

The senior assistant bill clerk proceeded to call the roll.

Mr. KYL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

ANDEAN TRADE PREFERENCE EXPANSION ACT—Continued

AMENDMENT NO. 3429 TO AMENDMENT NO. 3401

Mr. KYL. Mr. President, I send an amendment, No. 3429 to amendment No. 3401, to the desk.

The PRESIDING OFFICER. The clerk will report.

The senior assistant bill clerk read as follows:

The Senator from Arizona [Mr. KYL] for himself, Mr. GRAMM, Mr. BAUCUS, and Mr. GRASSLEY, proposes an amendment numbered 3429 to amendment No. 3401.

The amendment is as follows:

(Purpose: To Require that any revenue generated from custom user fees be used to pay for the operations of the United States Customs Service)

At the end of the matter proposed to be inserted, insert the following:

SEC. 4203. LIMITATION ON USE OF CERTAIN REVENUE.

Notwithstanding any other provision of law, any revenue generated from custom user fees imposed pursuant to Section 1303(j)(3) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58C(j)(3)) may be used only to fund the operations of the United States Customs Service.

Mr. KYL. Mr. President, I ask unanimous consent that Senator NICKLES be added as a cosponsor to this amendment.

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

Mr. KYL. Mr. President, I will explain the amendment and discuss the reasons for it. I hope my colleagues will agree that this is an amendment that can be adopted. We don't even have to have a rollcall vote, unless someone asks for it. I think it is fairly straightforward.

The amendment has to do with Custom user fees. Today, Custom user fees come in two separate categories, which I will discuss in a moment. About 300 million of them are statutorily designated to go to a particular set of accounts in the Customs Service. For example, it pays overtime for Customs Service personnel. There is about \$1 billion in Custom users fees that takes a somewhat more circuitous route that goes into the general fund—generally money which the Appropriations Committee defines as funds for funding various functions of the Customs Service, hence the name "user fee."

In fact, I will digress for a moment. We have taxes and we have user fees by which we raise revenue. User fees are generally targeted toward people who use a particular service of the Government. So we generally try to spend that money on the things for which they require us to use the money. An example is, if you use the national forest, you are beginning to find that you

have to pay a little fee to go camping there. That is because we are kind of hard on the forests when we camp there, and somebody has to clean up the mess we leave behind, and so we pay a little fee for that. It is more fair for those of us who may take our kids camping in the forest to pay for the user fee than it is to charge the taxpayers generally.

The same thing is true with Customs. We charge a fee for people who have their ships and their trucks and other things inspected by the Customs Service, and some bring goods into the United States of America. I am oversimplifying, but that is the general idea. So we take those same moneys and put them back into the inspectors, into the equipment that is used to inspect their train, or boat, or truck, for example, so that instead of waiting at the border for 2 hours, maybe we can get them through in an hour or less, hopefully, so we can expedite commerce at our borders, and for other purposes. That is the concept of a user fee. They pay to have us do this. We take the money and apply it to that.

Now, what the underlying bill did—and I must say that as a member of the Finance Committee, I was unaware of this and I objected to it being done in an earlier bill, and I was distressed to learn it had been done in this bill—they extended the Custom user fees—that part is OK—and the net result of that is to contend that the expenses of the TAA portion—the trade adjustment assistance portion—of these free trade bills is paid for by revenue generated by extending the Custom user fees.

Well, that is not true, and it should not be true. So what my amendment says is, no, Custom user fees are used for Customs. Here is what it says:

Notwithstanding any other provision of law, any revenue generated from custom user fees . . . may be used only to fund the operations of the United States Customs Service.

That is the idea. That would be a good thing, especially at this time in fighting our war on terror. We are imposing upon the Customs Service more and more responsibilities for doing a really good job of checking all of the modes of conveyance, and containers, and other kinds of shipments into the country. We read in the newspaper a couple days ago where 25 possible terrorists from Arab countries have been smuggled into this country in the holds of ships.

I think the Customs Service can examine only 1 percent of the cargo coming in on ships. They cannot examine every part of every hold of a ship coming into this country, let alone every truck, train, or other mode of conveyance that brings goods into the United States. Yet we are asking them to be sure that nobody smuggles in contraband, drugs, nuclear bombs, biological weapons, chemical weapons, or illegal aliens who could be terrorists.

We are asking a lot of the Customs Service, and we are not giving them

enough money to do the job, which is why they have asked for more money. And most of us, I believe, are willing to provide more money for the Customs Service to do what we are asking them to do, not just for their general work but now enhanced by the requirements of the war on terror.

At the same time we are imposing that additional burden on them, somebody had the bright idea to pay for the unrelated parts of this bill having to do with wage subsidies, health benefits, and so on, with Customs user fees. That is not right, and it is actually not even necessary.

Why is it being done? Because somebody had the idea they could avoid a point of order being raised against the underlying bill so that instead of having to get 60 votes to pass the bill, 50 votes, the usual, would suffice. The fact is there is already a different kind of point of order that lies against the bill, so this serves no purpose.

That is why I think even those who wish to say they have a way of paying for the bill by using these Customs fees could easily agree that there is no point in it, there is no purpose in it, and, therefore, rather than muddling up the law, rather than taking money from Customs when we are trying to fight the war on terror, they would be willing to adopt our amendment and not try to pay for the bill with Customs user fees.

This is a technique and, as a matter of fact, it even has a name in the Senate, and it is called a "pay-for." That is pretty inelegant. The idea is when you have a program that is going to cost, say, \$10 billion or \$11 billion, as this is, it is going to be hard to get it passed unless we show we can pay for it. So we raise taxes \$10 billion or \$11 billion or find some other source of revenue that will cover that expense.

In this case, the pay-for is the Customs user fees. As I said, that is not necessary because nobody is saying you have to find a way to pay for this. We are assuming that the general revenues of the United States will pay for the expenses of the bill. I am assuming that.

I do not have any objection to the general revenues of the United States paying for the cost for this bill. They are too high, in my view. I wish we did not have all these costs, but to the extent there are costs, the taxpayers of the United States will pay for them through general revenues. We do not have to have a pay-for.

To the extent it is being used to get around a parliamentary point of order, it does not need to either because there is a different point of order that lies against the bill.

Instead of compromising our Customs Service, I plead with my colleagues in the name of the war on terror, in the name of good sense, let's adopt this amendment and eliminate the concept of the pay-for in this legislation.

I have explained this in a more simplified form than it really is. I believe

I have been accurate in what I have said.

Actually, there are two specific kinds of Customs user fees, to complicate this just a little bit. What it also illustrates is that for about \$300 million of these user fees, we cannot do what this bill purports to do and pay for this bill with these fees.

This is an 8-year extension of two different Customs fees: One, the so-called COBRA user fees which raise approximately \$300 million per year; second, the merchandise processing fee. You can see what that is about; it raises approximately \$1 billion per year. CBO estimates that the user fee section would increase revenue by about \$11.54 billion through fiscal year 2011.

The problem is the COBRA user fees already by statute are designated for use for a variety of other purposes. This is found in title 19, section 58, subsection (f) dealing with Customs duties, titled "Disposition of Fees." I will read a little bit of it:

There is established in the general fund of the Treasury a separate account which will be known as the Customs User Fee Account.

It goes on to talk about how these fees will be distributed:

Except as otherwise provided in this subsection, all fees in the Customs User Fee Account shall be used to the extent to pay the costs incurred by the United States Customs Service in conducting commercial operations, including, but not limited to, all costs associated with commercial passenger, vessel, vehicle, aircraft, and cargo processing.

And so on. Then there is a list specifically under section 3(a) of how these COBRA fees are used. The one I specifically want to point out is paying overtime compensation and another is paying premium pay, and there are others—foreign language proficiency awards, and so on.

This is important because earlier this year in the Terrorism Subcommittee of the Judiciary Committee, we had testimony by one of the officials of the Customs Service in which it was pointed out why these fees are so important.

Again, these fees are already designated by statute to go for these specific purposes. We cannot use them again to pay for what is in this bill. Out West, we have a saying: You can only sell your pony once. In effect, somebody is trying to sell this pony twice. It has already been sold: \$300 million goes to these specific items in Customs. You cannot take that same money and apply it to fund the underlying expenses of this bill. Again, it is not necessary. Nobody is making you do it. So do not try to sell this pony twice. You cannot do it.

Moreover, it is not good policy. According to testimony on February 26 of this year—the witness was Bonni Tischler, Acting Commissioner of the Office of Field Operations of the Customs Service. She gave some very valuable testimony. I will quote some of her testimony.

I had said there is a lot to do with not only checking out the commercial

activities that go on that we ask Customs to do, but to begin to deal better with terrorism. I asked if she had suggestions and, in particular, what the effect might be of taking Customs user fees away from the Customs Service in her ability to perform this task.

She said:

My personal opinion is it would severely hamper us.

Ms. Tischler identified the numbers, and she was just about exactly on target with respect to the numbers, but regarding the merchandise processing fees, my question was:

... if you were not to have the benefit of that in your appropriations, I presume it would be fairly devastating, would it not?

Her response is:

It would absolutely be devastating. I think our total budget is closing in on \$3 billion thanks to Congress and the administration. So to take that much out, if it were as the offset, would be truly devastating.

I had put this in context and they did, too. This merchandise processing fee is not statutorily designated as the so-called COBRA fee is. This is not a matter of selling the same pony twice legislatively, but it is from a policy standpoint, since as I pointed out in my question and as she pointed out in her answer and as we can document, as a practical matter this is what the Appropriations Committee uses to define what it has available to fund the Customs Service. That is the way it ought to be policy-wise anyway; otherwise, we should just collect taxes from the American people.

Since we are collecting a user fee from the people who use the system, the money they pay in ought to go back to help them in how they are using the system. The commercial people who have trucks that go back and forth across the border all day and pay a fee ought to know the fee they are paying is going to pay the people who are checking their trucks and getting them through the line as quickly as possible. That is what a user fee is all about.

As a matter of policy, we should not be assuming that in order to have some way of paying for the expenses of this legislation that money is now available for that purpose.

Some of my colleagues might say: This is all a ruse; this is all a fiction anyway. Indeed, to some extent, it is a fiction, which goes to show why this is not necessary.

In effect, we are robbing Peter to pay Paul. We are saying: We have to find a way to fund the legislation that is before us, the trade assistance legislation. So instead of raising taxes, we are going to extend these user fees and, voila, we now have it paid for.

As I pointed out, \$300 million of it is not paid for because that pony has already been sold, but as to the remaining \$1 billion, it should not be that we consider this the appropriate fund to pay for the expenses of the bill because it is user fees paid by people who are using the system.

If you say, But it is all the same pot of money; money is fungible, so we will say we are funding this trade adjustment assistance out of the user fees, but then we will have taxes to pay for that, to pay for Customs, what we are really doing is acknowledging that we are going to have to find the money in the general budget; in other words, taxes are going to have to be found to pay for this.

So it does not matter whether you acknowledge upfront that it is going to require \$10 billion or \$11 billion in taxes to pay for this bill or you say we are going to get the money from Customs and then we are going to have to find \$10 billion or \$11 billion in taxes to pay for Customs. It is the same deal. So why go through this fiction?

If, as I said, it is to avoid a point of order on the legislation, I say, A, that is wrong; B, it is bad policy; but, C, it is not necessary.

This was tried earlier with respect to the Patients' Bill of Rights, and I will quote briefly from a memorandum from the Acting Commissioner for James Sloan, the acting Under Secretary for Enforcement:

The COBRA fees collected by Customs are used both to reimburse Customs appropriation for certain costs, such as overtime compensation, and to offset a portion of the Customs Service salaries and expense appropriation. As an example our FY 2001 collections will offset approximately \$1 billion or almost 50 percent of Customs appropriation this year. Authorizing a COBRA extension to offset costs for something other than the Customs Service could negatively impact our available funding. Additionally, the Merchandise Processing Fee authorized in the COBRA is a fee that is paid by importers for the processing of merchandise by the Customs Service. Directing the funds collected from this fee for something other than Customs operations could pose GATT interpretation issues.

