

which restores the point of order preventing Senators from attaching legislative "riders" to appropriations measures.

This measure will go a long way toward preventing gridlock over policy matters in spending bills.

These procedural changes would, in my view, go a long way toward restoring openness, fairness, and public input in the process of spending the taxpayers' dollars. We would be able to pass budgets in the normal process, rather than budget by brinkmanship.

These budget reform proposals are not a political exercise. These reforms are long-overdue and real. It is my intention to work with the leadership to move this legislation quickly. It is very important we act before the appropriations season begins in earnest.

To do nothing to reform our budget process is far more dangerous than to try and not succeed. Budget process reform must be adopted to insure that we do not waste the opportunity to start shaving away at our massive national debt. The system is set up to have checks and balances. Lately, we have drifted from this process. Congress must adopt meaningful budget process reform this year, or risk further fiscal monstrosities like the fiscal year 1999 omnibus appropriations bill.

Clearly, the process by which we spend Americans' hard-earned dollars is flawed and needs to be changed. I hope my colleagues will acknowledge the obvious, and push for comprehensive budget process reform at the earliest opportunity.

#### THE "ED-FLEX" PROGRAM

Mr. ABRAHAM. Mr. President, I rise today to urge my colleagues' support for important legislation introduced by Senator FRIST and WYDEN, the Education Flexibility Act. This legislation would expand the popular "Ed-Flex" program to all 50 states. Currently, 12 states, including Michigan, participate in the program.

Through the "Ed-Flex" program, the Department of Education delegates to the states its power to grant individual school districts temporary waivers from certain federal requirements if those requirements interfere with state and local efforts to improve education. To be eligible, a State must be able to waive its own regulations on schools. The State must hold schools accountable for results by setting academic standards and measuring student performance, requiring schools to publish school report cards, and intervening in low performance schools. This program does a great deal to reduce the regulatory burden for states trying to improve the education it provides to its citizens.

This program has been a tremendous success in Michigan. The first benefit came to Michigan in simply applying for the program. It was during this process that the Governor's office realized it did not meet the two criteria

necessary to apply for the waiver because the state could not waive its own regulations. As a result, the Governor's office worked with the State legislature and State Board of Education to prepare and obtain this authority. Another benefit of the "Ed-Flex" program came when the state put in place the Waiver Referent Group. This group is made up of representatives from the Department, local and intermediate school districts, private schools, parent organizations, advisory and professional groups, and business/community members. Through this collaboration, the State will receive input on potential regulations that may help reduce barriers to reform from the people most closely associated with the regulations that are hindering their ability to achieve real and lasting reform.

I am proud to be an original cosponsor of this important legislation. I am confident that the "Ed-Flex" program will be as valuable of a tool to education reform for other states as it has been to Michigan's education reform efforts.

#### THE TRADE FAIRNESS ACT OF 1999

Mr. ROCKEFELLER. Mr. President, I rise today to introduce legislation which will help the President deal with the flood of dirt-cheap steel imports from our trading partners. I introduce this legislation with the full knowledge that there are many actions required to respond to the steel import crisis that is corroding the United States' steel industry's ability to compete. This crisis is hurting our steelworkers and our companies. It must be dealt with as a top priority in the 106th Congress.

The bill I am introducing today deals with two important aspects of this crisis: monitoring imports and remedying injury to domestic industries under our trade laws. The bill has two main parts. The first section reforms Section 201 of the Trade Act of 1974 to conform its standard of injury to that of our world trading partners. This reform will affect all products which are covered by Section 201 by revising the U.S. standard for injury to the standard used in the World Trade Organization's Safeguards Code. The second section of the bill will help us better track steel imports by requiring an import permit for steel and establishing a monitoring program. This will allow us to track steel imports, as many of our trading partners currently have the ability to do. It will provide import data in a more timely fashion and help us better anticipate future import problems. I am proposing the "Trade Fairness Act of 1999" along with my colleague and Senate Steel Caucus co-chair, Senator SPECTER, in order to strengthen the President's ability to help domestic industries receive the relief they need and deserve when imports are a cause of serious injury, and so we know what when significant amounts of foreign steel are entering our country.

