stronger if all citizens have equal access to at least that type of currency, and that is something which Members on both sides of the aisle can celebrate and join in.

The Congressional Openness Act is an important step in informing and empowering American citizens. I urge my colleagues to join us in supporting this legislation to make available useful Congressional information to the American people.●

By Mr. DORGAN (for himself, Mr. BAUCUS, and Mr. CONRAD):

S. 394. A bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act to permit a State to register a Canadian pesticide for distribution and use within that State; to the Committee on Agriculture, Nutrition, and Forestry.

PESTICIDE HARMONIZATION WITH CANADA

Mr. DORGAN. Mr. President. When the U.S.-Canada Free Trade Agreement came into effect ten years ago, part of the understanding on agriculture was that our two nations were going to move rapidly toward the harmonization of pesticide regulations. It is now a decade later and relatively little actual progress has been in harmonization that is meaningful to our agricultural producers.

Since this trade agreement took effect, the pace of Canadian spring and durum wheat, and barley exports to the United States have grown from a barely noticeable trickle into annual floods of imported grain into our markets. Over the years, I have described many factors that have produced this unfair trade relationship and unlevel playing field between farmers of our two nations. The failure to achieve harmonization in pesticides between the United States and Canada compounds this ongoing trade problem.

Our farmers are concerned that agricultural pesticides that are not available in the United States are being utilized by farmers in Canada to produce wheat, barley, and other agricultural commodities that are subsequently imported and consumed in the United States. They rightfully believe that it is unfair to import commodities produced with agricultural pesticides that are not available to U.S. producers. They believe that it is not in the interests of consumers or producers to allow such imports. However, it is not just a

difference of availability of agricultural pesticides between our two countries, but also in the pricing of these chemicals.

In recent times as the cost-price squeeze has escalated, our farmers have also been deeply concerned about pricing discrepancies for agricultural pesticides between our two countries. This past summer a survey of prices by the North Dakota Agricultural Statistics Services verified that there were significant differences in prices being paid for essentially the same pesticide by farmers in our two countries. In fact, among the half-dozen pesticides surveyed, farmers in the United States were paying between 117 percent and 193 percent higher prices than Canadian farmers. This was after adjusting for differences in currency exchange rates at that time.

As a result of the pricing concerns raised by our producers, the recent agricultural agreement between the United States and Canada included a provision for a study by the U.S. Department of Agriculture and Ag Canada into the pricing differentials in agricultural chemicals between our two countries. While such a study is a welcome step forward, our farmers deserve more concrete steps. Harmonization cannot continue to be an illusive goal for the future. We must provide meaningful tools by which we can bring some fairness to our farmers.

Today, I am reintroducing legislation that would take an important step in providing equitable treatment for U.S. farmers in the pricing of agricultural pesticides. This bill would only deal with agricultural chemicals that are identical or substantially similar. It only deals with pesticides that have already undergone rigorous review processes and have been registered and approved for use in both countries by the respective regulatory agencies.

The bill would establish a procedure by which states may apply for and receive an Environmental Protection Agency label for agricultural chemicals sold in Canada that are identical of substantially similar to agricultural chemicals used in the United States. Thus, U.S. producers and suppliers could purchase such chemicals in Canada for use in the United States. The need for this bill is created by pesticide companies which use chemical labeling laws to protect their marketing and pricing structures, rather than the public interest. In their selective labeling of identical or substantially similar products across the border they are able to extract unjustified profits from farmers, and create unlevel pricing fields between our two countries.

This bill is one legislative step in the process of full harmonization of pesticides between our two nations. It is designed to specifically to address the problem of pricing differentials on chemicals that are currently available in both countries. We need to take this step, so that we can start creating a bit more fair competition and level playing fields between farmers of our two countries. This bill would make harmonization a reality for those pesticides in which pricing is the only real difference.

Together with this legislation, I will be working on other fronts to move forward as rapidly as possible toward full harmonization of pesticides. The U.S. Trade Representative, the Environmental Protection Agency, and the U.S. Department of Agriculture have the responsibility to make harmonization a reality. Farmers have been waiting for a decade for such harmonization. We should not make them wait any longer.

Mr. President, I request unanimous consent that the text of the bill be printed in the RECORD.

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

S. 394

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

SECTION 1. REGISTRATION OF CANADIAN PESTICIDES BY STATES.

(a) IN GENERAL.—Section 24 of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136v) is amended by adding at the end the following:

''(d) REGISTRATION OF CANADIAN PESTICIDES BY STATES.—

''(1) DEFINITIONS.—In this subsection:

''(A) CANADIAN PESTICIDE.—The term 'Canadian pesticide' means a pesticide that—

''(i) is registered for use as a pesticide in Canada;

''(ii) is identical or substantially similar in its composition to any pesticide registered under section 3; and

''(iii) is registered by the registrant of a comparable domestic pesticide or an affiliated entity of the registrant.

''(B) COMPARABLE DOMESTIC PESTICIDE.—The term 'comparable domestic pesticide' means a pesticide that—

''(i) is registered under section 3;

''(ii) is not subject to a notice of intent to cancel or suspend or an enforcement action under section 12, based on the labeling or composition of the pesticide;

''(iii) is used as the basis for comparison for the determinations required under paragraph (3); and

''(iv) is labeled for use on the site or crop for which registration is sought under this subsection on the basis of a use that is not the subject of a pending interim administrative review under section 3(c)(8).