While Customs supports the extension of the COBRA fees, we also acknowledge that changes are warranted with the manner in which we collect those fees. We intend to review this in the near term.

In other words, when this issue came up in another context and Customs was asked about it officially as opposed to my unofficial question in the hearing we held earlier this year, the answer was the same. This would be harmful to the Customs Service, and this was prior to September 11, 2001. This was June 20, 2001.

Now that we have imposed this additional burden on the U.S. Customs Service to help us fight the war on terror, it would be unthinkable for us, even as a ruse, to say we are going to use Customs fees to pay for the wage insurance or health benefits under this tariff legislation. Let's be truthful about it and say it is going to cost \$10 billion or \$11 billion, we will find that money out of general revenues somehow or another, and that is the cost of the program. That would be an honest approach.

Let's not try to suggest it is already being paid for because we found the money in the Customs Service, because

unless we are not going to fund the Customs Service, we are going to have to offset that loss by finding \$10 billion or \$11 billion then in the rest of the budget to pay for the Customs Service obligations.

I do not know what could be more clear, but I will just make this point and then see if any of my colleagues would like to ask any questions about this, or make any comments, because I really do not want to oversell the proposition. Perhaps this amendment could just be taken and we could move on.

I do not mean to force a vote on it if people are willing to take it, but I will begin to discuss this in very thorough terms, with a lot of information that deals primarily with how it would adversely impact the war on terror, if there is going to be opposition to this amendment, if there is going to be an insistence that somehow or another we keep the Customs user fee as a pay-for, and object to my amendment which simply says Customs user fees should go to pay Customs expenses.

If we are not willing to accept the amendment, then get prepared for a lengthy discussion about the impact of the war on terror. I am prepared to engage in that, but it is not going to be necessary, as I say, if there is an agreement on the other side that we are able to take the amendment.

I know it is time to go to the vote on the Dodd amendment, or there will be a brief discussion beforehand, but might I inquire of the distinguished chairman of the Finance Committee what the process would be after the Dodd amendment? Would we go back to the discussion of this amendment or could there be a discussion about whether to take it and move on to another amendment? What would the pleasure of the chairman be at that point?

Mr. BAUCUS. We are prepared to take the amendment.

Mr. KYL. In that case, Mr. President, I learned a long time ago in arguing before the judge when he says, I am inclined to rule for you, you say, thank you, Your Honor.

Could we do that by unanimous consent at this point and then move on to other business?

Mr. BAUCUS. We could voice vote the amendment.

Mr. GRASSLEY. Mr. President, I express my strong support for this amendment.

The amendment sends a strong signal from the U.S. Senate.

Customs user fees should be used solely to fund the U.S. Customs Service, not as some offset for unrelated programs.

Let's put this in context. When Congress first authorized these customs fees the avowed purpose was to underwrite the costs of Customs commercial operations.

We should make sure these fees are being used for customs. That is what this Amendment does.

Allow me to read just a few of the letters I received over the last several months on this issue.

The National Association of Foreign Trade Zones writes:

[We] recently learned that the Trade Adjustment Assistance Bill . . . includes language that would provide for extension of the Merchandise Process Fee to offset the cost of the TAA program.

As you are aware, the fee was originally established by Congress to cover the costs of the commercial operations of the U.S. Customs Service.

The [National Association of Foreign Trade Zones] is strongly opposed to any extension or reauthorization of the [Merchandise Process Fee] from their congressionally intended purpose.

And the National Association of Foreign Trade Zones is not alone.

The National Customs Brokers & Forwarders Association of America writes:

[We are] aware of pending legislation due for consideration regarding Trade Adjustment Assistance. While [we] support TAA, we cannot support the use of user fees to "pay for" this program.

Merchandise processing fees need to be directed to the agency for which they were collected—the U.S. Customs Service.

Aligent Technologies, a Fortune 500 company and one of the top 100 importers in the Nation writes:

The Merchandise Processing Fee is a "user-fee" paid by importers to cover the cost incurred by Customs to process imports.

. . . If US Customs is to continue collecting [the fee], it must directly fund Customs processing improvements, specifically for the new Automated Commercial Environment and other initiatives that are greatly needed to improve the trade process.

Members may be under the mistaken impression that extending these fees without ensuring that they go for customs is simply keeping a convenient money stream flowing.

That is not so.

You will hear that extending the fees without ensuring they are used for customs purposes will have no impact on Customs' budget.

If it has no impact, why is it in the bill? It's in the bill because it has an impact on budget scoring. Once CBO scores these funds against trade adjustment assistance, they cannot be used by Customs for Customs modernization.

These funds are no longer available to offset the costs of Customs modernization.

So I think the Senator's amendment is very simple and very reasonable.

I just want to make sure that Customs user fees are being used for their intended purpose.

In fact, we included a similar sense-of-the-Senate resolution during markup of this bill.

This is a commonsense amendment and I urge my colleagues to support it.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. BAUCUS. Mr. President, very briefly, I think we are reaching time for the votes. I think it is proper that the Senate vote in favor of the amendment offered by the Senator from Arizona because basically, under current law, passage of fees does go back to

Customs. The merchandise fees that are collected go into the general revenue, but they have always historically been appropriated right back to the Customs Service. So the amendment offered by the Senator from Arizona simply confirms existing practice.

Basically, the Senator is correct on how the actual dollars are collected and should be collected and then transmitted back to the Customs Service. We are prepared to accept the amendment.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to amendment No. 3429.

The amendment (No. 3429) was agreed to.

The PRESIDING OFFICER. The Senator from Connecticut.

AMENDMENT NO. 3428

Mr. DODD. Mr. President, my understanding is that there are 5 minutes of debate equally divided on the Dodd amendment. I was going to ask for the yeas and nays on the amendment, but I understand that it will be a tabling motion, so let me hold on that.

Briefly, I will describe what I thought would be a fairly straightforward, small, uncontroversial amendment, but some have not made it as such. What I tried to do with this amendment was to take three provisions of the United States-Jordan Free Trade Agreement out of the six that are incorporated in the agreement. The three that are missing, are critically important to have as part of the 27 pages of standards that we ask our negotiators to try to pursue as we enter trade negotiations with individual countries.

The United States-Jordan Free Trade Agreement was adopted 100 to zero only a few short months ago in this body, and as part of that agreement we added the three standards that are excluded in this bill. The three standards ensure that other governments will not relax or ignore their own domestic labor laws to gain a competitive advantage, to strive to ensure that other governments' labor laws are consistent with core labor standards that have already been agreed to with the ILO and, thirdly, to agree that core labor principles, freedom of association, prohibitions on child labor, elimination of discrimination in the workplace, are all going to be efforts we would strive to promote. They are goals. They are objectives. Unfortunately, they have been excluded from the underlying bill.

My purpose in offering this amendment is to include those important objectives. If we can include objectives dealing with e-commerce, investments, insurance, is it really asking too much, out of 27 pages of standards, to add 3 that would deal with child labor, job discrimination, and seeing to it your domestic labor laws are not eroded, making it disadvantageous for U.S. workers as we try to compete with these countries? I hope this amendment can be adopted. I regret it has come to a vote of motion to table.

It seems to me we have had a dynamic process with regard to trade negotiations over the years. It used to be in the past we dealt with tariffs and quotas, and that was it. Over the years, we have added a dynamism to that, so we have added other interests that we want our negotiators to pursue when we are allowing countries to have access to our markets.

I do not think it is asking too much to ask our negotiators, in the process of negotiating with countries, that they try to abolish child labor. The International Labor Organization has been signed by 163 countries. We have already agreed to these provisions under the Jordan FTA.

It seems to me that including these provisions in the trade promotion authority legislation now before us is a modest request.

The PRESIDING OFFICER. Who yields time in opposition?

The Senator from Montana.

Mr. BAUCUS. Mr. President, to be quite candid, I wish we could accept this amendment. The Senator makes some very good points. The fact is that all those standards that he seeks are in the underlying GSP provision that is a part of the underlying legislation. That just brought our definitions of core worker rights up to date. As I mentioned before, I hope we can bring the definition of core worker rights in the fast track part of the bill also up to date. The overall objectives and the priority objective in the underlying bill have equal weight. We are splitting hairs.

This amendment is very much opposed by many Senators. I am duty-bound as part of the agreement to oppose it. I wish we could accept this amendment because it is one we should be able to accept.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, once again, repeating what my colleague from Montana has said, this part of this legislation, not only in the Senate but also in the House of Representatives, is so carefully balanced, bringing in the labor and environmental issues, if you do something to pick up one vote on the liberal end, we lose a vote on the conservative end.

I ask my colleagues to not in any way upset that balance. That is why this amendment should be defeated.

The Senator from Connecticut is always a very sincere Senator on any subject. He presents his case well. This is one place where his ideas may be well for the country of Jordan, where we do \$40 million a year in business, but it is not good idea when we look globally at negotiations with 142 countries. We cannot use the country of Jordan necessarily as a pattern for the whole organization.

I am strongly opposed to this amendment. I think anyone who wants this President to get trade promotion authority, or trade adjustment assistance for that matter, should be too.

Basically, the amendment takes the very carefully crafted House to compromise language on labor and Add-to it language negotiated by the Clinton administration in a bilateral agreement with Jordan.

In my view this is not thoughtful trade policy. If this language is intended as a broad policy statement, it is unnecessary.

The negotiating objectives in the bipartisan compromise already capture the key trade and labor provisions of the U.S. Jordan Free Trade Agreement.

Taken literally, the language dictates the specific details of future labor provisions—saying that they have to look almost exactly like our bilateral trade agreement with Jordan. This simply does not make sense.

The labor text negotiated with Jordan is not a one-size fits all way to address all labor issues with every U.S. trade partner, nor was it designed to be. The President will be negotiating regional, multilateral, and bilateral agreements using trade promotion authority. Any one of these may require a different approach to labor issues. He needs the flexibility to address labor issues in a variety of situations.

That is what the bipartisan TPA bill does. In fact, I would say if you really want to improve worker rights around the world, you should support the bipartisan compromise. There is more in this bill designed to improve labor rights than any TPA bill that has passed the Senate.

For the first time every, the “core labor standards” of the ILO will be referenced in U.S. trade negotiating objectives. Further, the bill directs the President to seek a commitment by other governments to effectively enforce their labor laws. These provisions will encourage countries to improve their labor laws, without infringing on their sovereignty.

The bill also directs the President to seek to strengthen the capacity of trading partners to promote core labor standards.

In addition, the Secretary of Labor will be directed to consult with any country seeking a trade agreement with the United States concerning that country's labor law. U.S. technical assistance will be available to help other countries raise their labor standards.

Whenever the President seeks to implement a trade agreement with a country, he will submit a report to the Congress describing the extent to which that country has laws in place to govern the exploitation of child labor. This will focus attention on any problems which will help direct appropriate resources to solve these problems.

Requiring a one-size fits all policy like this amendment does is not going to enhance labor rights. It will upset the careful political balance incorporated into the bipartisan TPA Act and kill the very bill that is best equipped to improve worker rights.

If you want this bill or TAA to ultimately make it to the President's

desk, I urge you to oppose this amendment.

There is a fundamental truth about trade that a lot of Senators who are trying to amend this bill ignore—trade in of itself can lift people out of poverty and improve worker rights around the world.

It is no coincidence that the wealthiest nations on Earth are those who embrace trade. And these are the nations that are most likely to have the highest labor standards in the world. The fact is, by passing this bill we can help poorer nations grow.

Trade promotion authority will help us establish trading relationships with many developing nations. The poorest countries in the world desperately want the United States to trade with them and invest in them.

Open trade and investment have helped to raise more than 100 million people out of poverty in the last decade, with the fastest reductions in poverty coming in East Asian countries that were most actively involved in trade. We can see similar results in the next decade if we pass this bill.

