

the 1988 World Series, he got on the phone and dictated a story about the quake.

Royce is best known for covering boxing in Las Vegas. He has reported on nearly every major championship fight in the city, going back to the Sonny Liston-Floyd Patterson heavyweight title bout at the Las Vegas Convention Center in 1963. He has chronicled the careers of boxing legends such as Muhammed Ali, Lennox Lewis, Roy Jones, Evander Holyfield, Riddick Bowe, Julio Cesar Chavez, Roberto Duran, Larry Holmes, Mike Tyson, Sugar Ray Leonard, Marvin Hagler, Roy Jones Jr., Thomas Hearns and Oscar de La Hoya.

For his incredible work, Royce has earned several Nevada Press Association awards and was named Writer of the Year by the North American Boxing Federation. He was the Las Vegas Boxing Hall of Fame's Local Media Man of the Year. And in 1996, he was awarded the Nat Fleischer Award for "Excellence in Boxing Journalism" by the Boxing Writers Association of America.

That is the highest honor that can be given to a boxing reporter. But I honor Royce for his brand of friendship. Royce, thanks for being my friend.

Royce Feour's exceptional skills and lasting devotion to his trade are remarkable. He is truly one of the heavyweights of the Nevada press. Please join me in honoring his years of extraordinary work, and wishing him well in his retirement.

CONGRATULATIONS TO SPARKS,  
NEVADA

Mr. REID. Mr. President, I rise to offer my congratulations to the City of Sparks, NV, which was recently selected as a finalist in the 2004 All-America City competition.

Sparks is a city of about 80,000 residents in Washoe County, which is in northern Nevada. Under the leadership of Mayor Tony Armstrong, it is a wonderful place to live, even better than it has been in the past.

The All-America City Award is sponsored by the National Civic League, which was founded 110 years ago by Theodore Roosevelt to promote citizenship and democracy.

Since the award was initiated in 1949, more than 4,000 communities have competed for the coveted designation as an All-America City. This year, hundreds of cities began the process, which requires extensive documentation of how the community is responding to challenges. Sparks was selected as one of the 30 finalists.

Nevada is the fastest growing State in the country. Sparks is doing a great job of absorbing growth, while preserving the hometown family atmosphere that makes it so attractive to longtime residents and newcomers alike.

Sparks has also done a great job of revitalizing its infrastructure, especially in the wake of a massive flood a few years ago. Sparks Marina Park and the Victorian Square redevelopment project are two examples of this renewal.

Sparks has always been a great place to live and raise a family. Now it can boast of being an All-America City finalist. Once again, I congratulate the Mayor, City Council and the citizens of Sparks, NV.

CBO REPORT

Mr. DOMENICI. Mr. President, at the time S. Rep. No. 108-269 was filed, the Congressional Budget Office report was not available. At the following link, <ftp://ftp.cho.gov/54xx/doc5479/sl582.pdf>, the CBO report for S. 1582 is now avail-

able on their Web site, and I ask unanimous consent that the CBO cost estimate be printed in the RECORD for the information of the Senate.

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

S. 1582—Valles Caldera Preservation Act of 2004

Summary: Public Law 106-248 established the Valles Caldera Preserve in New Mexico. That law also established the Valles Caldera Trust, a government-owned corporation, to manage the preserve. S. 1582 would make several changes to Public Law 106-248. One of those changes would authorize the Secretary of Agriculture to acquire, by taking, certain subsurface rights to the Baca Ranch, which lies within the preserve. Under the bill, the owners of those subsurface rights would be entitled to just compensation as determined by a court.

CBO estimates that S. 1582 would increase direct spending by about \$3 million in 2007. Enacting the bill would not affect revenues. S. 1582 contains no intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would have no significant impact on the budgets of state, local, or tribal governments.

In the event that the Secretary of Agriculture uses a declaration of taking to acquire certain mineral interests of the Baca Ranch, such an acquisition would constitute a private-sector mandate as defined by UMRA. The cost of the mandate would be the fair market value of the mineral interests and expenses incurred by the private-sector owners in transferring those interests to the federal government. Based on information from government sources, CBO estimates that the direct cost of the mandate would fall well below the annual threshold established by UMRA for private-sector mandates (\$120 million in 2002, adjusted annually for inflation).

Estimated Cost to the Federal Government: The estimated budgetary impact of S. 1582 is shown in the following table. The costs of this legislation fall within budget function 300 (natural resources and environment) and 800 (general government).

