



Committee On Finance

Max Baucus, Ranking Member

NEWS RELEASE

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Baucus Urges Senate Colleagues to Provide More Funding for International Trade *Senator asks for Additional Appropriations to Improve United States Trade Opportunities*

(WASHINGTON, D.C.) U.S. Senator Max Baucus today sent the following letter to the Chairman and Ranking Member of the Senate Appropriations Committee requesting substantial appropriations increases for international trade related matters:

July 10, 2003

Senator Ted Stevens
Chairman
Committee on Appropriations
S-128 Capitol Building
Washington, D.C. 20510-6025

Senator Robert C. Byrd
Ranking Member
Committee on Appropriations
S-128 Capitol Building
Washington, D.C. 20510-6025

Dear Chairman Stevens and Ranking Member Byrd:

I respectfully urge you to consider a substantial increase in the appropriations for three international trade related matters for the upcoming fiscal year.

First, I believe the dramatic increase in the activities of the Office of the United States Trade Representative ("USTR") since passage of Trade Promotion Authority in August of last year warrants an increase in USTR's budget by more than the six percent currently planned. USTR is presently engaged in difficult negotiations with the more than 140 members of the World Trade Organization in the Doha Round of trade negotiations, and also with 33 countries in the Western Hemisphere in the Free Trade Area of the Americas negotiations. It has also commenced free trade negotiations with Australia, the Southern Africa Customs Union, Morocco, and a group of five Central American countries; it has announced that it will soon commence negotiations with Bahrain; and it has signaled that it may soon announce its intention to commence negotiating with several other countries. The United States has also signed free trade agreements with Singapore and Chile and other trade agreements with Vietnam and Poland.

Some in the business community have expressed concern that the planned increase in USTR's funding is insufficient to enable USTR to conclude negotiating all of these agreements and to monitor and enforce those agreements already in place as effectively as possible. This includes a coalition of agriculture companies who recently sent a letter to all members of Congress urging a twenty percent increase. Although USTR is a small agency of barely more than 200 employees, its

mission is of vital importance to the economic well-being of our nation and, I believe, the rest of the world. We must give USTR resources commensurate with its responsibilities to look after the interests of American farmers, workers, and businesses in their important efforts to represent our country in the international economy.

There is also a rising chorus of those in government and the private sector urging the creation of a new office within USTR focusing on small business, and a new position of Assistant USTR for Small Business to oversee the office. Ninety-seven percent of exporting companies in the year 2000 were small and medium size enterprises, and they accounted for over \$190 billion in exports that year. This crucial group of U.S. exporters serves as the backbone of the U.S. economy. We should increase our focus on addressing their concerns as they operate in the global marketplace.

Second, as anticipated in section 2109 of the Trade Act of 2002, this increase in USTR's activities has resulted in an increase in the activities of the Senate Finance Committee and the House Ways & Means Committee. The appropriation for these committees should be increased to permit them to hire the additional staff members necessary to maintain effective congressional oversight over USTR.

Finally, the Administration's new agreements and initiatives will require increased funding for capacity building and technical assistance, which enable less developed countries to benefit from trade. Without increasing funds for capacity building and technical assistance, neither we nor our trade partners will realize the full benefits of the agreements we have negotiated.

Thank you for your consideration to this important matter.

Sincerely,

Max Baucus

cc: Senator Campbell
Senator Dodd
Senator Durbin
Senator Gregg
Senator Hollings
Senator Leahy
Senator Lott
Senator McConnell