

Fitzgerald	Kohl	Rockefeller
Frist	Kyl	Roth
Gorton	Landrieu	Santorum
Graham	Lautenberg	Sarbanes
Gramm	Leahy	Schumer
Grams	Levin	Sessions
Grassley	Lieberman	Shelby
Gregg	Lincoln	Smith (NH)
Hagel	Lott	Smith (OR)
Harkin	Lugar	Snowe
Hatch	Mack	Specter
Helms	McCain	Stevens
Hollings	McConnell	Thomas
Hutchinson	Mikulski	Thompson
Hutchison	Moynihan	Thurmond
Inhofe	Murkowski	Torricelli
Inouye	Murray	Voinovich
Jeffords	Nickles	Warner
Johnson	Reed	Wellstone
Kennedy	Reid	Wyden
Kerry	Robb	
Kerry	Roberts	

The bill (S. 643), as amended, was passed, as follows:

S. 643

*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 "Interim Federal Aviation Administration Authorization Act".

**SEC. 2. EXTENSION OF AIRPORT IMPROVEMENT PROGRAM.**

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 48103 of title 49, United States Code, is amended by striking from "\$1,205,000,000" through the period and inserting "\$1,607,000,000 for the 8-month period beginning October 1, 1998".

(b) OBLIGATIONAL AUTHORITY.—Section 47104(c) of such title is amended by striking "March" and inserting "May".

(c) LIQUIDATION-OF-CONTRACT AUTHORIZATION.—The Department of Transportation and Related Agencies Appropriations Act, 1999 is amended by striking the last proviso under the heading "Grants-in-Aid for Airports, (Liquidation of Contract Authorization), (Airport and Airway Trust Fund)" and inserting "Provided further, That not more than \$1,300,000,000 of funds limited under this heading may be obligated before the enactment of a law extending contract authorization for the Grants-in-Aid for Airports Program beyond May 31, 1999".

**SEC. 3. AIRWAY FACILITIES IMPROVEMENT PROGRAM.**

Section 48101(a) of title 49, United States Code, is amended by adding at the end thereof the following:

"(3) \$2,131,000,000 for fiscal year 1999."

**SEC. 4. FAA OPERATIONS.**

Section 106(k) of title 49, United States Code, is amended by striking from "\$5,158,000,000" through the period and inserting "\$5,632,000,000 for fiscal year 1999".

**SEC. 5. REMOVAL OF THE CAP ON DISCRETIONARY FUND.**

Section 47115(g) is amended by striking paragraph (4).

**SEC. 6. EXTENSION OF AVIATION INSURANCE PROGRAM.**

Section 44310 of title 49, United States Code, is amended by striking "March" and inserting "May".

**SEC. 7. MILITARY AIRPORT PROGRAM.**

Section 124 of the Federal Aviation Reauthorization Act of 1996 is amended by striking subsection (d).

**SEC. 8. DISCRETIONARY FUND DEFINITION.**

(a) AMENDMENT OF SECTION 47115.—Section 47115 of title 49, United States Code, is amended—

(1) by striking "25" in subsection (a) and inserting "12.5"; and

(2) by striking the second sentence in subsection (b).

(b) AMENDMENT OF SECTION 47116.—Section 47116 of such title is amended—

- (1) by striking "75" in subsection (a) and inserting "87.5";
- (2) by redesignating paragraphs (1) and (2) in subsection (b) as subparagraphs (A) and (B), respectively, and inserting before subparagraph (A), as so redesignated, the following:

"(1) one-seventh for grants for projects at small hub airports (as defined in section 41731 of this title); and

"(2) the remaining amounts based on the following:".

**SEC. 9. RELEASE OF 10 PERCENT OF MWAA FUNDS.**

(a) IN GENERAL.—Notwithstanding sections 49106(c)(6)(C) and 49108 of title 49, United States Code, the Secretary of Transportation may approve an application of the Metropolitan Washington Airports Authority (an application that is pending at the Department of Transportation on March 17, 1999) for expenditure or obligation of up to \$30,000,000 of the amount that otherwise would have been available to the Authority for passenger facility fee/airport development project grants under subchapter I of chapter 471 of such title.

(b) LIMITATION.—The Authority may not execute contracts, for applications approved under subsection (a), that obligate or expend amounts totalling more than the amount for which the Secretary may approve applications under that subsection, except to the extent that funding for amounts in excess of that amount are from other authority or sources.

The PRESIDING OFFICER. Under the previous order, H.R. 99 is amended by substituting the text of S. 643, is read a third time, and passed.