''(2) AUTHORITY TO REGISTER CANADIAN PESTICIDES.—

''(A) IN GENERAL.—A State may register a Canadian pesticide for distribution and use in the State if the registration is consistent with this subsection and other provisions of this Act and is approved by the Administrator.

''(B) EFFECT OF REGISTRATION.—

''(i) IN GENERAL.—Except as provided in clause (ii), on approval by the Administrator, the registration of a Canadian pesticide by a State shall be considered a registration of the pesticide under section 3.

''(ii) DISTRIBUTION TO OTHER STATES.—A Canadian pesticide that is registered by a State under this subsection and distributed to a person in that State shall not be transported to, or used by, a person in another State unless the distribution and use is consistent with the registration by the original State.

''(C) REGISTRANT.—A State that registers a Canadian pesticide under this subsection shall be considered the registrant of the Canadian pesticide under this Act.

''(3) STATE REQUIREMENTS FOR REGISTRATION.—To register a Canadian pesticide under this subsection, a State shall—

''(A)(i) determine whether the Canadian pesticide is identical or substantially similar in its composition to a comparable domestic pesticide; and

''(ii) submit the proposed registration to the Administrator only if the State determines that the Canadian pesticide is identical or substantially similar in its composition to a comparable domestic pesticide;

''(B) for each food or feed use authorized by the registration—

''(i) determine whether there exists a tolerance or exemption under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.) that permits the residues of the pesticide on the food or feed; and

''(ii) identify the tolerances or exemptions in the submission made under subparagraph (D);

''(C) require that the pesticide bear a label that—

''(i) specifies the information that is required to comply with section 3(c)(5);

''(ii) identifies itself as the only valid label;

''(iii) identifies the State in which the product may be used;

''(iv) identifies the approved use and includes directions for use, use restrictions, and precautions that are identical or substantial similar to the directions for use, use restrictions, and precautions that are on the approved label of the comparable domestic pesticide; and

''(v) includes a statement indicating that it is unlawful to distribute or use the Canadian pesticide in the State in a manner that is inconsistent with the registration of the pesticide by the State; and

''(D) submit to the Administrator a description of the proposed registration of the Canadian pesticide that includes a statement of the determinations made under this paragraph, the proposed labeling for the Canadian pesticide, and related supporting documentation.

''(4) APPROVAL OF REGISTRATION BY ADMINISTRATOR.—

''(A) IN GENERAL.—The Administrator shall approve the proposed registration of a Canadian pesticide by a State submitted under paragraph (3)(D) if the Administrator determines that the proposed registration of the Canadian pesticide by the State is consistent with this subsection and other provisions of this Act.

''(B) NOTICE OF APPROVAL.—No registration of a Canadian pesticide by a State under this subsection shall be considered approved, or be effective, until the Administrator provides notice of approval of the registration in writing to the State.

''(5) LABELING OF CANADIAN PESTICIDES.—

''(A) DISTRIBUTION.—After a notice of the approval of a Canadian pesticide by a State is received by the State, the State shall make labels approved by the State and the Administrator available to persons seeking to distribute the Canadian pesticide in the State.

''(B) USE.—A Canadian pesticide that is registered by a State under this subsection may be used within the State only if the Canadian pesticide bears the approved label for use in the State.

''(C) CONTAINERS.—Each container containing a Canadian pesticide registered by a State shall, before the transportation of the Canadian pesticide into the State and at all times the Canadian pesticide is distributed or used in the State, bear a label that is approved by the State and the Administrator.

''(D) REPORT.—A person seeking to distribute a Canadian pesticide registered by a State shall provide to the State a report that—

''(i) identifies the person that will receive and use the Canadian pesticide in the State; and

''(ii) states the quantity of the Canadian pesticide that will be transported into the State.

''(E) AFFIXING LABELS.—The act of affixing a label to a Canadian pesticide under this subsection shall not be considered production for the purposes of this Act.

''(6) ANNUAL REPORTS.—

''(A) PREPARATION.—A State registering 1 or more Canadian pesticides under this subsection shall prepare an annual report that—

''(i) identifies the Canadian pesticides that are registered by the State;

''(ii) identifies the users of Canadian pesticides used in the State; and

''(iii) states the quantity of Canadian pesticides used in the State.

''(B) AVAILABILITY.—On the request of the Administrator, the State shall provide a copy of the annual report to the Administrator.

''(7) RECALLS.—If the Administrator determines that it is necessary under this Act to terminate the distribution or use of a Canadian pesticide in a State, on the request of the Administrator, the State shall recall the Canadian pesticide.

''(8) SUSPENSION OF STATE AUTHORITY TO REGISTER CANADIAN PESTICIDES.—

''(A) IN GENERAL.—If the Administrator finds that a State that has registered 1 or more Canadian pesticides under this subsection is not capable of exercising adequate controls to ensure that registration under this subsection is consistent with this subsection and other provisions of this Act or has failed to exercise adequate control of 1 or more Canadian pesticides, the Administrator may suspend the authority of the State to register Canadian pesticides under this subsection until such time as the Administrator determines that the State can and will exercise adequate control of the Canadian pesticides.

''(B) NOTICE AND OPPORTUNITY TO RESPOND.—Before suspending the authority of a State to register a Canadian pesticide, the Administrator shall—

''(i) advise the State that the Administrator proposes to suspend the authority and the reasons for the proposed suspension; and

''(ii) provide the State with an opportunity time to respond to the proposal to suspend.

