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House of Representatives

The House was not in session today. Its next meeting will be held on Wednesday, September 3, 2003, at 2 p.m.

Senate

THURSDAY, JULY 31, 2003

(Legislative day of Monday, July 21, 2003)

UNANIMOUS CONSENT AGREEMENT—H.R. 6

Mr. FRIST. Mr. President, we have three short unanimous consent requests. Senator BAUCUS will be taking the floor shortly.

I ask unanimous consent that following Senator BAUCUS's statement and Senator DODD's statement on free trade, the Senate then proceed to the consideration of Calendar No. 85, H.R. 6, the House-passed Energy bill, provided that all after the enacting clause be stricken and the text of the Senate amendment to H.R. 4 from the 107th Congress as passed by the Senate be inserted in lieu thereof; the bill then be read a third time and the Senate proceed to a vote on passage of the bill with no intervening action or debate; further, that following that vote, the Senate insist on its amendment, request a conference with the House, and the Chair be authorized to appoint conferees with the ratio of 7 to 6.

The PRESIDING OFFICER. Is there objection?

Ms. CANTWELL. Reserving the right to object.

The PRESIDING OFFICER. The Senator from Washington.

Ms. CANTWELL. Reserving the right to object, I know the leadership on both sides of the aisle would like to proceed on last year's Senate Energy bill. This Senator believes we have just begun to have debate on two important issues that have emerged since that legislation was passed by this body.

The first issue is we now know for a fact, proven by the Federal Regulatory

Commission, by the Department of Justice, and by Enron's own memos, that market manipulation has occurred. The 2002 Energy bill does not address that issue.

This body will need to come back and address that issue. I am happy to address it in another forum, but I am hearing a commitment from leadership on both sides that we will come back and address this issue.

The second issue: The Federal Regulatory Commission, since the passage of the 2002 act, issued a rule calling for the implementation of mandatory regional transmission organizations and standard market design. For my colleagues who do not understand what that means, it means a national grid where your region's cheap, affordable electricity at cost-based rates might be displaced by the highest bidder of an energy company that wants to sell its more expensive energy in your State.

The 2002 bill does not address that. We need to address the fact that we do not want FERC to proceed on an order mandating regional transmission organizations with standard market design. That is what some of my amendments dealt with; that is what some of the underlying bill dealt with. That is not in the 2002 version.

I will not object at this time based on agreement that I have heard from my leadership and the majority leadership that we will have an opportunity to address both of those issues in the future.

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

UNANIMOUS CONSENT AGREEMENT—H.R. 2739 AND H.R. 2738

Mr. FRIST. Mr. President, I ask unanimous consent that immediately following the vote on the passage of the Energy bill, all debate time be yielded back and the Senate proceed to a vote on passage of H.R. 2739, the Singapore bill, to be followed by a vote on passage of H.R. 2738, the Chile free-trade legislation.

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

UNANIMOUS CONSENT AGREEMENT—S. 139

Mr. FRIST. Mr. President, I ask unanimous consent that at a time determined by the majority leader, following consultation with the Democratic leader, the Environment and Public Works Committee be discharged from consideration of S. 139, the Climate Stewardship Act of 2002, and the Senate then proceed to its consideration; that the measure be considered on the following limitations:

That there be a total of 6 hours of debate on the bill and substitute amendment, with the time equally divided and controlled between the proponents and opponents; that the only amendment in order be a McCain-Lieberman substitute amendment, as specified in the debate time limitation; that upon the use or yielding back of all time, the Senate proceed to a vote on adoption of the amendment; that upon disposition of the amendment, the bill, as amended, if amended, be read the third time,

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



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and without further intervening action or debate the Senate proceed to vote on passage of the bill.

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

Mr. FRIST. A discussion of what we have just done will take place later in the evening. The unanimous consent request means that Senator BAUCUS and Senator DODD will have their statements followed by a series of stacked votes. We will have at least three rollcall stacked votes, and then we will have some judge votes; we will be in consultation as to how many judge votes there will be. The plans will be to have a series of at least three rollcall stacked votes tonight.

The PRESIDING OFFICER. The Senator from Montana.

CHILE AND SINGAPORE FREE-TRADE AGREEMENTS

Mr. BAUCUS. Mr. President, I appreciate the work of the majority and minority leaders in putting this agreement together tonight. It sounds as if we will be able to get home for recess.

I will say a few words about the Chile and Singapore free trade agreements.

Today the Senate begins its debate on implementing the United States-Singapore and United States-Chile Free Trade Agreements.

Bringing these bills to the floor this month has been a priority for me, as I know it has been for Senator GRASSLEY. Timely passage will allow these two important agreements to go into effect as planned on January 1, 2004. And passage will user in a new era of enhanced economic ties between the United States and two important trading partners.

These are the first bills to come before the Senate under the renewed fast-track procedures adopted last year in the Trade Act of 2002. So before I discuss the agreements and the implementing bills in detail, I want to talk about the events that have brought us here today.