The bill (H.R. 99) as amended, was passed.

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. BAUCUS. Mr. President, I ask unanimous consent to speak as if in morning business.

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

**CHINA'S WTO ACCESSION AND THE VISIT OF PREMIER ZHU RONGJI**

Mr. BAUCUS. Mr. President I rise to offer some thoughts on our relations with China, and in particular the prospects of China's WTO membership, as the visit of Premier Zhu Rongji to the United States next month approaches.

**CONTEXT OF RELATIONSHIP**

Let me begin, however, with some context.

During this decade, the Senate and the country as a whole has had an intense debate on China policy. Participants in this debate have taken radically different views on the prospects of our relationship, and on the trade, security and human rights policies we should adopt in it.

But virtually all participants have held one basic assumption: that is, that economic growth in China will inevitably continue at a very rapid rate for many years to come, and that consequently, China is a "rising" regional power which is likely to become a superpower economy and military power on a par with ourselves.

For some time I have been skeptical of this assumption. In the past year, as the Asian financial crisis has affected China more and more deeply, another possibility has become quite clear: China's immediate future may be one of protracted economic difficulties and social instability rather than unbroken ascendancy.

Within the past year, China's growth appears to have dropped significantly. Foreign investment commitments have dropped. Signs of financial crisis have emerged in Guangdong Province. China's exports overall seem to have dropped due to the contraction of Asian economies.

And unemployment in cities has risen sharply.

This has coincided with growing strains in our relationship. A number of Chinese actions—notably arrests of a number of people associated with the Chinese Democracy Party, and a series of statements by Chinese officials about American research on theater missile defense—have raised a great deal of concern, and rightly so.

These have been combined with inflammatory reports in the press on clandestine Chinese efforts to gain access to American military technology, including nuclear weapons design.

**U.S. RESPONSE**

**How do we respond?**

First of all, we should not simply set these issues aside and we should not be intimidated. In our bilateral relationship, I do not, for example, agree with those who say that spying—especially in areas as sensitive as nuclear technology—is a natural and tolerable activity by foreign governments and that the only fitting response is better security in the U.S. Spying is intolerable and a breach of national security of this magnitude deserves the most serious attention and swiftest of action.

And I do not agree with Chinese contentions that policies to defend American troops abroad, our treaty allies and our homeland from missile attack are destabilizing and provocative.

And with respect to Taiwan, our goal must always be prevention of conflict in the Strait, and the more China threatens Taiwan with missiles, the more Taiwan will need to provide for security against missiles.

Likewise, we should continue to develop our relationship with our Asian allies and the Pacific region generally.

Special priorities this year should be ratification of the newly developed defense guidelines in our alliance with Japan; passage of the legislation allowing joint military exercises with the Philippine Senate; conclusion of the negotiations toward a commercial

agreement and normal trade relations with Vietnam; and broader efforts toward economic recovery in Asia.

At the same time, however, we should avoid seeing the present strains in relations with China as signs of inevitable confrontation. They likely reflect growing fears of domestic unrest and loss of confidence in China's future strength, rather than an arrogance born of security and success.

And while we should be firm, we must also avoid being wilfully provocative or unwilling to seek out common interests.

#### U.S. INTERESTS IN WTO ACCESSION

That brings me to the largest single item of common interest on our agenda: China's potential accession to the WTO.

Such an accession would have immense potential benefits for both America and China.

From our perspective, it can create a more reciprocal trade relationship; promote the rule of law in China; and accelerate the long-term trend toward China's integration into the world economy and the Pacific region.

This integration is, we should always remember, immensely important to our long-term security interests.

To choose one example, twenty-five years ago China would likely have seen the Asian financial crisis as an opportunity to destabilize the governments of Southeast Asia, South Korea and perhaps even Japan. Today it sees the crisis as a threat to its own investment and export prospects and has thus contributed to IMF recovery packages and maintained currency stability.

Thus China's policy has paralleled and complemented our own; and as a result, the Asian financial crisis remains an economic and humanitarian issue rather than a political and security crisis.

From China's perspective, WTO entry has the long-term benefits of strengthening guarantees of Chinese access to foreign markets and promoting competition and reform in the domestic economy; and the short-term benefit of creating a new source of domestic and foreign investor confidence at a time of immense economic difficulty.

#### COMMERCIALLY MEANINGFUL ACCESSION ESSENTIAL

Neither of us, however, will win the full benefits of WTO accession unless the accession agreement is of commercially meaningful quality.