''(9) DISCLOSURE OF INFORMATION BY ADMINISTRATOR TO THE STATE.—The Administrator may disclose to a State that is seeking to register a Canadian pesticide in the State information that is necessary for the State to make the determinations required by paragraph (3) if the State certifies to the Administrator that the State can and will maintain the confidentiality of any trade secrets or commercial or financial information that was marked under section 10(a) provided by the Administrator to the State under this subsection to the same extent as is required under section 10.

''(10) PROVISION OF INFORMATION BY REGISTRANTS OF COMPARABLE DOMESTIC PESTICIDES.—If a State registers a Canadian pesticide, and a registrant of a comparable domestic pesticide that is (directly or through an affiliate) a foreign registrant fails to provide to the State the information possessed by the registrant that is necessary to make the determinations required by paragraph (3), the Administrator may suspend without a hearing all pesticide registrations issued to the registrant under this Act.

''(11) PATENTS.—Title 35, United States Code, shall not apply to a Canadian pesticide registered by a State under this subsection that is transported into the United States or to any person that takes an action with respect to the Canadian pesticide in accordance with this subsection.

''(12) SUBMISSIONS.—A submission by a State under this section shall not be considered an application under section 3(c)(1)(F).''.

(b) CONFORMING AMENDMENT.—The table of contents in section 1(b) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. prec. 121) is amended by adding at the end of the items relating to section 24 the following:

''(d) Registration of Canadian pesticides by States.

''(1) Definitions.

''(2) Authority to register Canadian pesticides.

''(3) State requirements for registration.

''(4) Approval of registration by Administrator.

''(5) Labeling of Canadian pesticides.

''(6) Annual reports.

''(7) Recalls.

''(8) Suspension of State authority to register Canadian pesticides.

''(9) Disclosure of information by Administrator to the State.

''(10) Provision of information by registrants of comparable domestic pesticides.

''(11) Patents.

''(12) Submissions.''.

(c) EFFECTIVE DATE.—This section and the amendments made by this section take effect 180 days after the date of enactment of this Act.●

By Mr. ROCKEFELLER (for himself, Mr. SARBANES, Mr. BYRD, and Mr. HOLLINGS):

S. 395. A bill to ensure that the volume of steel imports does not exceed the average monthly volume of such imports during the 36-month period preceding July 1997; to the Committee on Finance.

STOP ILLEGAL STEEL TRADE ACT OF 1999

● Mr. ROCKEFELLER. Mr. President, I am taking a major step to force action to help the American steel industry through the current import crisis. Today, I propose that Congress legislate a solution to the problem of illegal steel dumping. I believe that without swift action, the United States' steelworkers will continue to be laid off in near record numbers, and our steelworkers will—not unlike the late 70s and early 80s—permanently lose jobs and that the industry's long term viability will be threatened. The difference between 1998 and what happened a decade or two ago is that this time our steel industry has invested in itself and become the most efficient steel producer in the world. We can take on all comers if we are given a level playing field. Sadly, the strength of our steel industry is now jeopardized, despite its own successful efforts to retool for the next century, because of unfair trade practices and unprecedented levels of imports. I firmly believe the ongoing devastation of our steel industry is unnecessary and a direct result of massive import surges from countries who are seeking to make America the world's importer of last resort. We cannot continue to let our nation's steelworkers bear the brunt of the financial shocks caused by financial mismanagement in Asia or elsewhere in the world.

I am joined in introducing this legislation today by my colleagues, Senators SARBANES, BYRD and HOLLINGS. The bill is the ''Stop Illegal Steel Trade Act of 1999.'' This legislation would place restrictions on steel imports for a period of three years in order to return steel imports to a fairer, 20% share of the United States' market. The bill provides the President with the authority to take the necessary steps to ensure that we return to this pre-crisis level—he can impose quotas, tariff surcharges, negotiate enforceable voluntary export restraint agreements, or choose other means to ensure that steel imports in any given month do not exceed the average of steel imports in the United States for the three years prior to July 1997. The bill would be effective within 60 days of enactment. The Secretary of the Treasury, as the head of the United States' Customs Service, and the Secretary of Commerce are charged with implementing, administering, and enforcing the restraints on steel imports. The Customs Service is explicitly authorized to deny entry into the United States any steel products that exceed the allowable level of imports. Volume will be determined on the basis of tonnage. This bill would apply to the following categories of steel products—semifinished, plates, sheets and strips, wire rods, wire and wire products, rail type products, bars, structural shapes and units, pipes and tubes, iron ore and coke. The bill's provisions will expire after 3 years (beginning 60 days from enactment).

Right now, imports comprise roughly 30–35% of all steel sold in the United States. Imports of steel mill products in 1998 are expected to exceed 41 million net tons. Over the last year and a half, steel imports have increased by 47%. That high percentage of imports is unsustainable and without quick action I think they will effectively undermine our steel industry's ability to survive. The industry and its workers have responded to this import surge by filing international trade cases against Japan, Russia, and Brazil. The Department of Commerce found critical circumstances exist with respect to those cases and has expedited their consideration. I commend them for doing so, but the trade case only deals with hot-rolled steel. Import surges have occurred in a wide variety of steel imports and if the hot-rolled problem was adequately addressed I think we would just see a new problem with cold-rolled, or plate.