One year ago, the Senate passed the Trade Act of 2002 by a vote of 64 to 34. Among other important provisions, the Trade Act gave the President fast-track trade negotiating authority for 3 years, renewable for 2 more. Fast-track—or trade promotion authority, TPA, as it is sometimes called—is a contract between Congress and the administration. It allows the President to negotiate trade agreements with foreign trading partners with a guarantee that Congress will consider the agreement as a single package. No amendments are allowed and a straight up-or-down vote is guaranteed by a date certain.

In return, the President must pursue a list of negotiating objectives set by Congress. And he must make Congress a full partner in the negotiations by consulting with Members as the talks proceed.

Last year, as Chairman of the Finance Committee, I worked hard to

pass the Trade Act and renew the President's fast-track trade negotiating authority.

In many cases, fast-track is an absolute necessity for completing new trade agreements. Our trading partners simply will not put their best deals on the table if they know that Congress can come back and change the agreement later.

Getting those best offers on the table is critical. It means more jobs for American workers, a level playing field, more exports for our farmers, ranchers, and companies and more choices and lower costs for consumers.

That doesn't mean our trade agenda ground to a halt without fast-track. We passed the U.S.-Jordan FTA Implementation Act in 2001 without fast-track—and by an overwhelming margin. And the Clinton Administration began negotiating the Singapore and Chile FTAs without fast-track.

I believe, frankly, that we could pass the Singapore and Chile bills without fast-track as well. But having it certainly makes the process run smoothly.

That brings me to the two free trade agreements themselves.

I have long been a supporter of trade with Singapore and Chile. In 1999, I took a delegation of Montana business people to Chile to press the case directly. I have also visited Singapore with a Montana trade delegation.

Even before we passed the Trade Act last year, I introduced legislation to grant fast-track specifically for a Singapore or Chile free-trade agreement.

Negotiating these agreements took several years of work, under both the Clinton and Bush Administrations, many negotiating sessions, and hours of consultation with Congress.

I am glad that my work and that of so many others has paid off and brought these agreements before us today. Congratulations are due all around for a job well done.

These are the first agreements to be held to the new and progressive standards included in last year's Trade Act.

By and large, I think the two agreements stack up fairly well against the negotiating objectives set out by Congress. They set a new standard in many areas that is truly state-of-the-art.

I will touch on some of the highlights.

On agriculture, the Chile FTA provides for tariff-free, quota-free trade within 12 years, with more than 75 percent of U.S. farm products entering Chile tariff-free within 4 years. That's a major achievement. U.S. farmers will have access to Chile that is as good as or better than Chile gave to the European Union and Canada in existing trade agreements.

Significantly, Chile has committed to the United States to eliminate its so-called "price bands" on certain commodities. These price bands—or variable tariffs—are extremely harmful to our farmers. Chile agreed to eliminate them.

The main benefits to my state of Montana will be in improved market access for beef and wheat.

Senator GRASSLEY and I worked hard to ensure that Chile will grant reciprocal recognition of U.S. meat inspections. With this important development, Montana's world-class ranchers now have the access to Chile's growing market that they deserve.

The agreement will also eliminate the 10 percent tariff that puts American wheat growers at an artificial disadvantage when competing with Canadian growers for sales in Chile. Obviously, Canadians do not pay that. We Americans do, until this agreement is put into effect.

On Market access, these two agreements enshrine the principle that all tariffs must eventually go to zero. U.S. policy of entering comprehensive free trade agreements stands in sharp contrast to the practices of some of our trading partners, who negotiate agreements that exclude agriculture or other sensitive sectors.

The Singapore and Chile agreements send the right message on market access: countries that are not ready to put everything on the table are not ready to negotiate an agreement with the United States.

On services, both agreements offer expanded market access for U.S. services providers and strong transparency rules for service regulations that exceed Chile and Singapore's WTO commitments. The agreements break new ground by using a "negative list," where all services are subject to the agreements' rules unless expressly excluded.

Particular achievements include enhanced access to the Singapore market for banking and other financial services, which is important because Singapore is a regional hub for southeast Asia.

Enhanced market access for services is critical, because the service sector now provides the majority of American jobs. So expanding services trade means more job opportunities.

The agreements include intellectual property rights obligations that exceed WTO levels. They set a high standard of protection for trademarks, copyrights, patents, and trade secrets that will support innovation and our country's creative industries, and they establish a tough enforcement regime for piracy and counterfeiting.

The agreements extend free trade principles to electronic commerce—making sure protectionism cannot take root in the new frontier of trade.

Unlike NAFTA, which dealt with labor and environment in side agreements, the Singapore and Chile agreements include core chapters dedicated to these important subjects. It is an improvement.

Both agreements incorporate the key Congressional objective that countries commit not to "fail to effectively enforce" their labor and environmental laws "through a sustained or recurring