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Senate

The Senate met at 9:30 a.m. and was called to order by the Honorable JOHN SUNUNU, a Senator from the State of New Hampshire.

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

Eternal spirit, You have set up the sky like a canopy and spread it out like a tent. You placed in order the chorus of the stars to praise Your goodness. Drive us from wrong desires and teach us to live for Your honor. Preserve us with Your mighty power that we may not fall into sin, nor be overcome by adversity. Guide our lawmakers today that in their labors for country they may serve Your providential purposes. Make them willing to stand for right, regardless of the consequences. May they strive foremost to please You. Guide and govern us by Your spirit that in all the cares and occupations of life we may never forget You. Direct us to the fulfilling of Your divine design. We pray in Your Holy Name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable JOHN E. SUNUNU led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. STEVENS).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, July 15, 2004.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby

appoint the Honorable JOHN E. SUNUNU, a Senator from the State of New Hampshire, to perform the duties of the Chair.

TED STEVENS,
President pro tempore.

Mr. SUNUNU thereupon assumed the Chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE

Mr. FRIST. Mr. President, today's session will begin with a period for morning business for up to 60 minutes. Following morning business, we will proceed to the FSC/ETI or the JOBS bill as the order from last night provides. That agreement allows for one amendment to be considered under a 3-hour time agreement.

Following the disposition of that DeWine-Kennedy amendment, we will proceed to passage of the bill and then request a conference with the House. I do want to express my appreciation to everyone for last night as we reached this agreement well into the evening. With the tariff's increasing impact on our manufacturers, it is imperative that we get this bill to conference so we can finally produce a bill to send to the President.

Again, I want to thank the Senators on both sides of the aisle, especially the Democratic leadership, working with our leadership in bringing this bill to conference.

Today we will also consider another important bill, the Australia free-trade bill, under the statutory time limit of 20 hours. Several Senators spoke on that issue yesterday, and I hope that on both sides we will be able to yield back a lot of that time and complete this bill at an early hour today. We will stack the vote in relation to the

FSC/ETI amendment for later this afternoon, possibly with a vote on passage of the Australia free-trade measure. The timing for those votes will be discussed and we will let our colleagues know a little bit later this morning.

Senators should therefore expect votes later this afternoon, those two votes for sure.

I yield the floor.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will be a period for the transaction of morning business for up to 60 minutes, with the first half of the time under the control of the Democratic leader or his designee and the second half of the time under the control of the majority leader or his designee.

Who seeks time?

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. The minority leader is recognized.

Mr. DASCHLE. Mr. President, I will use my leader time and not have that time counted against the Democratic time.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The Senator from South Dakota is recognized.

ISSUES CONFRONTING RURAL AMERICA

Mr. DASCHLE. Mr. President, farming, ranching, and agriculture and agri-related businesses continue to play a

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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vital role in our economy. Food and fiber jobs account for 16 percent of our total workforce. Agriculture makes up 12 percent of our gross domestic product, and 9 percent of our trade exports. In fact, we have a \$10 billion positive balance on agricultural trade, in sharp contrast to our overall \$490 billion trade deficit.

In many States, like my home State of South Dakota, agriculture is the number one industry. Communities rely heavily upon the agricultural economy. Many rely almost solely upon it. That is why, as the national spotlight focuses on rural America, it is so important to ask: Are we doing right by rural America? Are we doing all we can to ensure that the deep heritage in our Nation's rural way of life remains not only viable, but strong and vibrant?

Unfortunately, over the past 4 years, our Government has not done right by rural America. It has not provided the fair policies that our family farmers, ranchers, and rural business people deserve. And while I am sure rural residents appreciate the attention their communities have received this campaign season, short snippets on the evening news do not do justice to the serious challenges they are facing.

Per capita income for rural residents is less than 70 percent of that for urban residents, and rural workers are roughly twice as likely as urban workers to earn only the minimum wage. Rural workers also have higher rates of underemployment, and they have less prospects for improving their employment situation in the future.

Ninety-five percent of the poorest counties in the country are located in rural areas—95 percent. The poverty rates in many parts of rural America are worse than in countries we often consider to be “developing.”

Of the many intractable pockets of poverty in rural America, several are on Native American reservations. One of those pockets is on the Pine Ridge Indian Reservation in my home State of South Dakota. President Clinton called Pine Ridge, “Ground Zero of poverty.” Places like Pine Ridge have a severe lack of basic infrastructure, of roads and bridges; of water and waste systems; of housing and public utilities, all of which lead to a lack of opportunity for businesses and job creation.

I have said it before, and will say it again: This is a quiet national crisis that we must address. Today, I would like to talk about just a few of the specific issues confronting rural America, and how we can do better.

At this time last year, Mother nature was a little kinder than the previous year to farmers and ranchers across much of the Nation, including the Great Plains and much of the Midwest. Producers took time to rebuild cattle herds and grow new crops lost by the historic drought of 2002. That drought, by the way, was the worst drought since the Dust Bowl days of 1936. It was

a horrible and devastating drought that cried out for Federal assistance, but rural America received very little help from the Bush administration.