A recent report by the World Bank called “Global Economic Prospects and the Developing Countries” shows this to be true. According to this study, a new WTO trade agreement could lift 300 million people out of poverty. Helping nations help themselves is surely a better path to global prosperity than mandates.

The Senator from Connecticut stated several times in his remarks that if you vote against his amendment, then you are voting against the opportunity to do something about slave labor, child labor, and prison labor. This assertion is simply wrong.

The United States already has standards relating to internationally recognized worker rights. We have had these standards for a number of years. In fact, U.S. standards on worker rights are nearly identical to the ILO standards that Senator DODD wants to put into the Finance Committee's trade bill.

For example:

The First ILO standard relates to freedom of association. This is also the same standard the U.S. recognizes.

The second ILO standard relates to the right to bargain collectively. This is the same standard we recognize.

The third ILO standard relates to forced, slave, or bonded labor. This is exactly the same standard that we recognize.

The ILO's fourth standard related to child labor. The fourth United States worker rights standard also relates to child labor.

So to say that the United States needs ILO standards on worker rights because we aren't currently doing anything about these issues, or because we

don't have the ability to do anything about the problems addressed by these standards, is simply wrong.

I again urge my colleagues to oppose this bill and support the bipartisan compromise.

I move to table the amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER (Ms. STABENOW). Is there a sufficient second?

There is a sufficient second.

The question is agreeing to the motion.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from North Carolina (Mr. HELMS) and the Senator from Alaska (Mr. MURKOWSKI) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 52, nays 46, as follows:

[Rollcall Vote No. 115 Leg.]

YEAS—52

Allard	Ensign	Nelson (NE)
Allen	Enzi	Nickles
Baucus	Fitzgerald	Roberts
Bennett	Frist	Santorum
Bond	Gramm	Sessions
Breaux	Grassley	Shelby
Brownback	Gregg	Smith (NH)
Bunning	Hagel	Smith (OR)
Burns	Hatch	Snowe
Campbell	Hutchinson	Specter
Cantwell	Hutchinson	Stevens
Chafee	Inhofe	Thomas
Cochran	Kyl	Thompson
Collins	Lott	Thurmond
Craig	Lugar	Voinovich
Crapo	McCain	Warner
DeWine	McConnell	
Domenici	Miller	

NAYS—46

Akaka	Durbin	Lieberman
Bayh	Edwards	Lincoln
Biden	Feingold	Mikulski
Bingaman	Feinstein	Murray
Boxer	Graham	Nelson (FL)
Byrd	Harkin	Reed
Carnahan	Hollings	Reid
Carper	Inouye	Rockefeller
Cleland	Jeffords	Sarbanes
Clinton	Johnson	Schumer
Conrad	Kennedy	Stabenow
Corzine	Kerry	Torricelli
Daschle	Kohl	Wellstone
Dayton	Landrieu	Wyden
Dodd	Leahy	
Dorgan	Levin	

NOT VOTING—2

Helms	Murkowski
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The motion was agreed to.

Mr. REID. Madam President, I move to reconsider the vote.

Mr. BAUCUS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. REID. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LEAHY. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. LEAHY. Madam President, I ask unanimous consent to proceed as in morning business for 4 minutes.

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

(The remarks of Senator LEAHY are located in today's RECORD under "Morning Business.")

Mr. LEAHY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROCKEFELLER. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

AMENDMENT NO. 3433 TO AMENDMENT NO. 3401

(Purpose: To provide a 1-year eligibility period for steelworker retirees and eligible beneficiaries affected by a qualified closing of a qualified steel company for assistance with health insurance coverage and interim assistance)

Mr. ROCKEFELLER. Madam President, I send to the desk an amendment which is sponsored by myself, Senators MIKULSKI, WELLSTONE, DEWINE, DURBIN, VOINOVICH, and STABENOW.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from West Virginia [Mr. ROCKEFELLER], for himself, Ms. MIKULSKI, Mr. WELLSTONE, Mr. DEWINE, Mr. DURBIN, Mr. VOINOVICH, and Ms. STABENOW, proposes an amendment numbered 3433.

Mr. ROCKEFELLER. Madam President, I ask unanimous consent that reading of the amendment be dispensed with.

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

(The amendment is printed in today's RECORD under "Text of Amendments.")

AMENDMENT NO. 3434 TO AMENDMENT NO. 3433

(Purpose: To clarify that steelworker retirees and eligible beneficiaries are not eligible for other trade adjustment assistance unless they would otherwise be eligible for that assistance)

The PRESIDING OFFICER. The majority leader.

Mr. DASCHLE. Madam President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Dakota [Mr. DASCHLE] proposes an amendment numbered 3434 to amendment No. 3433.

Mr. DASCHLE. Madam President, I ask unanimous consent that reading of the amendment be dispensed with.

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

(The amendment is printed in today's RECORD under "Text of Amendments.")

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROCKEFELLER. Madam President, I rise this afternoon to talk for a few minutes about the need for trade adjustment assistance as a program

and also an addition to it, something that meets the real needs of workers as currently contemplated, and then what is also contemplated in our amendment which is to add, at very small cost, about 125,000 steel retirees.

I want to talk about them. Their health benefits have been lost due to the import surge that has taken place. I passionately believe the trade adjustment assistance concept has to be considered an integral part of U.S. trade policy.

When U.S. trade policies result in American workers losing their jobs through no fault of their own, much less Government inaction to protect them in a legitimate forum, then I think we owe them help.

I want to take a moment to highlight the importance of the TAA health provisions that will hopefully be included in the final package the Senate passes.

Majority Leader DASCHLE, Chairman BAUCUS, Senators BINGAMAN, CONRAD, MIKULSKI, WELLSTONE, myself, and many others have fought to include health protection as part of TAA for the first time. Workers want to get it. If workers lose their jobs as a result of imports, they deserve to get something back. They deserve to be on their feet, they deserve to have access to retraining, and they deserve to get cash assistance. They also deserve to have something called health care, which is what everybody talks about and nobody does anything about, but we would like to. What has been lacking has been some help for displaced workers to retain their health care coverage. I am not talking about just steelworkers, I am talking about the general population.

Under the Baucus-Grassley amendment that is under consideration now, they will have that help. I want to extend my sincere appreciation to the majority leader for his advocacy for provisions to provide health care assistance to displaced workers who lose jobs due to imports. This is a tremendous improvement to the existing program.

I also thank him, as I believe all steelworkers do and should, for his support of our upcoming amendment that will extend the new TAA health benefit for steel retirees who have also lost their retirement health coverage due to closure of their former employer.

The majority leader had originally agreed to include this as a provision in his substitute amendment. But as we all know, that effort was undermined by a point of order and a threatened filibuster. So we had to make an adjustment.

The majority leader agreed to support the inclusion of the steel retiree health benefit as part of the overall Trade Adjustment Assistance Program because he understands what is at stake. He understands that steel retirees have lost their health benefits as a direct result of imports—the most ferocious assault of imports, with a blind eye from the U.S. Government and,

particularly in the last several years, just as surely as TAA-eligible workers, active workers, lost their jobs because of imports.

If steel retirees have lost their health care coverage because their company closed as a result of this massive surge of imports, they should get some temporary relief. In fact, we are giving them only bridge relief—1 year's relief—but it is a full year, which they would not now have. I am talking about 125,000 people right now in the country. They would get 1 year's health benefits. This amendment would provide it to them.

As we seek to improve benefits for employees who lose their jobs because unfair—and in many cases illegal—imports have ravaged their industry, we cannot forget the former employees of these same industries—the retirees. Under the current TAA system, an active worker can get help in health care—if we pass it—because they are displaced by imports, but retirees are left behind. The people who have gone belly up and who are no longer working at all but who worked for years and years in the steel mills got nothing; they are shut out.

The pending amendment will eliminate that disparity by affording retirees access to health care coverage that displaced workers hopefully will soon also be able to receive.

If a steelworker retires and they have lost their health care because their company closed, they will now be eligible to receive the same temporary health benefits for 1 year as other workers—active workers who have lost their jobs and health coverage due to imports.

These steelworker retirees are also victims of imports. They have lost health care because their companies closed. Their companies closed because the import crisis in the domestic steel industry became overwhelming. I call it a crisis because the International Trade Commission called it a crisis and said unanimously that it was due to serious damage caused by imports, imports from which our Government—not just this administration but the previous one—failed to defend American interests.

We have national laws on our books. We failed to defend them. They don't allow other countries to dump their steel products into our country. We failed to defend that. That is not true in other cases particularly, but it is true with steelworkers. They have been clobbered by this, and they have no health care retiree ability whatsoever right now.

Health care coverage for steel retirees, who often live on fixed incomes, is incredibly important to them. It can mean the difference between all kinds of things that make their lives miserable or OK. I want to clarify this because it is confusing. Whom are we talking about in this amendment? Active workers and retirees. Active workers is the TAA category; active retirees

is the steel category. Those are the people we want to add to the TAA for 1 year.

Active workers who lose their jobs are not retirees, they are unemployed workers. Retirees—the steel folks—have met years-of-service requirements—vested 15 years working and this kind of thing—and they are out in the cold. Now their companies have closed and, for the most part, have filed chapter 7. LTV in Ohio filed for chapter 7—no health benefits, no light bulbs, nothing; everything is shut down. The health benefits they used to plan for in their retirement are now gone. These are not people who can retain and find new jobs, they are retirees who have finished, for the most part, their working years.

Under the new and improved TAA program, for active workers, if a worker loses his job, he will now be eligible for cash assistance, retraining, and health benefits. In the case of a retiree in the steel industry, they may not be eligible for any retirement benefits from the job that they have lost, and under the current plan retirees are eligible for nothing at all—unless my amendment is adopted, and that will only be for health, not for cash, not for training, or anything else. The money will only go to the retiree, not to the company.

Retirees are eligible under my amendment for the TAA health benefits only if they were already eligible, going through this vested process, for retiree health benefits and if their former employer permanently shut down.

We have created a small universe of 125,000 people. When I get to the offset in a minute, people are going to be shocked by how cheap it is, how easy it is to do. But the steel retirees will not be eligible for any of the cash assistance, or anything else that active workers who are otherwise displaced under the TAA will get. Active workers are eligible for TAA health assistance for the duration of the TAA cash assistance, which goes on. On the other hand, eligible steel retirees—the subject of our amendment—would only be eligible for 1 year of health benefits. That was the bridge we talked about, to give everybody a chance to regroup and see what we can do to retain the steel industry and for them to be able to get health care.

So this isn't a Cadillac plan we are talking about. This is a slimmed down version. If retirees don't have health care coverage because companies shut down due to imports, they should not be left behind—particularly when the Government is responsible for not defending their interests over the past 30 years and not protecting the Federal law against dumping and willingly letting people do it. Of course, in the United States we are suckers for anything that is cheaper. It doesn't matter if it was made in America. Well, it matters in the steel industry, and we are about to lose it. Thirty-three com-

panies have shut down in the last couple of years, and most of the others are on the brink. We could very well have no steel industry in 2, 3 years.

Today, there are only about 125,000 retirees. That is what my amendment is about, along with Senator MIKULSKI and Senator WELLSTONE. So 125,000 retirees and their dependents, who worked for companies such as LTV in the steel industry do not have any health coverage. They have not, in fact, had any for the last several months, since March.

These people live in Ohio, Indiana, Michigan, New York, Alabama, Illinois, Utah, Louisiana, North Carolina, Missouri, and they do not at this point live in West Virginia. Without the steel retiree provision in this bill, those retirees will continue to go without health care. Is that what we do here? Is that what we do as a legislative body?

