

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

have no idea where any of the food they put inside their body comes from. Many consumers prefer to buy "Made in the U.S.A." and they especially have a right to know.

Secondly, this bill will protect both the American producer and the American consumer. Currently, foreign meat that comes into the U.S. is rolled with the USDA grade stamp. This is grossly unfair to the producer and consumer alike. The USDA stamp on foreign product is a detriment to the producer because foreign countries get the benefit of the grade stamp, without having to pay for it. America's producers need the protection of country of origin labeling to assure that the USDA label really means just that—produced in the U.S. It is a detriment to the consumer because they deserve to know that they are buying American and that they are buying absolutely the safest food supply in the world, which is grown by American farmers and ranchers.

Furthermore, other countries already require labeling of meat and meat products. Argentina, Australia, Brazil, Canada and Mexico currently require country of origin labeling. The European Union plans to do the same by the year 2000. If we are to compete in an international market, the U.S. must step up and level the playing field.

Again, American agriculture provides the American consumer with the safest, most reliable source of food and fiber in the world. Consumers have proven they want to know where their food comes from. With this in mind we then should be informing the American consumer that they really are purchasing American product.

I am proud and very pleased to serve as sponsor of this bill and I look forward to moving it through the legislative process so we may give our consumers the information and the choice to buy "Made in the U.S.A."

#### PRE-PAID TUITION

Mr. ABRAHAM. Mr. President, I rise to urge my colleagues' support for the Collegiate Learning and Student Savings, or "CLASS," Act. This legislation will help Americans as they seek to secure, for themselves and for their children, the increased opportunity and earnings potential available only to college graduates in this country.

Mr. President, America is the land of opportunity. But that opportunity comes at a price. More and more that price comes in the form of an increasing cost of a college education. College graduates on average earn 40 percent more than do those who have not graduated from college. But the increased opportunity college provides keeps getting more and more expensive.

College costs have risen dramatically—5 to 6 percent every year over the past decade. According to the College Board, the average annual cost for tuition, room and board at a public university is now \$7,472. At a private

college the cost is a whopping \$19,213 per year.

If costs continue rising as they have been, a four-year college education will cost \$75,000 at a public university and \$250,000 at a private college by the time the average newborn begins attending in 2016.

Costs like these can send families deeply into debt. American families have already accrued more college debt in the 1990's than during the 1960's, 1970's, and 1980's combined. Yet, according to a 1997 poll conducted for the Student Loan Marketing Association, only about 18 percent of families start saving for college before their child begins high school.

Why aren't more families saving for their children's college education? Clearly one important reason is the fact that Washington subsidizes student debt while penalizing savings. Student loans are offered at low, federally subsidized rates in order to help more kids afford college. But families that try to save in advance for college face a situation in which their income is taxed before it goes into a savings account, and the interest they earn on their education savings are then taxed again every year. It is time for Washington to stop punishing working families for planning ahead for their children's future. It is time to help middle class kids and their parents afford a college education.

Mr. President, this is why The Collegiate Learning and Student Savings, or "CLASS," Act is so important. This legislation will help more than 2.5 million students afford a college education. It would extend tax-free treatment to prepaid tuition plans sponsored by States and private institutions.

Currently, 39 States, including my own State of Michigan, have prepaid tuition plans that allow parents to save for their children's college education. Now, a nationwide consortium of more than 100 private schools, in 32 different States, have launched a similar plan.

These plans overwhelmingly benefit working, middle income families. For example, families with an annual income of less than \$35,000 purchased 62 percent of the prepaid tuition contracts sold by Pennsylvania in 1996. In Kentucky, the average monthly contribution to a family's college savings account was \$43 in 1995.

By making all of these plans tax-free, we can help families afford the ever-increasing cost of a college education. I urge my colleagues to support this important legislation.

#### MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, one of his secretaries.

##### EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages

from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

#### ANNUAL REPORT TO CONGRESS ON THE STATE OF THE UNION—MESSAGE FROM THE PRESIDENT—PM 1

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was ordered to lie on the table.

Mr. Speaker, Mr. Vice President, Members of Congress, honored guests, my fellow Americans:

Tonight, I have the honor of reporting on the State of the Union.

Let me begin by saluting the new Speaker of the House, and thanking him for extending invitations to two special guests who are sitting in the gallery with Mrs. Hastert. Lyn Gibson and Wei Ling Chestnut are the widows of the two brave Capitol Police Officers who gave their lives to defend freedom's house.

Speaker HASTERT: At your swearing in, you asked us to work in a spirit of civility and bipartisanship. Mr. Speaker, let's do exactly that.

I stand before you to report that America has created the longest peace-time economic expansion in our history—with nearly 18 million new jobs, wages rising at more than twice the rate of inflation, the highest homeownership in history, the smallest welfare rolls in 30 years—and the lowest peacetime unemployment since 1957.

For the first time in three decades, the budget is balanced. From a deficit of \$290 billion in 1992, we had a surplus of \$70 billion last year. We are on course for budget surpluses for the next 25 years.

Violent crime is the lowest in a quarter century. Our environment is the cleanest in a quarter century.

America is a strong force for peace from Northern Ireland, to Bosnia, to the Middle East.

Thanks to the pioneering leadership of Vice President GORE, we have a government for the Information Age. Once again, our government is a progressive instrument of the common good, rooted in our oldest values: opportunity, responsibility, community. A modern government, devoted to fiscal responsibility and determined to give our people the tools they need to make the most of their own lives. A 21st Century government for 21st Century America.

My fellow Americans, I stand before you to report that the state of our union is strong.

America is working again. The promise of our future is limitless. But we cannot realize that promise if we allow the hum of our prosperity to lull us