I think Congress must act to deal comprehensively with this problem. It should make sure that one category of imports isn't controlled only to find we have a new problem with a new category of steel products. Under the legislation we are introducing today, Japan would be forced to reduce its imports to 2.2 million tons per year down

from the approximately 6.6 million tons of steel they sent to the United States in 1998. Russia, which sent about 5.2 million tons of steel to the United States in 1998, under this bill would be forced to dramatically reduce the amount of steel it ships to the United States. Stemming the import flood from Russia is especially important because the numbers show that the Russians have steadily and significantly increased their exports to the United States over the last several years. Russia exported 1.4 million tons to the United States in 1995, 1.6 million tons in 1996, and 3.3 million tons in 1997. Japan and Russia are two countries which provide a clear illustration of why we need to limit steel imports. Job losses and unfilled order books of steel companies across the country tell us we need to act to stop the flood of imports. But these numbers, which give you an idea as to how much tonnage has increased, make it clear why the United States must guard against the continued import surges in our market from foreign countries seeking to sell to the United States market. Currently, there is no cost for foreign countries to violate our trade laws other than the threat of suit, but our steelworkers, their families and communities are paying a steep price every day for our failure to step in and effectively address the problem.

I should note to my colleagues that legislation restricting the level of steel imports was introduced last week in the House of Representatives and it has already garnered over a quarter of its membership as cosponsors. Congressman VISCLOSKY is leading this effort in the House of Representatives and I look forward to working with him and all the House cosponsors who are eager to stand up for steel.

Frankly, I have watched and waited for months as this crisis has continued, and as more and more workers have been laid off or placed on short weeks. The number of workers who have been directly affected by this crisis stands at over 10,000 today, but I believe that number could escalate to as many as ten times that figure if we all we continue to do is hope that the crisis will abate on its own. I think it is time to take a leadership role in this crisis and move aggressively to stop the dumping. Under current U.S. law, only the President has the full authority to act immediately to begin the process of an International Trade Commission investigation into this problem of import surges and steel dumping. The ITC's work takes time—anywhere from 120 to 150 days depending on the complexity of the case. I believe what my steelworkers have told me, our industry doesn't have the luxury of time to wait. That's why I have taken this extraordinary step of suggesting that Congress substitute its judgement for Executive action. Effective Executive action could eliminate the need for this Congressional action, but I cannot sit idly by and watch our steel industry take a beating because of unfair foreign competition.

For the record, you all should know that West Virginia has a proud history as one of our nation's foremost steel manufacturers. We are the home of Weirton, Wheeling Pittsburgh, Wheeling Nisshin, and Follansbee Steel. West Virginia and its neighboring states are the birthplace of our modern steel industry—an industry that built an industrialized America and launched our nation's prosperity in the beginning of this great century. They forged the metal that brought us through two world wars, built the American economy's manufacturing base and allowed us to lead the world in the transition to the new economy.

That is why, when Weirton Steel has laid off 20% of its workforce and is facing losses that it cannot sustain over time, I cannot just hope that trade cases will take care of part of the problem caused by some of the worst offenders. Wheeling Pittsburgh, Wheeling Nisshin, and Follansbee, are making it through these hard times, but they would be that much more prosperous if they weren't dealing with unfair competition.

Today I want to share a quote with my colleagues that I believe will provide my colleagues with some important context for this matter and which underscores why I believe that Congress should act:

So, Mr. President, it is an extremely timely occasion that my colleagues and I rise to address the Senate on this issue. It is also timely, Mr. President, because the American steel industry is in the midst of its most serious crisis in the postwar era.

Yet, at the same time, the steel industry is fundamental to the American economy. It supplies virtually every sector, from automobiles, construction, railroads, shipbuilding, aerospace, defense, oil and gas, agriculture, industrial machinery and equipment, the appliances, utensils and beverage containers. The fortunes of this industry—good or ill—will have a major impact on the rest of the economy.

But the purpose a number of us have in speaking today, Mr. President, is to discuss trade; for it is the major component of the current crisis and may prove to be the factor most difficult to control, inasmuch as it is not totally a domestic issue.

Trade is also not a new problem. Steel import restraints have been proposed in one form or another since the 1960's. The trigger price mechanism was in effect from 1978 to 1980 and then again in 1981. Although these programs achieved some short-term results, mostly in terms of improving price levels, none of them provided long-term solutions to the growing problems of global overcapacity and the failure of noncompetitive steel industries to adjust.

The latter problem has become more and more a factor in the difficulties of the past several years. While we have continued to practice the ethic of the free market system, the Europeans, quite plainly, have not. Subsidies and dumping have increased as European governments attempt to stay in power and forestall social unrest and unemployment by maintaining steel jobs and production at any cost. Hence the tremendous Government subsidies.

In the beginning those were social policy decisions any government is entitled to make for itself. However, it has become apparent in the past few years that maintaining steel production through subsidies require substantial exporting in order to unload the excess supply. The chief victim of that export has been the United States, meaning that the European steel process has been at our expense. And that, Mr. President, is unacceptable.

It is all well and good for European Community governments to say their steel industry is in bad shape—which it is; or to argue they need time for adjustment—which they do. But their adjustment plans have consistently been behind schedule thanks to footdragging by member nation governments, while exports here have increased. I have no intention of explaining to the steelworker in Pittsburgh or Youngstown or Gary or East Chicago that has to give up his job in order to help his Belgian, French, or Italian colleague to keep his. My responsibility, the responsibility of the Senate, the responsibility of the administration, is to our own people—to take those actions which will be good for them both in the long term and in the short term.