Import relief is what the U.S. steel industry desperately needs right now. This bill contains provisions that will help us more effectively deal with future import problems, but it will not provide the immediate assistance that our steel industry needs to survive this crisis. Within a matter of days, we will have the steel import data from the end of last quarter. I fully expect it will show that the United States is still enduring an unprecedented level of steel imports. I also strongly believe that most of those imports continue to be sold at historically low prices; prices which are below the cost of actual production in many instances. American steel manufacturers cannot fight this unfair trade practice without help. West Virginia and other major steel makers deserve help now, before it is too late. This measure addresses some of the structural reforms needed to deal with import surges in the future, but, again, I have to admit it won't do what's needed to stop the flood of steel imports. I firmly believe that a 201 action is what is required, now, to stop the imports. I have strenuously made that case to the Administration, and will continue to make that case to the President and his advisors, as well as my colleagues on the Finance Committee, and in the Congress. I am also likely to submit other legislative remedies to deal with the emergency which faces the United States' steel industry and its workers.

This legislation I am introducing today includes reforms we need to improve the way U.S. trade laws function in a crisis. The import licensing will help the steel industry specifically, but the Section 201 reforms will ultimately benefit all products where foreign competitors have dumped their product on the American market. I intend to push these provisions during the Finance Committee's consideration of trade legislation in the 106th Congress. The 201 reforms will improve our ability to remedy harm against domestic industries and at the same time remain consistent with rules we expect our world trading partners to live by. We can be tough and fair on trade at the same time and the bill I am introducing today proves it.

In my state of West Virginia, our two largest steel manufacturers, Weirton Steel and Wheeling Pittsburgh Steel, have been hit hard by the steel import crisis. Weirton alone has laid off over 900 workers and there is the possibility that their fourth quarter earnings and order book could force these two companies to consider additional lay offs in the near future. Wheeling-Pittsburgh is also worried about the effect of the crisis on their bottom-line. Laying off workers is never easy, but this crisis is forcing hard decisions. West Virginia steel makers are producing world-class products as efficiently as any foreign competitor, but when foreign competitors are blatantly dumping their product at prices which are sometimes actually below the cost of production,

it cuts the legs out from under American companies. Such unfair practices are absolutely unacceptable. U.S. industry—the U.S. steel industry and other industries—deserve just remedies when competitors unfairly dump their product on the U.S. market. We want to give the President the policy tools he needs to deal with unfair import competition.

Import data tells the story of a worsening steel crisis—the first two quarters of 1998 have shown a 27% increase in imports of hot-rolled steel. Japanese imports increased by an astounding 114% in that same time frame. Steel imports from South Korea increased 90%. There is no end in sight. Russia and Brazil are other prime offenders. A trade case is pending against the imports of hot-rolled steel from Russia, Brazil and Japan. The Commerce Department made a determination of critical circumstances in regard to that case. More cases are expected.

The real tragedy of this crisis is that the U.S. steel industry has spent over a decade reinventing itself, adjusting and modernizing, in order to become a top-notch competitor as we approach the 21st century. This industry is a true success story—productivity has shot up and we can beat any producer in the world on price and quality when provided with a level playing field. For decades, I have worked with leaders in the steel industry at Weirton Steel, Wheeling-Pittsburgh, Wheeling-Nissin, and others. I have watched and encourage these steelmakers and unions working together to make the tough, necessary decision to modernize.

Unfortunately, just as United States steel manufacturers are realizing the gains of such investments, they are facing a flood of imported steel being sold at rock bottom prices—again, below the cost of production in some instances. We cannot compete against that kind of unfair competition. The legislation Senator SPECTER and I are introducing today will both allow us to more efficiently track steel imports and give the President an improved tool to ensure that when there is serious injury as a result of imports, the U.S. can respond.

Specifically, the legislation I introduce today with Senator SPECTER will reform Section 201 of our trade law and require import licensing for steel which is classified under Chapters 72 or 73 of the Harmonized Tariff Schedule of the United States.

Let me lay each of the bill's two major provisions in a little more detail.

First, Section 201, which this legislation will strengthen, permits the President to grant domestic industries import relief in circumstances where imports are the substantial cause of serious injury.