Many of these retirees are not Medicare eligible and have no other recourse. We all know about the terrible human scourge of Americans without health care coverage. We have done a lot of talking about that, but we have not done much to cure it. This is not what retirees who spent a lifetime working in the harsh conditions of a steel mill—which my colleagues, Senators MIKULSKI and WELLSTONE, have been in. Many others have, too. I have not. It is like a coal mine; you do not go in very often. It is dangerous, terrible work. They helped us win the war, and now we have a chance to do something for them.

I come back to the fact that the Federal Government has failed the steel industry by not enforcing our national trade laws against dumping, which is what puts them out of work. Steel companies were forced into bankruptcy—as I said, 33 companies since the year 2000—because our trading partners were dumping steel on our shores, and this is not my opinion. This is what the International Trade Commission found unanimously: That our industry had been seriously injured by imports.

Because of the Government's inaction for so long on those unfair trading practices by our trading partners, our domestic steel industry has suffered irreparable harm. People look at that and say: OK, we do not have steel in our State; maybe it is true, maybe it is not. It is true. The Presiding Officer knows it. It is absolutely true. They are falling like flies. Their stock is selling at \$1, \$2. It is awful.

Section 201 gave them a little bit of a boost, but it is a boost that will only last 6 or 8 months or a year at most, and then it will go right back down. Here we come to the workhorse.

The provision is simply this. The provision will give retirees, many of whom are entering, as I indicated, their second month without health care coverage—85,000 of these workers are former LTV workers, which went chapter 7. They were in Ohio or they may have moved elsewhere. It tries to give them some breathing room.

They will receive the same benefit we are giving TAA-eligible workers to keep their health care. It will allow these retirees some time to figure out how to secure other forms of health insurance. It will allow us who care about the steel industry to figure out how we keep them together in America so we can consolidate and keep a steel industry which a country such as America ought to have.

The amendment has been officially scored by the Joint Tax Committee as costing—and please listen—\$179 million over 10 years. The White House has been putting out figures six, seven times as large. It is dramatically less than what people claim this provision would cost—\$179 million over 10 years. It is paid for with two IRS administrative positions. The offset is in. It is there. It allow taxpayers to accelerate their payments to the IRS if they so choose to do that. Under current law, they cannot do that. The House has already passed this. They have already agreed to it. It was one of Chairman BILL THOMAS's ideas.

I do not believe any of my colleagues will object to this pay-for and should understand we worked hard to find agreeable offsets, thanks primarily to Chairman Baucus and his staff.

This amendment improves upon an essential reform of our existing TAA program. It gives us health care. It targets temporary assistance to those who really need it.

I urge my colleagues to support this amendment for retirees who are entitled to our help.

I thank the Presiding Officer. I yield the floor.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. I thank the Chair.

Madam President, I join with pride and enthusiasm my colleagues, Senator ROCKEFELLER and Senator WELLSTONE, in supporting this amendment to provide a safety net for American steelworkers who have been battered by decades of unfair and illegal trade practices.

American steelworkers and their retirees worked very hard and played by the rules. They have served our country in war, building our ships, tanks, and weapons. I was so proud of the fact that in my own hometown of Baltimore, at Bethlehem Steel, we made the steel to repair the U.S.S. *Cole* so it could go back out to sea and continue to defend America.

That is what steel is all about. It builds America. It makes us strong. It has made us strong in war, and it has made us strong in peace, making the steel for our buildings, our cars, our bridges, our roads.

Yet for decades, our Government has watched as the steel industry withered, not because steel was unproductive, not because steel was overpriced, but because of cheap, subsidized foreign steel that has been dumped on our markets and, I might add, below the cost of production. That is what makes it illegal.

The goal of the foreign steelmakers is to destroy our American steel industry. Then foreign producers will be free to raise prices and control production, and the United States of America, the home of the free and the land of the brave, will be dependent on foreign steel for keeping our domestic economy going and keeping America strong.

What would it have been if the U.S.S. *Cole*, banged by a terrorist attack, had had to limp home only while we dialed Russia, Thailand, or Brazil to get the steel parts to send them out to sea? I think it is wrong to let our steel industry die.

While we are going to fight for steel and its future—and we thank our President, President Bush, for the temporary tariffs to give steel a break—our steelworkers are facing a crisis because so many steel companies are in bankruptcy. What that means is, their health care benefits are now at risk. The Rockefeller-Mikulski-Wellstone-Stabenow amendment seeks to help those steelworkers who have suffered the most from unfair trade practices: the retirees whose companies are now bankrupt and whose health care benefits are now at risk.

Our amendment is a simple one, and it is an affordable one. It would provide a 1-year temporary extension of health care benefits for steel retirees who lose their health insurance because of trade-related bankruptcy of their company. Guess what. We have even sunsetted it in the year 2007. This is a bridge to help them.

Madam President, about whom are we talking? Who are the steelworkers? Who are the steel retirees about whom we are talking?

First, the numbers: 600,000 retirees and their dependents; 33,000 in my own home State of Maryland are retired. But it is not about numbers and statistics. It is about people and it is about families. Who are they? Guess what. They have two characteristics in common: One, they all work for steel; two, they have all been good, outstanding citizens of the United States of America.

In my hometown, Bethlehem Steel every year has been the largest contributor to United Way. Those men and those mills, those hot, steamy mills, are the first to sign up for dues check-off so the Girl Scouts, Boy Scouts, Legal Aid, Meals on Wheels could have their contribution. They are also very often the first to volunteer for any good cause in our community.

When you also look at the data on who are the steelworkers, you find that a high percentage of them are veterans. They were called up and they went to World War II. They went to Korea. They went to Vietnam. And guess what. While they were busy storming Iwo Jima or climbing the cliffs at Normandy, they were fighting for America. When they tried to make their way up Pork Chop Hill to plant the flag, they were fighting for America. When they

were in that hell hole of the Mekong Delta in Vietnam, they were fighting for America. Now when is America going to fight for them?

I think it is time America fights for them. The industrial unions had the highest compliance with the draft than any other sector of our society. They did not take academic deferments. They did not go to Harvard to get a theological degree. They did not get a parade when they came home. By God, they ought to at least be able to get their health care in their retirement.

Now that is about whom I am talking. We are talking about the lifeblood of our communities and people who have been giving their red blood for America. This generation has the values that we cherish: Hard work, patriotism, habits of the heart, neighbor helping neighbor. Can we not at least find a couple of million bucks to provide a 1-year bridge to help them get the health care they need?

Last week, I told my colleagues about Gertrude Misterka. Gertrude and I grew up in the same neighborhood. It is a neighborhood called Highlandtown. Our Baltimore neighborhoods have names like that. I know Gertrude because we not only grew up in the same neighborhood, but when I was first running for the city council, going door to door, she and her husband Charlie were living in the neighborhood and said they absolutely would back me.

It was great to see her at my hearing in March, but, my gosh, what an incredible reunion. Gertrude is now a widow. She was married to a Bethlehem Steel worker named Charlie. Charlie worked with Bethlehem Steel for over 35 years. He was also a veteran. Charlie thought that for his 35 years at Bethlehem Steel, he would have a secure pension for himself and his bride. He also believed if he passed away, she would have a widow's benefit, she would have Social Security, and his mind was at peace because she would have her health care.

Even after his death, he thought he could provide for her because the men at the mills believe you ought to really provide for your family.

Well, Gertrude relies on this health care at Bethlehem Steel. She has diabetes, high blood pressure, and asthma.

I said: Gertrude, the naysayers are saying you get gold-plated, lavish health care. Tell me what you get.

She said: BARB, guess what. I get a \$100 monthly pension. I do not get a COLA. When you retire at Bethlehem Steel you take what you get, but you do not get a COLA. My pension is frozen.

Out of a \$100 monthly pension, she pays \$78 each month for her health care premium. So she has this little pension. She has Social Security, but out of her Bethlehem Steel, frozen with no COLA, she pays 78 bucks.

She told me she asked her pharmacist what her medications cost. If she did not have health care, she would have to pay \$6,716 for her medication.

Now, she is a diabetic. You do not cheat on your diabetes medicine. What are we going to do if Gertrude goes into a coma? She is going to go into the hospital, and that is mega bucks. You have to take your test. You have to take your insulin. You have to regulate your blood pressure, and you have to take care of that asthma so it does not cause other complications.

I listened to Gertrude that day and my heart went out to her and other steel retirees. I promised her I would fight to help those retired steelworkers. They need a safety net so they do not lose their health care. Then the only reason they will lose their health care is because their companies are in trouble and are going bankrupt because of documented unfair trade practices.

These families worked hard for America, some for nearly 50 years, doing back-breaking work in hot mills and in cold mills. Families now need our help. Retired steelworkers who thought 30 or 40 years of hard work meant security for their families, widows who sent their husbands off to these mills every day: these are the true victims of years of unfair trade practice. So this is why we have our amendment.

American steel is in crisis. Our steel companies are filing for bankruptcy protection; 31 since 1997, 17 last year. Steel mills are shutting down. Steelworkers are losing their jobs. Why are they doing this? Again, this is not happening because of the steelworkers being at fault, the retirees being too greedy, or the companies being poorly managed. The cause of the steel crisis is well-known: Unfair foreign competition has brought American steel to its knees. Foreign steel companies, subsidized by their governments, are dumping excess steel into America's open market at fire sale prices. This is not rhetoric. This is fact, documented by the International Trade Commission.

Last year, they found these violations unanimously.

Let me give an example. The Russian Government keeps about 1,000 unprofitable steel plants open through subsidies. That is not 1,000 steelworkers; that is 1,000 steel companies. Well, it is real easy to compete with them, is it not?

The Russians are our newfound friends, but the Russians will not let us export our chicken legs to them. South Korea has nearly doubled its production capacity since 1990, without the domestic demand to support it. So, zip, in comes their steel. When Asian countries had the collapse of their economies, they again dumped the steel. Was any action taken? Oh, no. The globalizers backed it.

I know we are going global, but while they are going global, we do not have to abandon the people who fought for America. I said earlier in my remarks about why steel is important: The railroads, the bridges, the ships, the tanks.

Saving steel is not an exercise in nostalgia. It is a national security issue. We need to maintain production in very important sectors. No more than we want to be food dependent should we be steel dependent.

Our President, George Bush, said steel is an important issue and he said it is an important national security issue. I could not agree with him more. Quoting Senator STEVENS, a great patriot:

During World War II, we produced steel for the world. We produced steel for the allies. We rebuilt Europe. Could we do it again?

I am not so sure.

America must never become dependent on foreign suppliers such as Russia or China for the steel we need to defend our Nation and keep our country on the go. Tariffs have been imposed by President Bush. I am going to reiterate what I said earlier in my remarks: I really do thank the President for doing that. Those tariffs were temporary, limited to 3 years. They were specific and they were well documented through the ITC. I appreciate the President's action, and that was a very important step, but now we need the next step. Tariffs help the industry. Now it is also time to help the workers and their retirees who will lose their health care if their companies go under.

Senator DASCHLE has led the way to provide a temporary 1-year extension of health benefits to qualified steelworkers. I sure support that. We are also helping with other issues related to current workers. Like the temporary work tariffs gave the companies breathing room to recover, we need a temporary extension of benefits to give workers and retirees breathing room to find health care. This is what we need to do.

I was moved at a hearing by the stories of people such as Gertrude Misterka and others. I have been to the rallies. I have been to the meetings. I feel very close to these workers. I grew up in Baltimore in a neighborhood where most of the people in that community worked either at Bethlehem Steel, Western Electric, or General Motors. Western Electric has since closed. General Motors, we are not sure about its future there. Bethlehem Steel is in bankruptcy. We have real problems. This is our industrial base.

In that neighborhood where I grew up, my father had a neighborhood grocery store. He opened it early every day so that the steelworkers on the early morning shift could come by and buy their lunch. These were the people I knew. These are not numbers and statistics, these are people with names such as Stanley, Henry, and Joe. These workers at Bethlehem Steel were not units of production, they were our neighbors. They were my neighbors, but they are your neighbors.