That responsibility does not preclude compromise, and it does not preclude a recognition that steel is a global industry where multilateral solutions may be necessary and appropriate. In fact, I think there is much to be said for an international steel agreement which would include limits on financing new capacity in third countries, guidelines on adjustment, and, if necessary, global import restraints. But progress in that direction must begin with a recognition of where the problems are and whose responsibility it is to begin fixing them. And, as I said in this Chamber last Thursday, the responsibility in this case—both legal and economic—is clear.

European steel subsidies violate both U.S. law and international agreements which the European Community member nations have signed. We went through five years of negotiations to produce those agreements. On our part we made significant, substantive, concessions, like the abolition of the American selling price, the wine-gallon-proof-gallon system, and the acceptance of an injury test in subsidy cases. What we seem to have received in return was a lot of promises. Promises to adhere to the discipline of the codes that had been negotiated. Promises to reduce or eliminate subsidies, dumping, and other unfair trade practices. Promises to open up Government procurement.

We accepted all those promises. Mr. President, because they contained the hope of greater discipline over unfair trade practices and the hope of more markets for American products. And we accepted them because we believe in a free market system that functions according to the prescribed rules that all parties adhere to. Promoting those rules has been the essence of our trade policy ever since, and I for one believe that should continue to be our policy.

But I must say, Mr. President, that in the intervening years since 1979 when we finished negotiating the Tokyo round and enacted the Trade Agreements Act of that year, I have heard a lot from the people in this country injured by the concessions we made in the Tokyo round and very little from anyone who has gained by those agreements. And now, the system we sought to establish at that time faces its most serious test. Simply put, the European Community and its member states do not want to accept the responsibilities they agreed to undertake in 1979. They do not want the rules enforced. They do not want to make the hard economic decisions about their own steel industry that the market requires them to make.

They would rather export their unemployment to the United States. They are screaming very loud about our efforts to hold them

not only to their word, but to the letter and spirit of international law. Mr. President, despite the screams, despite the alleged serious consequences to trade relations, this is a test we must meet, because both our own industry and the international trading system, one based on the concept of free and fair trade, are at stake.

I need say no more about the desperate situation in our steel industry. Those of us with steel facilities in our State see it every time we return home. Not to defend our own industry, particularly when it is consistent with our own law and with our international obligations to do so, is to turn an already serious situation into a major disaster. It is also to abandon the people who elected us.

There is an issue here beyond the survival of the American steel industry, Mr. President. That is the survival of a fair and equitable trading system based on mutually acceptable rules of the game. Some people in this country bemoan the revival of the days of the Smoot-Hawley tariff or a return to the ''begger-thy-neighbor'' policies of years ago every time anyone in Congress starts to talk about imports being a problem.

Mr. President, no one, including me—most specifically me—wants to return to that era of depression, but to avoid it, we must understand the reason for it. That reason, in my judgement, was the failure at that time to develop an international trading system based on free market principles, based on the theory of comparative advantage, based on universally accepted rules for participation in that system.

Mr. President, this country was a great leader in during and after World War II. In 1943, our leaders of the free world went to Bretton Woods, N.H., and at Bretton Woods, we developed a system with exactly those goals in mind that I just mentioned. At Bretton Woods, we developed that system and we have maintained it ever since, at least up to now. Now we face problems more intractable, a world more complex, and power more diffused than ever before. The old solutions seem to be losing their attractiveness in favor of even older solutions, a return to the mercantilist policies of the past.

Mr. President, that is what is at stake in this controversy. Not just our steel industry, and not just the European steel industry, important though they both are. It is the survival of a free world trading system that is the issue, because it cannot survive unless nations are willing to accept their responsibilities and their subsidies.

Mr. President, I state this not only to send a message to the European Community, but also to make it clear to others in our own Government that we in Congress hold very strong views on this matter. We in Congress wrote this law. We in Congress made it tough on purpose—precisely to prevent the kind of devastating unfair trade practices and actions that we are experiencing right now in steel.

Today it is steel, tomorrow, it may be some other product, it may be some other set of States, it may be some other industries.

I say, Mr. President, that it is terribly important that the law continue to work now against those kinds of unfair trade actions.

So far the law is working to stop that action. It is absolutely essential that we let it continue to work and not seek some expedient end to the matter that might make for short-term peace at the bargaining table but will produce long-term chaos in the international trading system.

It is not ''protectionist'' to take action against such patently unfair practices. In fact, to fail to do so would compromise the principles of free trade which are central to the international trade agreement both we and the Europeans signed.

We must send a strong message to our trading partners that the United States expects fair trade in our markets and the vigorous enforcement of our trade laws, and I urge the Secretary of Commerce to hold to that course.

That quote is from a statement delivered on the Senate floor on July 26, 1982 by the late Senator John Heinz from the great steel state of Pennsylvania. He made it when he introduced legislation to deal with the problems facing the steel industry during the early 1980s. We've heard a lot about Yogi Beara lately, but I think this statement says ''the more things change, the more they remain the same.'' Our trade dilemma remains the same today.

