

Bob L.

COMMITTEE ON FINANCE

UNITED STATES SENATE

EXECUTIVE SESSION

WASHINGTON, D. C.

December 4, 1980

ALDERSON  REPORTING

400 Virginia Ave., S.W. Washington, D. C. 20024

Telephone: (202) 554-2345

EXECUTIVE SESSION

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THURSDAY, DECEMBER 4, 1980
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United States Senate
Committee on Finance
Washington, D.C.

The committee met, pursuant to notice, at 9:35 a.m. in room 2221, Dirksen Senate Office Building, Hon. Russell B. Long (chairman) presiding.

Present: Senators Long, Talmadge, Bentsen, Baucus, Boren, Bradley, Dole, Packwood, Roth, Danforth, Chafee, Heinz, Wallop, Durenberger.

The Chairman. Let me call this meeting to order, if I may, please because time is going to run out on us. If you want a cup of coffee, you can have it brought to you while we have the meeting here.

I first of all want to know - we can discuss all three things but rather than start on top of the agenda - I would like to know what Senator Dole's view is with regard to the extension of the debt limit.

Senator Dole. Mr. Chairman, I talked with Secretary Miller and he feels very strongly that we should do something before we adjourn, or we are going to find ourselves in late December, early January, in a very bad position.

1 I have communicated that to whomever I could in the incoming
2 Administration. I think they would agree that if we can work out
3 some agreement to extend the limit at least up through May of next
4 year, it would be very helpful. Senator Byrd did have a hearing.

5 The Chairman. Well, my reaction to it, just from looking
6 at the Secretary's statement is, that ordinarily I would think
7 the present Administration ought to be able to make it with the
8 debt limit that they have until they turn over power to the new
9 Administration. According to the figures the Secretary put in
10 the record it seems to me as though he would have to go inside
11 this so-called \$15 billion cushion that he likes to have there.
12 My thought would be, you still have \$12 billion to spare at the low
13 figure, as I looked at it in the record.

14 We could be called back, if need be, if the nation had some
15 sort of great emergency and spent a lot more money than necessary.
16 But on the other hand, if the new Administration wanted us to put
17 some more money in, in order so they would not be confronted with
18 an immediate crisis, I would be willing to consider it on that
19 basis.

20 My thought would be, though, if they wanted to increase the
21 debt limit that we ought to give them enough so that they could
22 take a look at the situation, but hopefully not so much that
23 they would not have to act sometime soon because we on this
24 Committee, I think, will want to move a tax-cut bill as soon as
25 we can.

1 One thing that the Ways and Means Committee has been doing to
2 us is to sit around there and take about six months to ever send
3 a bill over from the House to the Senate.

4 Senator Dole. Mr. Chairman, if we can just interrupt for a
5 minute. We thought maybe this might be our last meeting this
6 year, and we would like to take just a minute - we know it is a
7 busy morning - to just present you with a little sustenance.

8 (Laughter.)

9 Senator Dole. It says, "Mr. Chairman, thank you." If you
10 do not mind, we will have somebody cut it so we can all get a
11 piece of it.

12 The Chairman. Maybe Senator Talmadge can share this with me.
13 You know, we have three outgoing chairmen here.

14 (Applause.)

15 The Chairman. I will make the first slice. Herman, how
16 about you making the second slice? I thought we ought to get
17 something for all the time we sat here.

18 (Laughter.)

19 Senator Talmadge. On behalf of some of our departing
20 colleagues I just want to make one last plea. Do not repeal all
21 the free things because some of us will be unemployed and might be
22 looking for some of these benefits.

23 (Laughter.)

24 The Chairman. Senator Bentsen, take a little cut, you are
25 an out-going chairman. I knew we would get something from the

1 public but I did not realize it would be as pleasant as a piece
2 of cake.

3 (Laughter.)

4 Senator Dole. We appreciate all your help, Mr. Chairman, and
5 we are looking forward to long cooperation I am certain we will
6 have on this committee come January.

7 I was riding over last night with Senator Bradley and I said,
8 "You know, this may be our last meeting, we ought to have a little
9 surprise for the chairman." I hope you like cake at a quarter to
10 ten in the morning. In any event, you have it.

11 The Chairman. It is delicious cake.

12 Senator Dole. It is fresh, too.

13 (Laughter.)

14 Senator Dole. We still do business with Watergate, a lot of
15 Republicans; that is where I bought the cake.

16 The Chairman. Ordinarily, I would think why, not extend them
17 up until about April 1, if you want to suggest a figure. You see,
18 if we do not extend it beyond that date, the House will have to
19 send us a bill by that date.