What did we know about Bethlehem Steel? In Baltimore, we thought it was a union job with good wages and good benefits. Our neighbors could go to

work and put in an honest day's work, get fair pay, and come back and build our communities. Right now, most of the Bethlehem Steel workers work very hard. Their commitment to Bethlehem Steel is a commitment to America, doing the work that needs to be done for fair pay and a secure future. We are proud of our workers at Bethlehem Steel. We are proud of what they did at the mill. We are proud of how they defended America. We are proud of the way they prepare the U.S.S. Cole.

I think it is time we repair the agreements to assure our retirees have the health care they need.

I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I thank my colleagues, Senator ROCKEFELLER, Senator MIKULSKI, and other Senators who have joined in this amendment. I thank Senator MIKULSKI for her remarks and for reminding Members we are not talking about statistics, we are talking about men and women whom we know and love and in whom we believe. I thank Senator ROCKEFELLER for his painstaking work putting this amendment together.

I am not the insider politician, but I want steelworkers—and not just steelworkers; I want people in the heartland of America, in industrial America—to know exactly what the situation is. It is 5:10 on Thursday night in the Senate Chamber. Here is what is going on. We had an amendment originally as part of the trade adjustment assistance. It was an amendment that said part of trade adjustment assistance ought to be to build a 1-year bridge where we can at least make sure the steelworker retirees—in the case of Minnesota, taconite workers on the Iron Range—who worked hard all their life, and now over 30 companies have declared bankruptcy, including LTV company, a classic example, receive retiree health care benefits. People are terrified.

We said, let's have a 1-year bridge. This was in the original amendment. Senator ROCKEFELLER worked very hard on it. Jay took the lead. Senator DASCHLE deserves a lot of credit. He is the leader of our party. We have this as part of trade adjustment assistance.

The administration came out Wednesday of last week with a letter. They said the cost would be about \$800 million in 1 year. They were downright untruthful with the figures. Actually, we were talking about \$180 million over 10 years, not \$800 million over 1 year. The administration said it was adamantly opposed. It was crystal clear there was no way to move this package forward, and therefore this provision was removed.

I was presiding in the chair when Senator DASCHLE said: I make it crystal clear that all amendments to try to modify this trade adjustment assistance package, I will oppose—but not the amendment that will deal with steelworkers, trying to give them help; I will support that.

Now we bring the amendment to the floor. What does the amendment say? It says as part of this trade adjustment assistance package, \$180 million over 10 years, can't we build this 1-year bridge to provide the help to the people who have worked so hard, now terrified they will lose their health care benefits? It is cost effective. It helps people. It is compassionate liberalism, compassionate conservatism, compassionate Democrats, and compassionate Republicans. We ought to do this. It is the right thing to do.

I want steelworkers and their families to know, this is now being filibustered. There are Senators who I assume will be debating this—I hope; certainly not the majority. The good news, Senator ROCKEFELLER: Clearly, we have the majority of the votes. What we have now is no agreement on time, no agreement for an up-or-down vote. This bill is being filibustered. That is where we are. We are in a filibuster situation. One would think it was a cardinal sin and the most terrible thing in the world to try to provide some help to people—which is what this is about. Therefore, this is being filibustered. Therefore, we are going to continue with this debate. There won't even be a vote until next week. That is what is happening right now.

I am pleased we have a majority of the votes. That is obvious, since the opponents do not want an up-or-down vote. We have a lot of support for this amendment. The question is whether we can overcome the filibuster, whether we can overcome the efforts to block this amendment.

I remember Jerry Fallos, president of Local 4108 on the Iron Range of Minnesota, came here within the last month and testified. I cannot say it as well as he can say it. It is amazing. He has seen 1,300 people out of work. People are out of work, and these are good-paying jobs. And now you wonder how you will support your family, and 6 months or a year later you do not have health coverage, and you worry about that. For a lot of the taconite workers, it is their parents about whom they worry.

That is what we focus on, people who are vested, worked a lot of years for companies, and now they are terrified their health care benefits are going to be canceled. Jerry said the people from the Iron Range are used to hard times: We are survivors, though. We work hard. We have always responded to our country in times of need. This steel industry has always been there for our country in times of war. But now we are asking for some help.

I say to the 100 Senators, as you decide how to vote on this filibuster, this is \$180 million over 10 years. That is all it is. If you made the estate tax permanent, which mainly goes to millionaires, plus, you would be talking about \$8 billion over 5 years. If we can help out the wealthiest people, if we can have all kinds of tax breaks to multinationals, one would think \$180 million

over 10 years to provide help to retirees, a 1-year bridge before we finally put together a package that will help these people, would not be filibustered.

I cannot even believe we are now out here fighting a filibuster, but that is the situation. I ask the question, Where are our values? Where is our collective humanity? Are we going to step up to the plate and help people? This is a very modest amendment. We have passion about this because it is people we know and we love and in whom we believe.

I told Senator ROCKEFELLER about one discussion I had with one steelworker. He said to me: Now we are counting on you all. A lot of our lives are at stake. People's lives are at stake.

That is not being melodramatic. Senator MIKULSKI used the example of prescription drugs. Elderly people are terrified. They do not know how they will afford the costs. They worked hard. They did everything for our country. Companies now declare bankruptcy and walk away, and they don't know what they will do.

We say can't we, over 1 year, provide help while we work together and come up with a package to help the retirees and help the steel industry get back on its feet? That is no small issue to the economy of the United States of America.

I want to talk a little bit about the position the administration has taken. I will try to be well behaved.

I do want to say on section 201 that the administration has already entertained all sorts of exemptions. There are now a thousand exemptions to the President's section 201 decision and Secretary O'Neill is reported as saying that a significant portion of them will be favorably decided. So it may not provide us with the trade relief we were hoping for, though as Senator MIKULSKI said, it is surely a step forward.

On the Iron Range it was not. On the Iron Range you have tariff rate quotas, so basically until you have 7 million tons of slab steel, that can come into the country without any help whatsoever. That is what we have right now. That is what has put our taconite workers out of work. So it simply does not help at all.

Then you have 32 U.S. steel companies in the last 2 years that have filed for bankruptcy. That is just unbelievable. That is 30 percent of the domestic steelmaking capacity. When they file for bankruptcy, this is terror that people then have to deal with because then they can walk away, and they do walk away from retiree health benefits. That is what we are speaking to.

Let me just be really clear. There is a bipartisan group of Senators who have been working on the Steel Industry Retirees Benefits Protection Act, Democrats and Republicans. We all know there is a lot of work to do. The question is whether or not we can have this 1-year bridge. We can do something for people who, right now, are

flat on their backs, who are terrified, who are worried. We can get some help to them because they are in this position through no fault of their own. Nobody can say that retired taconite workers and steelworkers are in the position they are in right now, worried about how they are going to afford health care costs, because they are slackers or because they are cheaters or because they don't work hard or because they are not loyal or because they are not patriotic or because they don't love America or because they have not done everything to serve our country. They have done all of that and more.

The only thing we are asking is whether or not the Senate and this administration will help these families.

I do not have the years or the savvy of either of my colleagues out here, but I have been here now 11½ years. I can figure out what is going on. This is an amendment that is tough to be against. This is a high moral ground amendment. There is a lot of passion behind this amendment. There is a lot of decency behind this amendment. Frankly, it is all about helping people—people who richly deserve and need the help.

I think we have a majority vote, but the opponents will not give us that vote. They will not agree to a time limit. So we will be at this for the next several days. We will be at this over the weekend.

I hope steelworker families and other families all across the heartland of America are in touch with all Senators because we are going to do everything we can to overcome this obstacle, this filibuster. A good, strong vote is important, and I am delighted because we have that; otherwise, there would not be a filibuster. Now we have to deal with the filibuster. I hope Senators will be there to support these steelworker retirees.

I do not know about my colleagues, but for me, I have been waiting ever since this debate started on fast track for this amendment because here is where I think Tip O'Neill's adage about "all politics is local" is absolutely true. I would not make any apology to anybody about this.

Senator ROCKEFELLER and Senator MIKULSKI, there is nothing I want more in the world than to pass this amendment. We passed it already. We have over 50 votes. That is why it is being filibustered. There is nothing I want more in the world than to make sure we are able to come through for people. That is why this amendment is important: Not because of some strategy, not because of some tactic, but because it is on the floor of the Senate, it is 5:30 Thursday night but, darn it, this amendment is directly connected to the concerns and circumstances of the lives of people we represent.

This is the right amendment. There is no other reason to be in the Senate than to try to pass this kind of legislation to help people—no other reason.

Nothing can be more important, and I hope we will have the support of our colleagues.

I yield the floor.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROCKEFELLER. Mr. President, I would like to introduce a few things in the RECORD.

First, I ask unanimous consent Senator ARLEN SPECTER of Pennsylvania be added as a cosponsor. He is the co-chair of the steel caucus.

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

Mr. ROCKEFELLER. I also ask to have a letter from the vice chairman, president, and CEO of Nucor, which is the largest minimill in the United States, be printed in the RECORD.

In the steel industry you have some conflict between integrated steel mills and minimills which take scrap and turn it into steel. It is an arcane but nevertheless very real conflict.

I called Dan DiMico in California about this amendment. He has written me a letter saying they have no problem with it at all. In no way will they oppose this proposal.

Nucor has long advocated consideration must be made for displaced steel workers or retirees in transition due to permanent plant closures.

One of the reasons he is for this is a point I made earlier. This money does not go to companies. It does not go to integrated steel companies or minimills. It goes to human beings.

I ask unanimous consent to have this letter printed in the RECORD.

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

NUCOR CORPORATION,
Charlotte, NC, May 6, 2002.

Hon. JOHN D. ROCKEFELLER IV,
U.S. Senate,
Washington, DC.

DEAR SENATOR ROCKEFELLER: I understand legislation pending before the Senate would make certain steel industry retirees who have lost their health care coverage eligible under the Trade Adjustment Assistance program for federal assistance in obtaining health insurance coverage through COBRA or state sponsored plans for one year.

Nucor Corporation will not oppose this proposal. Nucor has long advocated that consideration must be made for displaced steel workers or retirees in transition due to permanent plant closures. The continued surge of illegally traded steel has devastated communities across America and left many retirees and their families without access to health care.

As I understand the proposal under consideration, it would help the retirees who have lost health care coverage due to permanent closure of capacity directly and is for a limited period of time. As such, I do not believe it would adversely affect Nucor because it would not allow companies to discharge their legacy obligations onto the federal government. We continue to believe that pension and health commitments of surviving mills should remain the responsibility of those mills, not of the taxpayers or the rest of the industry.

Sincerely,

DANIEL R. DiMICCO,
Vice Chairman, President & CEO.

Mr. ROCKEFELLER. Mr. President, I also called Governor Bob Taft of Ohio yesterday afternoon. I told him we have this situation, we have this amendment. Yes, of course, LTV is located in his State, but that doesn't mean necessarily all the 85,000 steel retirees are located in his State. I met Governor Taft back in the 1960s. I don't know him well, but he is a fine Governor. He is a conservative Governor, a responsible Governor, and he did something I thought very unusual.

What I was asking for was a letter of support for my amendment. The Governor gets this phone call from some United States Senator at 6 o'clock in the evening saying: Can I have a letter from you by noon? That is when this Senator thought we were going to be doing this legislation today.

He sent it. He sent it to Senator VOINOVICH, which is what he should have done. He is a cosponsor of the bill. But in it he says:

Retired steel workers, similar to their currently employed counterparts [active workers], are suffering irreparable harm as a result of unfair trade practices. This amendment offers temporary relief for those retirees in the greatest need.

I urge you to support this amendment and thank you for your attention to this important issue.

He says a lot of good things about the amendment. I ask unanimous consent that also be printed in the RECORD.

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

STATE OF OHIO,
Columbus, OH, May 16, 2002.