Unfortunately, this year, farmers and ranchers are dealing with new weather-related natural disasters. We have pockets of drought in South Dakota. There has been extreme flooding in many areas—including South Dakota and our northern neighbor, North Dakota.

In April, even before we knew that many areas of my State would be impacted by weather-related disaster this year, I wrote to President Bush and urged him to change his long-standing opposition to supplemental disaster aid for farmers and ranchers. The national policies regarding weather-related natural disasters are—by any legitimate standard—failing to address the concerns of farmers and ranchers. That is why dozens of national farm, ranch, and rural-related organizations supported my disaster amendment in 2002.

I had hoped the President would take a fresh look at what could be done to put in place some more adequate, and permanent, disaster-related assistance policies. I suggested that he establish an inter-agency working group to provide a legislative proposal that the administration would send to Capitol Hill.

Many of us pledged to work, in a bipartisan fashion, to move such a thoughtful package forward. I wanted to see if there was a way to work with the President to ensure that farmers and ranchers are treated more like victims of other natural disasters, such as tornadoes or hurricanes. I was hopeful the President would respond favorably to my request by working in a bipartisan fashion to craft thoughtful disaster assistance that more adequately provides what is needed in rural States.

In mid-July, I received a response to my letter. I can't express how disappointed I was that the letter made no mention whatsoever—none—about my request for a legislative proposal. In essence, the letter was a mere regurgitation of the insufficient steps that the Agriculture Department had taken under existing authorities.

I am sorry to report that as long as the Bush administration is around, it appears that we will be at a stalemate on disaster assistance. I believe if we want to do right by America, we must fulfill our obligations as Federal officials and respond to the legitimate disaster-related needs of all Americans. The Bush administration doesn't agree. They oppose disaster aid, pure and simple. That is unfortunate.

We have also spoken many times on the floor about the need to move energy policy forward. Doing right by America means taking care of our people here at home, and that means investing in renewable fuels such as ethanol, wind, and biomass. There is overwhelming support for the renewable fuels standard which would double the use of ethanol over the next 10 years.

The RFS would increase corn prices by as much as 50 cents per bushel, create 214,000 new jobs throughout the economy, and reduce our dependence on Middle Eastern oil supplies, saving the country at least \$4 billion annually in imported oil.

Unfortunately, the RFS has been held hostage by a select group of House leaders who are insisting on special interest protection for groundwater polluters. The President has been unwilling to tell these House leaders to back off, and as a result, this important bipartisan ethanol legislation has been stalled in Congress for over 7 months.

It is time for the President to show some leadership and choose rural communities and American consumers over special interests.

In America today, meatpackers control roughly 80 percent of the beef market. They have been establishing what many consider a dangerous monopoly, allowing them to manipulate markets. But the Bush administration has opposed doing anything about what many think are glaring problems with concentration in the meatpacking industry.

For example, instead of helping our farmers and ranchers, the administration opposed the ban on packer ownership that the Senate approved as part of the 2002 farm bill. They insisted that the provision be removed from the bill, essentially holding the farm bill hostage until the provision was removed.

But that is not all. As we are now seeing through the Australia Free Trade Agreement, the administration has decided to promote international trade policies that will penalize our independent beef producers.

Cattle prices have dropped \$30 and \$40 per hundredweight in the last year, and the Bush administration proposes a trade agreement that will, over time, depress our cattle and beef markets and increase unfair competition.

Coupled with the issues of concentration and discriminatory trade agreements is the ongoing concern about how the Bush administration has addressed Canadian border issues in the wake of the mad cow scare. Last August, the Secretary of Agriculture announced a lifting of the ban on certain Canadian beef products but said that before anything further was done, there would be a public rulemaking.

That did not happen. Only as a result of a lawsuit—yes, there had to be a lawsuit—USDA was forced to reverse their policies, policies that appear to have benefited the Canadians and select meatpackers who had private knowledge about special permits granted under reduced food safety standards. All the while, the American public was kept in the dark.

That may sound unbelievable to some. And I don't claim to know all of the facts, which is why several of us asked for an oversight hearing on the matter and for the Department's Inspector General to conduct a thorough investigation.

I am pleased that the IG has agreed to look into the matter. Trust in government is very important. I am hopeful that the investigation, and an oversight hearing, will shed some light on what happened at USDA, and pave the way for more effective and transparent policymaking under this administration's watch. I don't think anyone would dispute that we are not doing right by rural America when we hide things and provide special treatment for large corporations. One thing we can do here in the Congress to help ranchers is to take up my bill to reinstate the date adopted in the 2002 farm bill for implementation of country-of-origin labeling.

I have asked the majority leader to allow us to consider this legislation, but as I have mentioned, there appears to be another agenda at work in the Senate.

To refresh memories on the labeling law, which we call "COOL," the purpose of the provision was simply to allow for certain fruits, meats, and vegetables to be labeled with their country of origin.

It was a way to add value to our domestic products by offering American consumers and others around the world a choice about the food they feed their families. Polls show that Americans, in particular, want to "Buy American." But when it comes to food, they don't have that choice. Labels tell us where the clothes we put on our bodies come from, but not where the food we put in our bodies comes from.