Thus Congress should be vigilant about the details of such an agreement. Broadly speaking, this means:

Significant tariff reductions and other measures to liberalize trade in goods;

Market access for agriculture, including the elimination of phony health barriers of Pacific Northwest wheat, citrus, meats and other products.

Liberalization of service sectors including distribution, telecommunications, finance, audiovisual and others;

This requires a lot from China. It is not entirely clear that China will make a commercially meaningful offer to us. and if they do not, we should be willing to wait rather than push forward with this accession.

#### ACCESSION MUST BE JUDGED ON TRADE POLICY MERITS

However, if they are ready to make such an offer, the United States should clearly be willing to say yes. That should include the permanent normal trade relations we offer virtually all WTO members.

Congress would, of course, have to vote on permanent normal trade relations. Because Congress already holds all the cards with respect to the Normal Trade Relations vote, I am concerned about proposals to create a second vote, which would delay accession by requiring a prior vote on admission. This raises a number of troubling questions.

First, I think we need to be prepared to move quickly if and when we get the desired commercially acceptable accession package—simply put, we must be prepared to strike when the iron is hot. Such an important step should not be hamstrung by requiring a separate vote by Congress.

Second, the proposal raises constitutional and precedential questions. Congress has not voted on any of the previous 100 GATT and WTP accessions since 1948, since WTO accessions are executive agreements which generally require no U.S. concessions.

But most important, a vote on WTO accession would more likely be a judgment on the immediate state of our overall relationship with China than on the trade policy details of the accession.

China's accession to the WTO is about whether China is ready to trade openly and fairly with the United States. Whether China will accept rule of law and abide by that rule of law.

In effect, we would likely hold a set of unilateral trade concessions by China to the United States hostage to every other concern we have about China—from human rights to security, environment, labor policies and much more. The likely result would be an immense loss to the United States. Therefore, I do not favor such a proposal and will oppose it on the floor.

#### CONCLUSION

In conclusion, Mr. President, China policy must not be considered simply in isolation.

Premier Zhu's visit offers us an immensely important opportunity, both to right the overall course of our relationship and to conclude the specific talks over WTO membership for China on the right, commercially meaningful basis. I welcome this and hope our colleagues will do the same.

But this relationship is only one piece—important, but only one piece—in our broader relationship with the Pacific region and our Asian allies.

If we are to develop these other relationships carefully; if we are firm with

China when necessary but also willing to seek out areas of common interest; if we react to difficult periods with confidence in our own strength and commitment to our own interests, we can expect a very good future.

I am fully confident that this is what we will do because we have some very important opportunities here to be sure to secure that relationship.

I thank the Chair and I yield the floor.

#### UNANIMOUS-CONSENT AGREEMENT—S. 544

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate now turn to Calendar No. 28, S. 544, the supplemental appropriations bill, and the only tobacco amendments be relative to the Medicaid tobacco recoupment provision.

I further ask that Senator SPECTER be recognized to offer an earmarking amendment, that all debate conclude on the amendment this evening, with the exception of 90 minutes to be equally divided, and the Senate resume the amendment on Thursday at 9:30. I further ask that the vote occur on or in relation to the earmarking amendment at 11 a.m. on Thursday and that no further amendments be in order prior to that 11 a.m. vote.

I further ask that following that vote Senator HUTCHISON of Texas be recognized to offer her amendment relative to Kosovo.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. LOTT. In light of that agreement, there will be no further votes this evening. However, Senators will be reminded that the next vote will occur at 11 a.m. on Thursday.

I thank the chairman of the committee, the managers of the bill, and the Senator from West Virginia for being ready to go, on relatively short notice, on this important matter.

I yield the floor, Mr. President.

#### EMERGENCY SUPPLEMENTAL APPROPRIATIONS ACT FOR FISCAL YEAR 1999

Mr. STEVENS. Mr. President, is the supplemental bill before the Senate?

The PRESIDING OFFICER. The clerk will report the bill.

The legislative clerk read as follows:

A bill (S. 544) making emergency supplemental appropriations and rescissions for recovery from natural disasters, and foreign assistance, for the fiscal year ending September 30, 1999, and for other purposes.

The Senate proceeded to consider the bill.

Mr. STEVENS. Mr. President, this afternoon the Senate will consider a supplemental appropriations bill that includes both emergency and non-emergency spending for the fiscal year.

Over the past 3 months, the Office of Management and Budget has transmitted to Congress several supplemental budget requests, totaling \$2 billion.