Hon. GEORGE V. VOINOVICH,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR VOINOVICH: I am writing to express my support for an amendment planned to be included in the trade adjustment assistance section of the trade bill being considered today by the Senate. As you are aware, the health benefits of retired steel workers have been terminated as a result of failed steel companies. Tens of thousands of retired steel workers, concentrated in Northeast Ohio, are now without health care or are struggling to pay expensive premiums.

I commend the President for his imposition of significant remedies to defend our nation's steel industry from the unfair trade practices of some foreign producers. Unfortunately the relief did not come soon enough for some companies. Major steel manufacturers have permanently closed, health care and pension funds are exhausted and retirees are left with few and costly health care options.

The Health Care Benefits Bridge program will allow retired steel workers to receive a health care credit for one year equal to 70 percent of the total cost of premium of health care coverage under COBRA or state established plans. The retirees would be responsible for the remaining 30 percent. The bridge plan would limit eligibility those retirees who have lost health care coverage because of the permanent closure of their former employer.

Retired steel workers, similar to their currently employed counterparts, are suffering irreparable harms as a result of unfair trade practices. This amendment offers temporary relief for those retirees in greatest need.

I urge you to support this amendment and thank you for your attention to this important issue.

Sincerely,

BOB TAFT,
Governor.

Mr. ROCKEFELLER. I also want to make one point clear. Some people say: Why can't the Department of Labor—which sort of decides on TAA matters—why doesn't it just include, administratively, steel retirees?

They cannot. They do not have the power to do that. They do not have the authority to do that. The retirees we are talking about—Senator WELLSTONE, Senator MIKULSKI, myself, and Senator STABENOW, who obviously wants to say something—they do not have the power to do that. They cannot include them on their own. It can only be done through action of the Congress, which is why this amendment is before us.

Back last summer, a number of us were doing the legacy bill, which is sort of the big solution, a \$16 or \$17 billion solution. And there is a great reason for that; it just did not happen to be a very compelling one at the time we were doing it. But you have to do three things to make steel work.

I apologize to my colleague from Michigan, because I know how much she wants to speak.

You have to invoke section 201. That is the International Trade Commission. The Finance Committee had voted to do that. Oddly enough, the Finance Committee has the same power under the law to invoke the International Trade Commission on the subject of imports and the damage from imports as does the President of the United States. So does the Ways and Means Committee. They did not choose to invoke it. We did. So had the President not invoked section 201, we would have, and already had voted to do so. So the same process would have taken place.

The first thing you have to do is invoke section 201. What does that do for you? It gives a little bit of a lift in the market, as I indicated, for 6 or 8 months. People feel a little bit better. But it does not last. It did buy us time, and we needed time. Because we have to think, how are we going to keep the steel industry together? How can we have a 40 or 50-million-ton steel industry in a place called the United States of America, which sort of started this whole thing?

All around the world, everybody, when they want to get into the United Nations, they start a steel industry and they buy a 747. Now, that is a little crude, and I apologize for saying that, but, frankly, that is what you do to establish yourself as a real country: You have a national airline—it might be one plane—and you have a steel industry. So these imports just come flowing into our country from all over the world. People underestimate the power of that. Of course, they are cheap because they are dealing with \$1-an-hour labor, a little more or a little less. And

then sometimes our industries have to buy that because they have to survive.

So I want to stress the urgency of particularly what has happened between 1998 and 2000 and 2001, where this enormous import surge overtook the United States in steel at the same time as another surge of total neglect on the part of the Government. This is not a partisan statement about this administration. It was the same thing in the last administration.

I can remember endless hours in the steel commission arguing with Bob Rubin, Gene Spurling, and Charlene Barshefsky, and all kinds of high and mighty people. And they said: No, globalization is the deal. I said: I agree; it is the deal, and I voted for PNTR, and all the rest of it. But, frankly, we have something called a steel industry in Senator STABENOW's State and my State, and it is sort of the heart and soul of America. But they were not interested.

I think Senator WELLSTONE's \$800 million figure was, in fact, e-mailed by the White House to a whole lot of Senate offices just as late as this afternoon, trying, again, to scare us away from this amendment based on cost.

I will just end with this thought. It almost seems impossible we would be bringing an amendment to this body, an amendment which only affects 125,000 people at the present time, and they have to go through so much to even qualify. They have to have worked in the mill 15 years, and all the rest of it. And if the mill goes chapter 7—that is, goes belly-up, completely—it has to do so by January of 2001. And then it only lasts until January 1 of 2004. That means, if a West Virginia plant or a Michigan plant went belly-up and shut out the lights, sent out pink slips, with no health benefits, nothing, everything goes. The Pension Benefit Guaranty Corporation does take care of the pensions, but nobody takes care of health care. Nobody takes care of health care for these people.

We still provide this amendment, which is so tightly constricted to 125,000 people, costing \$179 million over 10 years. Frankly, I don't know why the White House does not say: We want this. We accept this. We will take credit for it. It is a no-brainer. Yet, obviously, it is the subject of filibustering and all kinds of divisions. And I regret that very much.

There is really nothing quite like a steelworker. They sweat and toil, as you can imagine. It is so dangerous. They lose arms, fingers, legs. They work in 125 to 130-degree heat in the summer. I am not pleading for them. I am just simply saying that when their company goes belly-up because of Government inaction, by not enforcing the Federal laws against imports, they deserve—if not to get cash, if not to get training, if not to get other benefits—at least to get health care benefits.

I thank the Presiding Officer and yield the floor.

The PRESIDING OFFICER. The Senator from Michigan.

Ms. STABENOW. Mr. President, I rise with great pride to be a cosponsor of this amendment. I thank my colleague from West Virginia for his passion, his compassion, and his advocacy for great Americans—our great American steelworkers. He has been here over and over again fighting on behalf of the industry, fighting on behalf of workers, many of whom are in Michigan. I thank him for his leadership. I also thank Senator WELLSTONE from Minnesota for his ongoing leadership and advocacy for our steelworkers, as well as thanking Senator MIKULSKI from Maryland.

This is a dynamic trio that I am very proud to join, and I very much appreciate the fact that they are coming back over and over and over again until we can get this done.

I share my colleagues' view that we are coming with a critical yet modest proposal in terms of how we debate in the Senate, covering 125,000 retirees with health benefits at a cost of \$179 million over 10 years, which certainly sounds like a lot of money, but in terms that we are debating, it is a very small amount to put aside for a group of people who have worked their whole lives to build America.

I find it so amazing, as we debated other bills—and we have talked about our overreliance on energy and the need to do more domestic production—that we, at this time, would not be up in arms about the possibility, hopefully not probability, of losing an American steel industry. I cannot imagine, in this time that we are focused on national security and war on terrorism, that we would even, in any way, allow the possibility that we might lose our domestic steel industry. Yet that is what is happening in our country.

We have only six iron ore mines in the country: four in Minnesota and two in Michigan. When they are closed, we will no longer have the ability to pull the raw materials out of the ground.

The men and women in the upper peninsula of Michigan work very, very hard. They and their families have gone through layoffs. They have gone through mine closings. They are on the edge. This proposal is simply to say that for those who are already retired, who had health benefits, who were promised health benefits, whose companies closed—and we had over 33 of them closed since the year 2000—we would give them a 1-year reprieve, 1 year of health care benefits, to try to help in the transition.

I very much appreciate the fact that the President has acknowledged the concerns about steel and taken some action. There are efforts right now to help the industry, to address the question of unfair dumping. This is a small bridge for 125,000 people who are retired from an industry that is critical. They built America. And I believe we owe them at least that.

For those who are now working in the great State of Michigan, whether it is in the upper peninsula or whether it

is in the lower peninsula of Michigan, down river or metro Detroit, we owe them, as well, to stop the dumping, the unfair competition, so that we can give them an opportunity to succeed and give our steel companies, which are making investments, are efficient, and doing everything they can to stay afloat, the opportunity to succeed because we, as a country, need them to succeed.

The issue of steel in our country today is absolutely critical. While we are working to find ways to stop unfair trade practices and, hopefully, the mechanisms and remedies that have been put into place will have some kind of positive effect—we certainly hope so—while we are working for other ways to support the steelworkers and their families, to support the businesses, this is a small way to acknowledge the significance and the importance of the steel industry and the steelworkers in the United States and to say for those who are retirees, who assumed when they would retire that they would have their health care benefits and who have lost them because of unfair competition, because of dumping in our country from other countries, that we, in fact, will recognize them in this whole question of trade adjustment assistance.

I am proud to stand with my colleagues. I ask that we come together in a bipartisan way. With a small amount of investment, we can make a major statement and help 125,000 great Americans. I hope we will do that.

I urge strong support for the amendment.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I see a few of the sponsors of the amendment are present. Maybe either one of the sponsors, since they know more about this amendment than I, might be able to respond.

I am wondering how much this amendment will cost. How much does it cost per family, per beneficiary? Would either the Senator from West Virginia or the Senator from Maryland tell me that? Many times health care per family costs \$7,000; sometimes steelworkers have very generous plans. Could they give me some idea of what it costs per family?

Mr. ROCKEFELLER. As to the matter of how much it costs each family, that is not yet available because the circumstances vary enormously. Sometimes there might be a little bit of health care left over. In virtually all cases, there was none left over.

The fact is the Joint Tax Committee, which looked at this in a rather conservative fashion, came out with a \$179 million cost over a period of 10 years. I don't think the Senator from Oklahoma would challenge that.

Mr. NICKLES. Per year or \$179 million over a 10-year period?

Mr. ROCKEFELLER. Over a period of 10 years.

Mr. NICKLES. Does the program last for 12 months? How many months of

health care are we providing for retired steelworkers?

Mr. ROCKEFELLER. If the underlying amendment, referring to the TAA in general and health care, prevailed—

Mr. NICKLES. Just the steelworkers.

Mr. ROCKEFELLER. I am answering, if the Senator would allow me to answer the question the way I would like to. That can provide health care for a couple of years, but not with the steelworker retirees. That is only a 12-month period, and that is it, once.

Mr. NICKLES. I am just trying to learn what is in the Senator's amendment. I am going to debate against it in a minute, but I want to educate myself on what I am debating.

The cost is \$179 million over 10 years, but the program for steelworkers only lasts for 1 year, the 12 months' benefits. So it is actually about \$179 million for 1 year's benefits for the eligible steelworkers in the Senator's amendment?

Mr. ROCKEFELLER. That is correct. I think I understand what the Senator is also asking. And that is, if it is a 1-year program, we are only talking about 10 years. I would be happy to hand over a chart exactly of what is proposed. In fact, the funding is zero for this year, 86 for next year, 25 for following, 15, 16, 2, and then there is a series of just dots and dashes, not contemplating that there will be anything in the succeeding 10 years. That is what it was done for. It was done for 10 years.

Mr. NICKLES. I will ask either Senator, the duration of the amendment to benefit only the steelworkers is for 12 months. I happen to have great respect for the Senator from Maryland and the Senator from West Virginia. I have a feeling that if that 12 months was expiring, that you would be coming for an extension of the 12 months.

Mr. ROCKEFELLER. The Senator is entirely wrong in that. I apologize to the Senator from Maryland. That is incorrect. This is not a question of something which comes up for reauthorization. This will not happen. One year, once.

Mr. NICKLES. In the underlying Daschle amendment that was introduced a week or so ago, it was a 2-year program; isn't that correct?

Mr. ROCKEFELLER. In the underlying amendment for TAA workers who are different than steel retirees; those are active workers you are talking about. I am talking about steel retirees.

Mr. NICKLES. Correct me if I am wrong, active steelworkers would apply and would benefit under the TAA proposal as any other TAA eligible employee. The Senator's amendment applies only to retired steelworkers?

Mr. ROCKEFELLER. That is correct.

Mr. NICKLES. And correct me if I am wrong, you are talking about retired steelworkers basically in two plants, is that accurate? Or is this retired steelworkers, any steelworker who happens

to be retired? Or is it specifically to steelworkers who are in chapter 11 or chapter 7?