20 Senator Dole. Right. The House passed the Debt Limit
21 Resolution. They do theirs, I guess, in conjunction with the
22 Second Budget Resolution. That would extend through September,
23 right? But I guess if we want a smaller amount and a different
24 date, I guess we can amend the House Resolution and send it back.

25 Mr. Shapiro. You actually have two resolutions before you

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1 that the House has sent, Budget Resolutions. The first one has a
2 limit of \$935.1 billion; the second one has \$978.1 billion. Both
3 of those go through September 30.

4 So, I must say that one of the questions that you will have is
5 whether or not when you send it back to the House, whether or not
6 they will agree.

7 Remember, you are operating now under a new procedure under
8 which the House does not pass debt ceilings specifically. What
9 they do is, they include their debt ceiling as part of the budget.
10 Once the budget is passed it is broken out into a separate
11 resolution. The Senate just passes that resolution and it does
12 not have to be voted on specifically by the House. That is because
13 of the problem the House has had in passing a debt ceiling in
14 the past.

15 So, when you agree to a new debt ceiling, you take one of
16 these resolutions that are before you and send it back to the
17 House, you run the risk that the House may not pass it and you
18 are stuck with present law, which is a \$925 billion limit.

19 I would like to make a suggestion to you, that you take the
20 second resolution, which is H.R. Resolution 636, which has the
21 \$978 billion. Modify that one. Send it back to the House and
22 see if they will pass it. If they do not, then you still have the
23 option of taking the first resolution they sent here, which is
24 \$935 billion, which is \$10 billion more than present law. All
25 that you have to do for that one is to pass it, and it goes right

1 to the White House. So, I would keep that in reserve.

2 You may want to make a decision now to consider both of those
3 or some means on the floor tomorrow, after the House acts, that
4 if they refuse or reject the debt ceiling, rather than be stuck
5 with the \$925 billion which will make it very tight in the middle
6 of January, you can still act without House concurrence. All you
7 need to do is take that resolution that is here, that first one
8 that has \$935 billion, the Senate agrees to it, and it goes
9 directly to the President. That will take you through, probably,
10 sometime in the middle of February, which gives you a little more
11 leeway next year, rather than being tight at the beginning of
12 January.

13 The Chairman. Well, my concern is that thus far between the
14 Executive and the House they have fixed it up so that the Senate
15 could not vote on what this committee has recommended.

16 Now, I have no doubt that, just as the Senate voted for the
17 Roth Resolution which put us on record in favor of a tax cut next
18 year, if offered the opportunity to vote, that the Senate would
19 vote for a tax cut; I think it would.

20 Now, I would like to see us have the opportunity of voting
21 on that sometime early next year. I would like to have some
22 basis to assure that we will have an opportunity to legislate.
23 All the House has to do in order to veto the Senate's right to
24 legislate is simply not to send any revenue measure to us next
25 year.

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1 That being the case, my thought is that if we are going to
2 extend it, we should not extend it past April 1. That way at least
3 they will have to send us something on the debt limit and give us
4 a chance to legislate. Even if it is only something to extend
5 debate, they would at least have to accord us an opportunity to
6 legislate.

7 Mr. Shapiro. I am not saying anything contrary to what you
8 are suggesting there, Mr. Chairman. All I am suggesting is that
9 you have two vehicles here. With one vehicle you can do exactly
10 what you said, on the vehicle that you tried to pass to change
11 the date and send it back to the House.

12 If the House, however, cannot get a majority to pass the
13 debt ceiling, then with no other change you are left with the
14 \$925 billion ceiling which means that it would cut off, maybe, in
15 mid-January before you even had a chance to organize the Congress.

16 The Chairman. That is just fine, then the President can
17 call us back and the House would have made that necessary.

18 Mr. Shapiro. The second option allows you to have exactly
19 what you want, as well as giving you a little more leeway. That
20 is to just take the other budget resolution that is here, the
21 other resolution that has \$935 billion, pass it. In that case it
22 does not need to go to the House and that would expire, probably,
23 in the middle of February. In other words, it still gives you
24 the short time period that you are looking for.