We survived the crises in the late 70s and 80s because our industry, its workers, and their elected representatives acted. The industry needed to streamline and heavily invest in capital improvements. It needed to become leaner, and more efficient. The hard transitions we made as a direct result of action and sacrifice by our steelworkers and their families. Steel technology dramatically improved because the industry invested $50 billion of its own money. Cost of production decreased. The United States' steel industry has the lowest number of man hours per ton of any steel producer in the world. Today, we can make steel better, cheaper, and cleaner than any of our competitors, bar none. But it cost 300,000 steelworkers their jobs. After all that, the one thing we cannot compromise is that we have to have a level playing field on which we can compete. No one can compete when the competition sells below the cost of production and dumps steel in massive amounts onto our market—not even the American steel industry.

Short of a handful of trade cases, and tough talk to trading partners who have shown little intention of caring what our stance will be, little has been done to stop the illegal dumping. If after all that agony of transforming itself into the most efficient steel producer in the world we are still trying to tell our industry that they have to take it on the chin against illegal imports—that our unfair trade laws can't protect their ability to compete on the world market—then many who hope to continue to grow our economy through expanded trade will be sorely surprised by the reaction of an American public that does not see the benefits of trade.

I want the United States to push to continue to open new markets for our exports. I think that only makes good economic sense. I very much want a fair and free international trading system. But I think we have to insist that everyone has to play by the rules. This bill says that if our trading partners won't play by the rules, then Congress will see to it that our industry isn't unduly disadvantaged—to me, that only seems fair.

I urge all my colleagues to join on as cosponsors. We can do this, together.

Mr. President—I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 395

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Stop Illegal Steel Trade Act of 1999''.

SEC. 2. REDUCTION IN VOLUME OF STEEL IMPORTS.

Notwithstanding any other provision of law, within 60 days after the date of enactment of this Act, the President shall take the necessary steps, by imposing quotas, tariff surcharges, negotiated enforceable voluntary export restraint agreements, or otherwise, to ensure that the volume of steel products imported into the United States during any month does not exceed the average volume of steel products that was imported monthly into the United States during the 36-month period preceding July 1997.

SEC. 3. ENFORCEMENT AUTHORITY.

Within 60 days after the date of enactment of this Act, the Secretary of the Treasury, through the United States Customs Service, and the Secretary of Commerce shall implement a program for administering and enforcing the restraints on imports under section 2. The Customs Service is authorized to refuse entry into the customs territory of the United States of any steel products that exceed the allowable levels of imports of such products.

SEC. 4. APPLICABILITY.

(a) CATEGORIES.—This Act shall apply to the following categories of steel products: semifinished, plates, sheets and strips, wire rods, wire and wire products, rail type products, bars, structural shapes and units, pipes and tubes, iron ore, and coke products.

(b) VOLUME.—Volume of steel products for purposes of this Act shall be determined on the basis of tonnage of such products.

SEC. 5. EXPIRATION.

This Act shall expire at the end of the 3-year period beginning 60 days after the date of the enactment of this Act.●

By Mr. HUTCHINSON (for himself, Mr. COVERDELL, Mr. MURKOWSKI, Mr. DEWINE, Mr. ALLARD, Mr. SESSIONS, Mr. ASHCROFT, Mr. INHOFE, Mr. THOMAS, Mr. GRAMS, Mr. BUNNING, Mr. BROWNBACK, Mr. HELMS, and Mr. MCCONNELL):

S. 396. A bill to provide dollars to the classroom; to the Committee on Health, Education, Labor, and Pensions.

THE DOLLARS TO THE CLASSROOM ACT

● Mr. HUTCHINSON. Mr. President, I am honored to have the opportunity to introduce legislation addressing one of the most important issues Americans are concerned about today—education. The Dollars to the Classroom Act will redirect approximately 3.5 billion dollars in funding for elementary and secondary education back to the states and into our classrooms.

This year Congress will be focusing its efforts on the reauthorization of the Elementary and Secondary Education Act. It is time for us to take a good look at the status of education in America and to recognize the lack of improvement we have seen in our elementary and secondary schools. The percentage of 12th grade students who meet standards in reading has actually decreased during this decade. When limited Federal funding is spread so thinly over such a wide area, the result is ineffective programs that fail to provide students with the basic skills they need to succeed.

I am committed to improving educational opportunities for our children,

and this can happen best at the local level. Those who best know our children—parents and teachers—should be responsible for deciding what programs are most important, not bureaucrats in Washington. It is time to stop the one-size-fits-all approach, and start letting those at the local level decide what is best for them.

Right now, state and local educational agencies are implementing reforms to better prepare their students for the future. Even the president recently stated in his budget proposal that ''we have long known the ingredients for successful schools; the challenge is to give parents and teachers and superintendents the tools to put them in place and stimulate real change right now.'' Many states have already implemented class-size reduction programs, and nineteen states currently have programs to turn around their poorest-performing school. The problem is not that states and local school districts do not have ideas about how to improve their schools, it is that Washington is telling them how to do it through competitive grants.

Many schools never see these grants, either. Schools in rural areas and that have low funding levels often cannot afford to hire grant writers to apply for the numerous federal programs. These schools should not have to spend money on administration just to receive funding, when they could receive the funding directly and decide what their needs are.

Currently, states have to bear the burden of abiding by federal regulations to receive education dollars. The system we have in place now is inefficient and does not allow the best use of each taxpayer dollar that is spent. According to the Crossroads Project—the Congressional fact-finding education initiative—only 65 percent of Department of Education elementary and secondary dollars reach classrooms. Instead of paying for administration and paperwork, we must give control back to parents and teachers, who can decide what is best for our children. Who do you trust to spend our taxpayer dollars best—bureaucrats, or those involved in our local schools?