Mr. ROCKEFELLER. If I can answer the Senator's question, it is not any steelworker. It isn't anybody in chapter 7 or chapter 11. It is only to those who are vested, which by itself is a 15-year requirement. They get nothing that TAA, if it were to pass, would get in the way of, say, 2 years of health care. They don't get any cash. They don't get any transition. They don't get any retraining. All they get is 12 months of bridge health care, period, once.

Mr. NICKLES. Since we are not going to vote on this today and you are sponsoring the amendment, I have heard the arguments made. We want to help these families. And you are providing health care for the families, 125,000 families, I believe I heard you say. I would like to know, health care costs so much per month, so much per year per family. I would love for my colleagues to tell me how much these plans cost so we would have a little better idea of the per-family benefit.

Mr. WELLSTONE. It is 70 percent of the COBRA cost. That is what this amendment is about. It is the same. COBRA costs on average about \$700 a month. This picks up 70 percent. That is what we do for other employees. That is the cost.

Mr. NICKLES. I am happy to know that. So if COBRA costs \$700 a month—

Mr. WELLSTONE. That is an average.

Mr. NICKLES. I am just trying to make sure we find out what we are talking about. If COBRA costs \$700 a month and you are talking about 70 percent of that, that is \$500 a month. And you are talking about 12 months, so you are talking about \$6,000 benefit per year. Is that pretty close to accurate? I am just trying to figure this out so I will know, if we are getting ready to give benefits to one particular group—as a matter of fact, a couple of companies—I kind of need to know. I think it would be nice for the taxpayers to know.

I am happy to yield to the Senator from Maryland.

Ms. MIKULSKI. First of all, I am so glad that the Senator from Oklahoma is in the Chamber. We are glad that Members who have concerns or even opposition are here. Let's do the clarification.

The Senator asked about the annual cost, \$179 million over 10 years. First, in the year 2003, \$85 million; 2004, \$25 million because of a population dip; then up to \$50 million in 2005; \$18 million in 2006; and \$2 million in 2007. And this is sunset at 2007. So the bill has a sunset.

Mr. NICKLES. I think I have the floor.

Ms. MIKULSKI. I just wanted to add about the complexity of going to the family because you see these retirees, and the way this would work is that it

is a tax credit to the risk pool that takes this on. So we are not quite sure what the individual family premiums would be. We asked Joint Tax and the Budget Committee, those who advise us, to tell us what would be the annual estimates, and then an estimate between now and 2007.

Mr. NICKLES. Well, I am not a big fan of tax credits, just so the Senator from Maryland knows—and the Senator from West Virginia already knows this about the Senator from Oklahoma. Therefore, I question the wisdom of doing this in tax credit form. It would be a lot more direct, legitimate, for scorekeeping and otherwise, to say we are going to write a check, and here are thousands of people, and say pay for your health care, than to try to go through silly system of tax credits, where it doesn't work very well. I think maybe I will explain that at some point.

I am trying to have a better understanding. If you have a 12-month payment—or assistance in payment, 70 percent—for steelworkers, and we are doing that for 12 months, this is 2002; why are we making payments in 2004 and 2005? I don't understand that.

Mr. ROCKEFELLER. I will be happy to try to answer that. First of all, included in the \$179 million—which I assume came as some surprise to the Senator from Oklahoma, because that is the entire cost over the entire amendment—the scoring group took into account what would happen, for example, not with just the 125,000 we have this year, but suppose Bethlehem Steel in Maryland, as could happen, went chapter 7, went belly-up next year; the Senator from Oklahoma should know—and there might be some residuals; there might be a caretaker or grandmother who has a dependent. If that company goes belly-up, that is already included in the \$179 million. They looked at the condition of what they adjudged to be the steel industry and its future, and the health care cost attending to that and made their judgment. So your question still comes back to \$179 million.

Mr. NICKLES. I appreciate the clarification. If a company went bankrupt in 2004, they could receive benefits under this amendment, is that correct, up to 12 months?

Mr. ROCKEFELLER. If one takes the scoring of this offset, one could posture that, and one could also raise the question that it might not happen. They were trying to figure out as best they could—and who can figure these things out absolutely perfectly—what is likely to happen in the steel industry and what the health care consequences are for retirees. All of that fits within the \$179 million.

Mr. NICKLES. I wonder, as well, as the sponsors of the amendment are very close to the steelworkers, if they can provide this Senator, over the next couple of days, what the benefits are and what the benefit package costs for retirees. Those are collectively bargained packages. I could probably find

that on the Internet. These are packages they provide for retirees. Given this fact, I would like to know, are we subsidizing plans that are very generous, comparable to Federal employees? I don't know.

Mr. ROCKEFELLER. If I may answer the Senator, unlike the coal industry, the steel industry has a whole series of different bargained health benefit packages. I don't know exactly, but my guess is that right now the steel companies probably pay about 90 percent of the health care costs of the steelworkers, and the steelworkers pay 10 percent. So they have already gone from 90 percent down to 70 percent, and then they have their choice, as the Governor of Ohio, Governor Taft, indicated, of using a variety of risk pools. It could be a variety of programs, but it is not a constant figure. It could vary, and it is definitely not based upon what it is they negotiated. They have made tremendous cuts and sacrifices from the agreements they negotiated with the steel company.

Mr. NICKLES. What age of eligibility can people—when you think of retirees, you think of somebody at age 65. What is the earliest age a retired steelworker might be who might receive benefits under this proposal?

Mr. ROCKEFELLER. As best we can figure, 25 percent of the steelworkers who might receive this proposal are not receiving Medicare. As such, none have prescription drugs.

Mr. NICKLES. Correct me if I am wrong, so you have it that 75 percent of the pool are now Medicare eligible, is that correct?

Mr. ROCKEFELLER. Without the prescription drugs, correct.

Mr. NICKLES. And 75 percent of the beneficiaries—the 125,000 people—are eligible for Medicare, is that correct?

Mr. ROCKEFELLER. That is correct.

Mr. NICKLES. And 25 percent are not eligible for Medicare, so presumably under the age of 62, is that correct?

Ms. MIKULSKI. Under 65.

Mr. NICKLES. I stand corrected, 65. So what is the earliest age that a beneficiary can receive benefits under the Senator's proposal?

Mr. ROCKEFELLER. I don't think it is a question of what is the age. It is a question of what happened to the company, when did it fit into the dates. We have constricted it by saying that the company had to go belly-up, so to speak, by January 1, 2000, until the year January 1, 2004. You cannot tell what the age might be. We could presumably find out what the ages are right now, but you cannot predict that in the future because it does not depend on the age; it depends upon whether the company has gone out of business.

Mr. NICKLES. One additional question. If a young person—say my son, or your son, is twenty-years-old, goes to work for a steel company and works there for 12 years or 15 years. Now they are 35 years old. Company XYZ goes bankrupt, so now that individual would

they be eligible for this benefit at the age of 35?

Ms. MIKULSKI. Yes. The eligibility is based on the status of the company, meaning is it bankrupt; No. 2, if the individual has worked for the company for 15 years, not less, and if they have taken retirement. Now, they could be 38 years old. The company could be bankrupt. They could be out of work. That doesn't mean they have become retirees. So your scenario, though I think it would be technically correct, is not operationally correct.

So 75 percent are Medicare-eligible. The other 25 percent usually are over 55, but are primarily between 60 and 65. This is why we are calling part of this a bridge. For some, it would be 1 year to even get them to Medicare.

Mr. NICKLES. Let me ask one other question. To be eligible, then they have to be receiving retirement pay to be called a retiree?

Ms. MIKULSKI. Yes.

Mr. NICKLES. So you could work 15 years and I don't know how many years you have to work—

Mr. ROCKEFELLER. May I correct the Senator for a second? Remember that the company they are working for no longer exists in order for them to qualify.

Mr. NICKLES. I understand. I am trying to figure out who is eligible. So I think I heard the Senator from Maryland say they are eligible if they are receiving retirement checks. They may be receiving the checks from the steel company, which even though the company went bankrupt, it may well still be making payments for pension benefits, or maybe it dumped their liabilities on the Pension Benefit Guarantee Corporation, or there may be some other consortium employer payment plan. But if they are receiving their retirement check, they are classified as retiree. What is the earliest age a person can be receiving a retirement check as a steel worker?

Ms. MIKULSKI. That would vary company by company.

Mr. NICKLES. After 15, 20 years of service?

Ms. MIKULSKI. Usually after 20.

Mr. NICKLES. A couple other questions, and then I will make a few comments.

If we are doing this for the steelworkers, how can you say we should not do this for the textile workers?

Mr. ROCKEFELLER. Can I answer the Senator's question?

Mr. NICKLES. Why shouldn't we do it for the communication workers or the airline workers or the hotel workers in Nevada?

Mr. ROCKEFELLER. May I answer the Senator's question?

Mr. NICKLES. Yes.

Mr. ROCKEFELLER. There has never been a case I know of in American history where the Government, over a period of 30 years, since the passing of the Trade Act in 1974, has been so absolutely unilaterally egregiously negligent of the interests of fulfilling

American law which says that steel cannot be dumped at lower than its cost of production by other countries into this country.

As my colleague may remember, President Clinton promised—actually it turns out it was West Virginia—he would not allow dumping to happen. The present administration has made similar types of promises. They and all other administrations have egregiously ignored the law. That is why I keep saying the Government's negligence is what makes the steel retirees so different in what they deserve and what they should get in the way of this modest health benefit for so few, primarily because, one, they have been injured by imports—that is what the International Trade Commission said—and second, the Government has been so totally negligent. Much of this is the Government's fault they are out of work—our Federal Government.

Mr. NICKLES. I appreciate my colleague's response. I want to make a few comments, and I appreciate the patience of my friends and colleagues from Maryland, West Virginia, and Minnesota.

Mr. WELLSTONE. Mr. President, can I say one thing? I am not taking the floor. I know the Senator from Oklahoma wants to speak, and I will have a chance to respond. I thank him for his questions. It is important to get all of this information out. It is important for people to understand the human crisis.

I say to my colleague, there are a lot of people who are really hurting out there, as my colleague from West Virginia has said; people who have been on the short end of the stick for over three decades of negligent policy. I thank my colleague very much for his questions.

Mr. NICKLES. I thank my friend from Minnesota.

Mr. REID. Mr. President, will the Senator yield so I can make an announcement to the Senate?

Mr. NICKLES. I will be happy to yield.

Mr. REID. Mr. President, the majority leader asked me to announce that there will be no more rollcall votes tonight. Also, tomorrow, after we have the vote at 10:30 a.m., there will be ample opportunity for those who are on the list to offer amendments if the Senators involved in the steel issue have nothing more to say and they have no objection to setting aside their amendment.

Also, we will be in session on Monday. People who are complaining about not having an opportunity to offer amendments, tomorrow and Monday there will be adequate opportunity to do that. There will be no votes, but there will certainly be opportunities to offer amendments.

Mr. WELLSTONE. Mr. President, can I ask the whip one question?

Mr. REID. Yes.

Mr. WELLSTONE. I know other Senators have amendments. I gather there

will be some opportunity for discussion in the morning on this amendment, and there will be other amendments. On Monday, is it the whip's intention we will be in session Monday evening as well for time to discuss this amendment?

Mr. REID. The Senator should know, there are no votes on Monday, so I do not know how late the leader will want to stay in session. I assume we will come in around 1 o'clock on Monday and work all afternoon. If the Senator from Minnesota wants to talk about steel, that will be the first priority. If Senators no longer want to talk about steel, we can, if Senators agree, set that amendment aside so other amendments can be offered. There will be adequate opportunity Monday evening to talk on this all the Senator wants.

Mr. WELLSTONE. Then Tuesday we will have time for final debate as well.

Mr. REID. We will make sure that is the case.

The PRESIDING OFFICER (Mr. DAYTON). The assistant Republican leader.