	By fiscal year, in millions of dollars—									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
CHANGES IN DIRECT SPENDING										
Estimated budget authority .....	0	0	1	0	0	0	0	0	0	0
Estimated outlays .....	0	0	3	0	0	0	0	0	0	0

Basis of Estimate: For this estimate, CBO assumes that S. 1582 will be enacted near the start of fiscal year 2005 and that the federal government will assume ownership of the subsurface rights soon thereafter. Based on information from the Department of the Interior about the length of time typically required to resolve similar cases, we assume that a court would award a total of \$3 million in compensation to the owners of those subsurface rights during fiscal year 2007.

According to the Forest Service, the appraised value of the subsurface rights to be taken is about \$2 million. In addition, based on information about historical differences between federal appraisals and amounts awarded by courts to compensate takings of private property in New Mexico, CBO estimates that an additional \$1 million would be awarded to the owners of those subsurface

rights. Hence, we estimate that payments to those parties would total about \$3 million in 2007.

S. 1582 specifies two sources of funds to make that payment. First, the bill would require the Forest Service to use existing funds to compensate the owners of the subsurface rights for the appraised value of those rights. Second, S. 1582 would provide authority to use the Claims and Judgments Fund to pay additional amounts awarded by the court. For this estimate, CBO assumes that the agency would use \$2 million of funds appropriated for land acquisition in fiscal year 2004—funds that CBO estimates are available but not likely to be spent under current law—to pay a portion of the compensation amount. Hence, we estimate that the bill would provide new budget authority of \$1 million in 2007.

Estimated Impact on State, Local, and Tribal Governments: S. 1582 contains no intergovernmental mandates as defined in UMRA and would have no significant impact on the budgets of state, local, or tribal governments.

Estimated Impact on the Private Sector: In the event that the Secretary of Agriculture uses a declaration of taking to acquire certain mineral interests of the Baca Ranch, such an acquisition would constitute a private-sector mandate as defined by UMRA. The cost of the mandate would be the fair market value of the mineral interests and expenses incurred by the private-sector owners in transferring those interests to the federal government. Based on

information from government sources, CBO estimates that the direct cost of the mandate would fall well below the annual threshold established by UMRA for private-sector mandates (\$120 million in 2002, adjusted annually for inflation).

The bill would direct the Secretary of Agriculture to acquire the mineral interests without the seller's consent should negotiations for a sale fail after 60 days. Should those negotiations fail, the Secretary of Agriculture would be required to file a declaration of taking with the court. The declaration of taking would force the owners of the geothermal and mineral interests to give up ownership in exchange for a sum equal to the fair market value as determined by the court. As noted above, an appraisal done by the Forest Service in 2001 concluded that the privately held mineral and geothermal interests on the Baca Ranch have a fair market value of almost \$2 million. In December 2001, the Forest Service's offer for purchase of the interests based on this appraisal was rejected.

Estimate Prepared by: Federal Costs: Megan Carroll. Impact on State, Local, and Tribal Governments: Marjorie Miller. Impact on the Private Sector: Selena Caldera.

Estimate Approved by: Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

#### ANNUAL REPORT OF THE U.S.-CHINA ECONOMIC AND SECURITY REVIEW COMMISSION

Mr. BYRD. Mr. President, today the U.S.-China Economic and Security Review Commission issued its second major annual report to the Congress, as mandated by the Congress in its enabling statute, P.L. 106-398, October 30, 2000, as amended by Division P of P.L. 108-7 February 20, 2003. I commend it to my colleagues as a comprehensive, insightful and useful examination of the key trends, policies and realities inherent in the U.S./China relationship, and featuring a number of recommendations for the Congress to consider.

It is noteworthy that the Commission adopted this report by a unanimous, bipartisan vote of 11-0. The commission is composed of an equal number of Democratic and Republican appointees, three each by the four leaders of the Senate and the House of Representatives. It is refreshing, indeed, in an era characterized by far too much partisanship and divisiveness, that in its treatment of the often contentious and important issues regarding this growing bilateral relationship, the Commission could reach a unanimous vote. Debates over foreign policy, it has often been said, to be effective, should end at the water's edge, and we should speak as a Nation with one voice to the world. Mr. President, in this report, bipartisan unanimity has been achieved, and by a very diverse group of thoughtful and independent minded Commissioners. I would also point out that this is a purely congressional body, in that all of the commissioners are appointed by the congressional leadership, and the report which is issued is intended to be exclusively advisory to the Congress.