That is why I am introducing the Dollars to the Classroom Act. This legislation has been included in S. 277, the Republican education package, and similar legislation will be introduced soon in the House of Representatives. In fact, the House of Representatives passed its version of the Dollars to the Classroom Act last fall. This legislation redirects $3.5 billion of K–12 education dollars to the States, requiring only that 95% of that money actually reach our children's classrooms. This money can be used for whatever the local education officials deem necessary and important to our children's education. School districts may buy new books, hire more teachers, build new schools, or buy new computers.

We must begin to prioritize the way we spend our education dollars, and we must put children first, not bureaucracy. Let those on the State and local levels decide if more books are needed to help our children read, or more teachers are needed to reduce class size. We cannot afford to allow a stagnant system to continue. We owe it to our children to allow schools to address the real needs they are facing today.●

● Mr. ASHCROFT. Mr. President, on two separate occasions this year I have made statements about the importance of education to our Nation and to this Congress. I've talked about what our parents want for their children, how to provide a good education, and how many of our current federal policies have failed to achieve what we want for our children.

Today, as the Senator from Arkansas introduces his ''Dollars to the Classroom Act,'' which incorporates ingredients for educational success into our federal policy, I want to join in cosponsoring his bill as it will empower states and local school districts to spend federal resources in the best way they see fit. I also want to take this opportunity to emphasize the importance of education.

A Pew Research Center poll conducted last fall found that 88% of those surveyed think that improving the quality of public school education is ''very important.'' Now, I am not one to put a lot of emphasis on polls, but I think that this poll indicates what we already know: that making sure kids get a world-class education is a real priority for our nation. Moms and dads want their children to be in settings where they will be challenged to reach high levels of academic achievement, taught by qualified and caring teachers, and provided a safe learning environment.

Obviously, parents want to be sure that schools are using the ingredients of success in education: parental involvement, local control, an emphasis on basic academics, and dollars spent in the classroom, not on distant bureaucracy and ineffective programs. These are the ingredients we must have to elevate educational performance. It is interesting to note that a recent report of the House Committee on Education and the Workforce Subcommittee on Oversight and Investigations found that successful schools and school systems were not the product of federal funding and directives.

Unfortunately, we are continuing to find that many of our current federal education programs, while well-intended, simply do not contain the ingredients of a successful education. Rather than promoting parental involvement, local control, and dollars going to the classroom, many federal programs promote a ''Washington-knows-best'' policy, in which federal bureaucrats decide exactly what education programs should be developed and exactly how every dollar should be spent. Not only are states, schools, teachers, and parents left without much say in how to educate their children, but they are also drained of time and energy complying with all the federal mandates handed down to them.

Our current federal education laws bog states down in mountains of paperwork every year. Even though the U.S. Department of Education recently attempted to reduce paperwork burdens, the Department still requires over 48.6 million hours worth of paperwork per year—or the equivalent of 25,000 employees working full-time. There are more than 20,000 pages of applications states must fill out to receive federal education funds each year.

While the Department of Education brags that its staff is one of the smallest federal agencies with 4,637 people, state education agencies have to employ nearly 13,400 FTEs (full-time equivalents) with federal dollars to administer the myriad federal programs. Hence, there are nearly three times as many federally funded employees of state education agencies administering federal education programs as there are U.S. Department of Education employees.

It is no wonder that up to 35% of our federal education dollar gets eaten up by bureaucratic and administrative costs. And we should remember this in the context of the fact that only about 7% of all education funding comes from the federal government. As we can see, this small amount of the entire education pie consumes a disproportionate share of the time states and local school districts must spend to administer education programs.

I have also spoken in the past about the Ohio study finding that 52% of the paperwork required of an Ohio school district was related to participation in federal programs, while federal dollars provided less than 5% of its total education funding. And I've also noted that in Florida it takes six times as many state employees to administer federal funds as it does to administer state dollars.

Clearly, federal rules and regulations eat up precious dollars and teacher time. We must find a way to change this.

I have also highlighted that the problem that many of our children and school districts never get to see the federal tax dollars paid by their parents for education because a great deal of federal educational funding is awarded on a competitive basis. Local schools must come to Washington and plead their case to get back the money the parents of their communities sent to the federal treasury. Who suffers the most from this system? Smaller and poorer schools, who don't have the time and money to wade through thick grant applications or hire a grant writer to get their fair share of the federal dollar.

It is also interesting to note that, according to the Department of Education's own estimates, it takes 216 steps and 20 weeks to complete the review process for a federal discretionary education grant. The Department

boasts that this is actually a streamlined process, since it used to take 26 weeks and took 487 steps from start to finish!

I have talked about a third problem with many current federal education programs: dollars are earmarked for one and only one purpose, to the exclusion of all other uses. And many times, the distant Washington bureaucrats are designating funds for something that a school district doesn't even need at the time.

I like to use an analogy to explain this problem. If you feel a headache coming on, would you rather be treated by a doctor one mile away from where you live, or a thousand miles away? And if you have to use the doctor a thousand miles away, how good is he or she going to be at prescribing what you need for your headache? It sure would be nicer to see someone close by who could take a look at you in person and make a proper diagnosis.