Mr. NICKLES. Mr. President, I thank my friend from Nevada. I also urge colleagues if they have amendments to bring them down. I hope and pray we will be ready to conclude this bill soon.

I do not think the amendment my colleagues from West Virginia and Maryland offered should be included in the bill. I think it is a killer amendment. I am concerned what people are trying to do in loading up the trade promotion authority bill. They know President Bush wants trade promotion authority, as every President has wanted trade promotion authority. Every President wants to negotiate trade deals because they realize if we are going to be the world leader in trade, we need to expand trade.

We have been the beacon, the leader for trade all across the world. President Reagan, whom we honored today with a Congressional Gold Medal, was adamant in saying we want to expand trade. We did so, and that greatly contributed to the fall of communism. It opened up markets. It created jobs. It led to a robust world economy. Everybody started realizing that trade is mutually beneficial, we should pass trade promotion authority, and every President has had trade promotion authority going all the way up, including President Clinton. He had it in his first couple years but lost it in 1994, and did not ask for it until after the 1996 election.

When President Clinton asked for it, he could not get it through the House. He could have gotten it through the Senate. We had the votes for it. The Senate traditionally has been more free trade. Unfortunately, he did not get it for the duration of his term, and many of us supported giving it to him.

Whether the President was Republican or Democratic, we felt it was important. We happen to be supporters of free trade enough to know we have to be the leader in free trade if we are going to make it happen. It did not

happen. President Bush asked for it and got it through the House. It is always more difficult to get it through the House than the Senate. President Bush got it through the House. Everybody said it was going to go through the Senate.

Senator DASCHLE said: I support trade promotion authority, but we are going to add two other bills to it. Senator BAUCUS agreed. I disagree with it strongly.

When we passed these bills out of the Finance Committee, they were not together. They were individual bills, as they always have been. We have always had trade promotion authority as one bill. We have done the trade assistance bill separately and both passed with large margins, usually a 70-vote margin. We did not have to tie the two together.

Unfortunately, Senator DASCHLE and Senator BAUCUS tied in the Andean trade bill, which actually has to pass today, and it is not passing today. Now we could have imposition of tariffs on poor countries, Andean nation countries. It would be a disgrace for us to let that happen.

Yet the Democratic leadership said we are going to tie all three together. Basically, what they were saying—and not hiding it—is we are going to hold trade promotion authority and Andean trade hostage until we get a lot of other things added to the trade adjustment assistance bill. I supported trade adjustment assistance, but let's look at how they are trying to expand it.

They said: Let's have trade adjustment assistance, which is supposed to train people if they lose jobs due to imports, to learn a new job, new business, new trade. I fully support this. Usually it costs about \$10,000 per person. Only one out of four who is eligible applies. The Democrats are saying now we want health care to be a benefit for this and have the Federal Government pay three-fourths of the cost. That was their original proposal. Now it is 70 percent. We do not pay three-fourths for anybody. Why is it a Federal responsibility to pay now a 70-percent tax credit? Most corporations get a deduction. That is 35 percent of a deduction. There is a big difference between a 70-percent credit where the Government is writing a check and under this proposal. This proposal is a refundable credit, it is a welfare payment, it is the Government writing a check. That is very expensive.

Then some people say: Maybe we can do that. That is not enough. Now we are going to have steel legacy costs for one industry, and now we find it is not just one industry, it is not just retired steelworkers, it is retired steelworkers for a couple of bankrupt companies. These are companies that went bankrupt, and we are going to pick up their health care costs.

Three-fourths of these individuals are already eligible for Medicare. They are in the same Government health care program that my mother is in and that

most senior citizens are in, but my colleagues are saying that is not good enough; we have to have the Federal Government provide additional health care.

A lot of companies do offer Medicare supplements. Great. And they do that in a way that says: We do not want anybody to go out of pocket for anything. That is nice. It is a fringe benefit. Only some companies do this, as it is not available for everybody. There are a whole lot of people who only have Medicare. My colleagues want the Federal Government to pay for Medicare supplements for retired steelworkers if their company went bankrupt.

Why are we going to do that? If we do it for them, why not do it for textile workers? They have the same problems. Why do we not do it for communication workers? Senator LOTT—WorldCom is going through a heck of a debacle. They have laid off thousands of people.

What about other communications companies? We see layoffs after layoffs. Is the Federal Government picking up their health care costs? Where are we going to stop this march toward socialism with Government saying: We will benefit this group and this group.

We benefited the railroad retirees. We helped take care of their railroad retirement plan. Yes, we have done that. Let's take care of steel.

We have already imposed tariffs that are supposed to help the steel industry. That is not enough. So even though we are going to have all kinds of tariff protectionism for the steel industry, that is still not enough. Now we are going to pick up the retirement costs for some of the bankrupt companies. Why do we not have a real incentive for people to sign any kind of contract, whether they can afford it or not, because Uncle Sam is going to pick up the cost? Wow, that is terribly irresponsible policy. How can it be done for this group and not for another group?

When we start this policy where Uncle Sam is going to start picking up retiree costs, I am figuring out you can be 35 or 37 years old and get benefits under this proposal. Most people who are 37 years old—my son is about that age. I do not think of him as being retired, but to think my daughter is going to have to be paying taxes for him to get health care benefits is absurd. Yet that is what we are trying to do in this legislation.

I am amazed at the fiscal irresponsibility that people are trying to put on this, and when I say "people," I am thinking right now of the Democrats who are trying to run the trade adjustment assistance and trying to attach more and more stuff on it, and maybe it is because they really do not want trade promotion authority in the first place. Maybe some of the people are saying, we did health care, we did not think some of the Republicans could agree with that, now we will try to see if we can't put steel legacy; let us put more and more on this wagon and see if

trade promotion can keep pulling more and more along. They are going too far. This is terrible policy.

I used to run a company that had the steelworkers in our plan. I have negotiated steelworker plans, so I know a little something about health care costs and I know a little something about plans. You can negotiate contracts you cannot afford. That is an easy thing to do. You go along to get along. You sign contracts. You have peace and harmony, and all of a sudden you have a contract you cannot afford, and you go bankrupt. Why in the world should the Federal Government be bailing out?

I do not think you can do that. If you do it here, why don't you do it for every other union contract that has found itself on the wrong side of the economic chain? Why don't we pick up the health care costs for railroad retirees? We took up their pension costs. Why don't we do their health care costs? Why don't we do that for other unions? I do not know where you would stop if we agreed to this.

We have already had a battle on, are we going to have wage insurance on this bill? Unfortunately, Senator GREGG's amendment did not pass. Wage insurance, which is about as socialistic a direction as one could go, was put on this bill. It is almost like people are saying we are going to keep loading up trade adjustment assistance, where we know they cannot swallow it, where we know we are going to bog down this bill, and the bill will not pass. This bill is just going to be loved to death. We are going to keep piling it on, piling it on, and piling it on.

I hope people will step back a little bit and say a couple of things are happening. One, we happen to have a deficit. We do not have a surplus. So we are going to be taking taxes and we are going to be borrowing money to pay for a brandnew benefit for one little group of workers. Now, maybe that group of workers has a lot of political clout, maybe they contribute to a lot of campaigns, maybe they have a lot of influence, but I do not see why we should do it for this group and not do it for others.

Maybe some people think we should do this for everybody. Maybe that is the objective. I do not know. But I do not think it is affordable when I start looking at the costs.

The Senator from Minnesota was very generous to say the cost of COBRA is typically about \$700. That is for a family plan. Then you multiply it by 12, and that is \$8,400. Seventy percent of that is about \$6,000; \$6,000 per year for which Uncle Sam is going to be writing a check. That is a lot.

The reason I was trying to compute this was, well, \$125,000, and it is going to cost \$179 million. Trying to figure that out, it is a lot less than that. The difference is, three-fourths of these people are already on Medicare. They already have health care. They happen to have the same health care my moth-

er has, but my mother is going to be paying taxes so some individuals can get their Medicare supplement? I do not know that that is right.

I do not know why the worker in Wal-Mart, who may not even have health care, has to pay taxes so somebody else can get not only Medicare but a Medicare supplement. This is pretty much a stretch.

There are 40 million Americans who do not have health care insurance. They have health care, possibly through the emergency room or something, but a lot of them pay taxes. They may not be able to afford their own health care, but we are going to increase their taxes or make them go into debt so they can provide health care for somebody else who already has health care, who is already paying a lot because they get Medicare.

Medicare is not a perfect system. I think it needs to be reformed. It needs to be fixed. It needs to include prescription drugs, and we ought to be doing that this year. We ought to be working in a bipartisan way to make it happen. To say we are going to be increasing taxes or debt on the rest of America so one group can have their Medicare supplement or people in their thirties or forties can get health care for a year—and we all know the original proposal was 2 years. I also happen to believe that some people are going to try to extend this year after year, after year, after year. If they get it for 1 year, they will be fighting to get it extended for the next year. I am just guessing that might happen.

I am going to work very hard to see that this bill does not happen, so we will not get started down that slippery slope of ever increasing entitlements, ever increasing expansion of spending, ever increasing loading up the trade promotion authority with things that are not affordable, that frankly should not become law. My guess is that if this amendment is adopted, we will not have trade promotion authority passed this Congress.

Maybe that is the sponsor's objective. Maybe not. I do not know. But some people are trying to kill trade promotion authority. They are trying to load it up with too much. This amendment is too much, and I urge my colleagues to oppose this amendment when we vote on it next Tuesday.

I yield the floor.

THE PRESIDING OFFICER. The Republican leader.

Mr. LOTT. Mr. President, I do not know if the other side has had an opportunity to speak. I know they have had an exchange of questions. I need 3 or 4 minutes, if I may, and I will use my leader time for that purpose.

I enjoyed Senator NICKLES' remarks, and I associate myself with them. I agree with him, and I certainly hope we can prevail in not adding this amendment to this legislation. It would be a further blow to the legislation that has certain problems now. We need to get the trade legislation done

and not further encumber it with other issues such as this one. One can argue about the steel legacy costs one way or the other, and I am sure we could get a pretty good debate here. I personally think we should not go down that trail, certainly not on this legislation.

QUIETING TERRORISM RHETORIC

Mr. LOTT. Mr. President, I did not intend to use my leader time for any purpose today other than to honor a true American hero: Ronald Reagan. We just had a fantastic ceremony in the Rotunda of the Capitol presenting Mrs. Reagan the Congressional Gold Medal for President Reagan and for Nancy Reagan. It was a beautiful ceremony attended by Republicans and Democrats. I think we all agree that he was an unusual President and a great President. He did make us proud again. Democrats were there, and they said, while we may not agree with him philosophically, we agree that he did a great number of good things during his time as President, and I am glad we honored him and Mrs. Reagan this afternoon.

President Reagan lifted our country when we had a lot of despair, morale was low, and freedom was kind of under attack. He banished that. He rose above it. He made us proud again, and he led the way in getting rid of the "blame America first" crowd. He said: That is poisoning the American spirit; let's not do that.

Much to my outrage today, I have heard a chorus reminding me of that "blame America first" that I thought President Reagan had helped us put on the ash heap of history and get rid of once and for all. I think there is nothing more despicable—and that is a tame word compared to what I really feel—in American politics than for someone to insinuate the President of the United States knew that an attack on our country was imminent and did nothing to stop it.

Now, there is a lot of revisionist history, people insinuating that President Roosevelt knew about Pearl Harbor. I do not know all the facts of what went on then, but I do not believe that. I would never believe that. I have to say, does anybody really think that this President, or any President of either party, at any time, would know that we were going to be attacked and not take necessary actions to try to deal with it? I do not believe the American people really think that. I know it is not accurate.

The President, Members of Congress, the Intelligence Committee, leadership, we get threat assessments daily. They come in every day, and they get to be pretty depressing if you get to reading them. When getting the briefings every day, you have to assess them: Are they serious, not serious? Should we take actions? Do we put out a notice? What do we do with them?

I get nervous that we put too much in the press. We tell the terrorists, who