The mandate of the U.S.-China Commission is to "monitor, investigate, and report to Congress on the national security implications of the bilateral trade and economic relationship between the United States and the People's Republic of China." The commission, therefore, takes an expansive view of U.S. national security, which is that our economic health and well-being are fundamental national security matters, including the maintenance of a strong manufacturing base, and the ability to maintain U.S. global competitiveness and a healthy employment level and growth rate. These central economic factors are just as essential to the national security and defense of our Nation as are strong and ready standing armies, navies and air forces equipped with the best weaponry, leadership and operational doctrines.

In addition, the commission has treated, very thoroughly, a series of specific topics mandated in amendments to its charter last year, including China's proliferation practices, China's economic reforms and U.S. economic transfers to China, China's energy needs, Chinese firms' access to the U.S. capital markets, U.S. investments into China, China's economic and security impacts in Asia, U.S.-China bilateral programs and agreements, China's record of compliance with its World Trade Organization, WTO, commitments, and the Chinese government's media control efforts.

Mr. President, I will not recite all the many important conclusions and recommendations for action contained in this timely report. But I point out that the United States needs to be much more proactive and clear-thinking in managing our overall relationship with China, and far more focused on what our goals are in the relationship if we are to advance our national economic and security interests.

The report concludes, overall, that the U.S.-China economic relationship lacks active management. U.S. goals for specific elements of the relationship are too vague or even nonexistent. This is particularly highlighted in the enormous goods trade deficit, some \$123 billion in 2003, and growing rapidly. The United States has the capability to nudge the Chinese into more positive policies and actions, thereby leveling a playing field which China has tilted in the direction of mercantilist behavior, including, in some arenas, intimidating tactics. Issues which have been festering in the WTO, for instance, such as China's artificial manipulation of the value of her currency, continued tolerance of high levels of Intellectual Property Crimes, massive illegal subsidization of Chinese enterprises, resistance to good faith compliance with important WTO procedures, and with many pledges made for progress in proliferation of WMD, all require heightened levels of attention and management by the United States.

The United States certainly has such influence at this period, and for the next few years, because of the enormous dependence of China on our good will, our consumer markets, our manufacturing capability, our technology and our cooperation in many fields. Such dependence will not last forever, however, and it is time that we begin to manage this relationship in ways that will produce more positive and favorable outcomes.

Lastly, Mr. President, this report is studded with recommendations for Congressional action and for joint policy-making efforts between the Congress and the Executive Branch. It recognizes that good policy proceeds from building a strong consensus between our two branches, as well as between our two countries. I encourage my colleagues, many of whom have testified on these matters before the Commission, to examine the recommendations offered for our consideration.

Mr. President, the Commission has today issued this fulsome report, and I ask unanimous consent to have printed in the RECORD the Commission's list of recommendations.

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

#### RECOMMENDATIONS TO CONGRESS

##### CHAPTER 1—CHINA'S INDUSTRIAL, INVESTMENT, AND EXCHANGE RATE POLICIES

##### *Recommendations for dealing with China's currency manipulation*

The 1988 Omnibus Trade and Competitiveness Act requires the Treasury Department to examine whether countries are manipulating their exchange rates for purposes of gaining international competitive advantage. The Treasury is to arrive at its finding in consultation with the IMF, which defines manipulation as "protracted large-scale intervention in one direction in the exchange market." The Treasury has repeatedly evaded reporting on this test. The Commission recommends that Congress require the Treasury to explicitly address this test in its required report to Congress. Furthermore, a condition for taking action against a country that manipulates its currency is that an offending country be running a material global current account surplus in addition to a bilateral surplus. The Commission recommends that Congress amend this provision so that a material global current account surplus is not a required condition.

The administration should use all appropriate and available tools at its disposal to address and correct the problem of currency manipulation by China and other East Asian countries. With regard to China, this means bringing about a substantial upward revaluation of the yuan against the dollar. Thereafter, the yuan should be pegged to a trade-weighted basket of currencies, and provisions should be established to guide future adjustments if needed. As part of this process, the Treasury Department should engage in meaningful bilateral negotiation with the Chinese government, and it should also engage in meaningful bilateral negotiations with Japan, Taiwan, and South Korea regarding ending their long-standing exchange