Under current law, domestic industries must show that increased imports are the "substantial cause" of serious injury—which means a cause that is

important and not less than any other cause. This imposes an unfair, higher burden of proof on domestic industries than is required to prove injury under World Trade Organization standards. The Safeguards Code of the World Trade Organization was established to make sure that fair trade did not mean countries had to put up with unfair practices. The WTO standard requires only that there be a causal link between increased imports and serious injury. I believe that U.S. law should not impose a tougher standard for American companies of harm than the WTO uses for the international community. Applying the WTO standard is responsible and reasonable. In this bill, we propose to establish the same standard for the U.S. as is used by the WTO. Free trade must mean fair trade.

In addition, in this bill we also intend to conform U.S. law to the standard in the WTO Safeguards Code when considering the overall test for judging when there has been serious harm to a domestic industry. We clarify that the International Trade Commission (ITC) should review the overall condition of the domestic industry in determining the degree of that injury by making it clear that it is the effect of the imports on the overall state of the industry that counts, not solely the effect on any one of the particular criteria used in the evaluation.

Many of our trade partners, like Canada and Mexico, have more modern systems to track imports than we do in the United States. This legislation addresses that problem and provides us with better and more timely data on imports. Explicitly, this legislation requires that within 30 days of the enactment of this legislation, that the Secretary of Commerce, in consultation with the Secretary of the Treasury, will establish an import permit and monitoring program which applies to any one importing a product under chapter 72 or 73 of the Harmonized Tariff Schedule of the United States that is initially entered into a bonded warehouse or foreign trade zone. Steel import permits will be required before the merchandise is entered into the customs territory of the United States. These permits will be valid for 30 days. The data collected from this permit program will be compiled in aggregate form and be made publicly available on a weekly basis and posted on an Internet site. The Administration already proposed releasing import data earlier and publicly as part of its January, 1999, report to Congress on steel. This legislation will complement that proposal. The Secretary of Commerce will be able to impose reasonable fees to defray the costs of this program.

It is our sincere hope that Congress will enact this legislation as part of trade legislation that moves in the 106th Congress. Passage of this legislation will send the message that the United States will fight for the right of its industries to compete on a level playing field in world trade. If imports

flood our markets, we will act to protect American industries against the consequences.

I am someone who adamantly believes the promotion of free trade is essential to our country's continued economic growth. If we are to continue to expand the trade base of our economy we need U.S. industry to know that we will keep it fair. American industry and American workers can deal with fair trade, but they shouldn't be asked to sit still for unfair trade practices that hurt workers and their families, while robbing the profit-margins of U.S. companies.

I intend to work in the 106th Congress, with my colleagues on the Finance Committee and those in the Administration responsible for trade policy, to give the President better, more effective tools to ensure that our country can insist trade be free and fair. Our steel industry, indeed all U.S. industries, deserve no less. But this legislation alone will not remedy the steel crisis our country faces. Rest assured, I will continue to carefully review my legislative options and take other appropriate actions in the near future to help fight this important crisis.

#### COUNTRY OF ORIGINAL LABELING BILL

Mr. BURNS. Mr. President, I rise today to sponsor a bill being introduced by myself, Mr. CRAIG and Mr. THOMAS on an issue of great importance to my state and the agricultural industry. The issue is that of labeling meat coming into America from other countries.

This language offered today will require all meat products that are imported from a foreign country to be labeled with the country of origin of that meat. This bill will protect the consumer as well as the agricultural industry, which has had to face severe competition from foreign countries in recent years.

American agricultural producers are currently faced with a huge influx of imports from both Canada and Mexico. Country of origin labeling would do two very important things. First, it would present the consumer with the knowledge to make the choice which meat they want to buy. 78% of consumers polled by Wirthlin Worldwide endorse country of origin labeling. 70%! This says to me that consumers want to be making informed decisions. The vast majority of other types of products that come into the U.S. are labeled with the country they originated in. To name a few, we are aware of where our textiles, manufactured parts, automobiles and watches come from. Why should food be any different? Consumers go to the store with the assumption they are buying U.S. made product. In fact, this is usually not the case. Consumers are completely aware of the country of origin of each article of clothing they put on the outside of their body. Yet they