To fix this discrepancy, Congress passed COOL in 2002, despite the Bush administration's opposition—opposition that reflected the position of the large meatpackers who said they didn't want the labels because it might add a few pennies to the cost of doing business. Never mind that consumers say, by a large majority, that they are willing to pay a few cents more to have this information.

Notwithstanding Congress's clear decision to implement labeling, the administration and the meatpackers wouldn't give up. In the middle of the night in January, in a meeting that was closed to Democrats, Bush administration officials and the majority leadership added a small provision to the Omnibus Appropriations bill to delay the labeling law until 2006—essentially paving the way to killing this important consumer information tool.

People ask me all the time, Why do you object to going to conference? Why can't you go to conference on these bills and allow the process to work?

I have to say that it is exactly situations like this that demonstrate how things don't work in Congress sometimes. That is why, once again, the agreement that we reached last night on the so-called FSC bill was critical in ensuring adequate confidence and participation on the part of Democrats as we go into yet another very important conference.

Are we doing right by America when we allow the Bush administration and

a few in leadership to override the clear majority of the House and Senate? After all, both the House and Senate passed COOL with bipartisan votes.

Are we doing right by America when we allow these sorts of back-room deals? We are not—clearly.

Another topic I want to discuss for just a minute is conservation.

I believe that we have the best farmers in the world. I also believe that farmers are the true American conservationists. They work the land they love and they take care of the land. They are the best stewards that we could hope for.

But, as a Nation, we value conservation to such an extent—and this is a testament to the character of the American people—we value conservation to such an extent that we have supported programs to encourage farmers and ranchers and rural residents to do even more than they already do to protect wetlands and to preserve grassland and other natural areas.

Programs such as the Conservation Reserve Program, the new Grasslands Reserve Program, the Environmental Quality Incentives Program, and the Conservation Security Program championed by Senator HARKIN all reflect a tremendous and important commitment to conservation. In fact, I have said that the 2002 farm bill was the "greenest" farm bill ever. Many of us remain extremely proud of those efforts.

But administration officials found a way to reallocate critical conservation funds away from many of these important programs. They have, by their actions, failed to allow government to follow through on the promises we made to the American people in 2002.

The Bush administration's approach doesn't recognize the important weight that Americans place on conservation—on protecting our natural resources.

It is also out of step with what Congress and the American people want and expect from a farm bill that was supported by a wide bipartisan majority only 2 short years ago.

These are only a few examples of the deficient rural policies that fail to address the very troubling figures I discussed earlier.

If we ask, Are we doing right by rural America? The answer is clearly no.

In the future, I will discuss other issues that impact rural America. But on these critical issues—disaster aid; energy policy; livestock, trade and conservation issues—on all of these matters, the answer is that we need a change.

The Bush administration is not doing right by American farmers, ranchers, rural residents, or the communities in which they live.

We can, and we should, do better. And I am optimistic about the future of rural America because I believe we will do better.

In the coming months, rural America will get a chance to learn more about

those who have a positive vision for the future; those who understand that rural residents should not be taken for granted; and those who know that they have an obligation to provide serious leadership and strive to make progress.

Together, I am confident we will make that progress.

I yield the floor.

ORDER OF PROCEDURE

Mr. REID. Mr. President, on behalf of the minority leader, we designate our time to Senator KOHL, 5 minutes; Senator DORGAN, 5 minutes; Senator CONRAD, 5 minutes; and Senator CANTWELL, 15 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Under the previous order, the Senator from Wisconsin is recognized.

Mr. KOHL. Mr. President, I want to take a moment to address an issue of serious concern to families across the United States—the continued high cost of gasoline. Over the last few years, spring has always meant gas price spikes to southeastern Wisconsin. This year, that trend has gone nationwide, with consumers and businesses from coast to coast experiencing gas prices of over \$2 a gallon.

The current average price for a gallon of gas is \$1.89, up 40 cents over last year. That means that a family owning one car can expect to spend an additional \$286 this year on gas over last year. If a family has more than one car, then they are looking at almost an additional \$600. With job losses plaguing the manufacturing sector and stagnant wages for those who have been lucky enough to keep their jobs, that kind of increase in the cost of transportation is a serious problem.

And it is not only families who are feeling the pinch of high gas prices. Wal-Mart, the country's biggest retailer, has expressed concern that these higher fuel prices will result in lower sales—and in fact, the Commerce Department reported yesterday that retail sales saw their largest drop in 16 months. Our economy's health is dependent on consumer spending. If consumers are buying less because of high transportation costs, the family van will not be the only thing out of gas; our nascent economic recovery will also stall.

Much of the gas money squeezed out of our economy heads to OPEC countries, the result of their blatant price fixing. To address that, Senator DEWINE and I have introduced the "No Oil Producing and Exporting Cartels Act" or NOPEC. NOPEC will, for the first time, establish clearly and plainly that when a group such as the OPEC nations act together to restrict supply or set prices, they are violating U.S. law. The bill will not authorize private lawsuits, but it will allow the Attorney General or the FTC to file suit under the antitrust laws for redress. Our bill will also make plain that the nations