And what if, when you tell the doctor a thousand miles away that you have a headache, she says to you, ''Oh, that's too bad. But today we're running a special on crutches. We are prescribing crutches for people like you all over the country, because we've heard that you may need them.'' You say, ''That's fine, but how is a crutch going to help my headache? Can't I get the money to buy some aspirin?'' And the doctor says, ''Sorry, but you can only use this money for crutches, not for aspirin, or anything else.''

This is exactly what happens with so many of these categorical programs mandated from the federal level. Your local school district has determined that it needs funding for one thing, but the federal government will only release it for another. As a result, schools don't have the flexibility to use their funding for what they know they need to provide the best education possible for their students.

For all the federal programs and dollars committed to education, are we seeing success? I'm afraid not.

I have heard of a recent report from the Organization for Economic Cooperation and Development, which noted that even though the United States dedicates one of the largest shares of gross domestic product to education, it has fallen behind other economic powers in high school graduation rates. Only 72 percent of 18-year-old Americans graduated in 1996, trailing all other developed countries.

Our Congressional Research Service has explained why current federal aid programs may not lead to educational improvement. They note that these programs have generally been focused on specific student population groups with special needs, priority subject areas, or specific educational concepts or techniques. CRS reports:

> While such ''categorical'' program structures assure that aid is directed to the priority population or purpose, they may not always be effective—instruction may become fragmented and poorly coordinated; the proliferation of programs may be duplicative; each federally assisted program may affect only a marginal portion of each pupil's instructional time that is poorly coordinated with the remainder of her or his instruction; regulations intended to target aid on particular areas of need may unintentionally limit local ability to engage in comprehensive reforms; or the partial segregation of special needs students, while it helps to guarantee that funds can be clearly associated with each program's intended beneficiaries, may also reinforce tendencies toward tracking pupils by achievement level, and unintentionally contribute to a perpetuation of lower expectations for their performance.

I think the Congressional Research Service makes some valid observations about why our current federal education policy is not generally boosting student achievement and making our children competitive with other nations. CRS says that current federal policy hinders an important element of educational success: local control.

Based upon what we know about the state of our current federal education policy, we must explore how to direct our resources in ways that will stimulate academic success and high achievement. States, school districts, school boards, teachers, and of course, parents, are asking for local control and flexibility to spend federal education dollars in ways they know will work. They know how to incorporate the ingredients of success into the education of their children.

Senator HUTCHINSON's ''Dollars to the Classroom Act'' will give states and local schools the flexibility that they desperately need. His legislation takes nearly $3.5 billion from a number of federal education programs, directs the money to the states based upon student population, and requires that at least 95% of it is spent in our children's classrooms. Local school districts may use the funds in ways they believe will be most effective in elevating student achievement.

Under the ''Dollars to Classroom Act,'' parents, teachers, school boards and administrators will have the freedom to use federal dollars for what they need: whether it be to hire more teachers, raise teacher salaries, strengthen reading programs, buy new computers, or provide more one-on-one tutoring.

The bill ensures that federal bureaucracy will be held at bay by forbidding the Secretary of Education from issuing any regulations regarding the type of classroom activities or services that school districts may choose to provide with the federal dollars. Finally, the ''Dollars to Classroom Act'' calls for ways to streamline regulations and eliminate bureaucracy within major federal education laws.

Mr. President, we need to ensure that more federal education money is sent to the classroom, and that states, schools, and parents have more flexibility in using those funds in the way that will best help students achieve their fullest potential. We must find ways to encourage states and local schools to be innovative and creative in finding the most successful ways to challenge our students to the highest levels and achievement. Senator HUTCHINSON's ''Dollars to the Classroom Act'' will help accomplish these goals, and that is why I am pleased to co-sponsor his legislation.

During the coming months, Congress should continue to evaluate our current federal elementary and secondary education programs and make the necessary changes to incorporate the ingredients we know have proven successful in providing the best education possible for our children. We cannot afford to maintain the status quo if it is not working. We owe it to our next generation to provide them what they need to be successful in the 21st Century.●

ADDITIONAL COSPONSORS

S. 17

At the request of Mr. DODD, the name of the Senator from Nevada (Mr. REID) was added as a cosponsor of S. 17, a bill to increase the availability, affordability, and quality of child care.

S. 136

At the request of Mr. KENNEDY, the name of the Senator from Nebraska (Mr. KERREY) was added as a cosponsor of S. 136, a bill to provide for teacher excellence and classroom help.

S. 170

At the request of Mr. SMITH, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. 170, a bill to permit revocation by members of the clergy of their exemption from Social Security coverage.

S. 285

At the request of Mr. MCCAIN, the name of the Senator from Iowa (Mr. GRASSLEY) was added as a cosponsor of S. 285, a bill to amend title II of the Social Security Act to restore the link between the maximum amount of earnings by blind individuals permitted without demonstrating ability to engage in substantial gainful activity and the exempt amount permitted in determining excess earnings under the earnings test.

S. 311

At the request of Mr. MCCAIN, the names of the Senator from Nevada (Mr. REID) and the Senator from Nevada (Mr. BRYAN) were added as cosponsors of S. 311, a bill to authorize the Disabled Veterans' LIFE Memorial Foundation to establish a memorial in the District of Columbia or its environs, and for other purposes.

S. 323

At the request of Mr. CAMPBELL, the name of the Senator from Colorado (Mr. ALLARD) was added as a cosponsor of S. 323, a bill to redesignate the Black Canyon of the Gunnison National Monument as a national park and establish the Gunnison Gorge National Conservation Area, and for other purposes.