25 The Chairman. The \$935 billion expire in the middle of

1 February?

2 Mr. Shapiro. The present level is \$925 billion, and we
3 think the \$935 billion may go somewhere in February.

4 Senator Dole. We could increase that to April 1.

5 Mr. Shapiro. Even though the date may say September 30, even
6 the Secretary's figures when he came here showed that at February
7 28 you would be at \$943 billion, and on March 31 you would be at
8 \$956 billion.

9 So, it is not the date that would be the limiting factor, it
10 is the amount of the debt ceiling. The amount would be \$935
11 billion which looks like it would not even get you through
12 February.

13 The Chairman. But it would get them to February.

14 Mr. Shapiro. It would get you, probably, mid-way through
15 February at least.

16 The Chairman. You see, I just happen to believe that it
17 will not take the Finance Committee up until February to decide
18 what we want to do about a tax cut. I think we can make up our
19 mind in a hurry. If they send us a debt limit bill over here, I
20 think we can act.

21 So, you say if we just send them a \$935 resolution?

22 Mr. Shapiro. All you do, if you want to just agree to the
23 first resolution the House does not have to act. It goes right
24 to the President.

25 The Chairman. That is \$935 billion.

1 Mr. Shapiro. Now, the date is still September 30 but there
2 is no way that would go past the middle of February, based on the
3 projections we have now.

4 Senator Dole. So, we have another option. We really can
5 eat our cake and have it, too.

6 Mr. Shapiro. That is correct.

7 The Chairman. That is a good expression.

8 Senator Dole. Why not do that, why not go to April?

9 Mr. Stern. Mr. Chairman, that resolution is in committee, so
10 it would involve the committee reporting it or being discharged,
11 one of the two.

12 The Chairman. Let me suggest that we do what Mr. Shapiro
13 is saying. Let me just explain it the way I understand it, the
14 way he explained it to me.

15 The House thus far has tried to avoid voting on the debt
16 limit. While I have no particular interest in saving the House
17 the embarrassment of voting on a debt-limit bill, it does not give
18 me any particular problem if we can simply say that we passed a
19 \$935 billion debt limit up until September, knowing that that is
20 not going to hold them. That is not going to hold the Admini-
21 stration which in this case will probably be the new Administration;
22 that is not going to hold them up until April.

23 Mr. Shapiro. It will not even go through February from all
24 the projections we have now.

25 The Chairman. That means that we will have to act on a debt

1 limit bill early next year.

2 Mr. Shapiro. Correct.

3 The Chairman. Then, when we proceed to act on the debt-limit
4 bill early next year, if we want to, that will give us the
5 opportunity to add a tax-cut amendment if we want to. That is what
6 I am looking for. That will give us an early opportunity to act
7 on a tax cut.

8 Mr. Shapiro. Now, the House will have to send you a debt
9 limit early next year.

10 The Chairman. I understand that. Frankly, one of these
11 days somebody ought to just experiment with what happens when the
12 debt limit expires. Let the public see what happens if you cannot
13 pay anybody, you are broke. Here we are, a great, rich nation
14 that is officially bankrupt by an act of Congress. At some point,
15 I think, we are just going to have to see how it works. At that
16 point, after a while, we will decide it is not a good idea to
17 declare ourselves bankrupt.

18 But meanwhile we can solve this problem by just passing
19 the lower figure and passing a resolution for the \$935 million;
20 can we not? We can solve it between now and the time this
21 Administration goes out.

22 Mr. Shapiro. That is correct. You can do that without any
23 House action at all. Alternatively, you may want to try the
24 first option, to go to April, to give you more time and to see if
25 the House will pass it. If they take it, that gives you more time

1 for both your tax cut and the amount. But then, if the House does
2 not pass it, you have the second option that you can do without
3 House concurrence.

4 Senator Dole. What figure do we need to April 1st?

5 Mr. Shapiro. They have \$956 billion, is what the Administratic
6 said yesterday. If you give \$956 billion, they say that will
7 take them through March 31.

8 Senator Dole. We could do that. If they do not buy it, we
9 still have the other option.

10 Mr. Shapiro. Did you want to go through March, or April?

11 The Chairman. I will say April, but March 31st is just as
12 well.

13 Mr. Shapiro. April 1, \$956 billion will take you to the
14 end of March. Those are the Administration's figures.

15 Senator Bentsen. Mr. Chairman, why not do that? That gets
16 us a tax bill back here. It gives us an opportunity to get on a
17 tax bill early.

18 Mr. Shapiro. Now, what Mike is suggesting, since both those
19 resolutions are in the committee, you may have to report out
20 both. One with a modification, the second one clean, and act on
21 the one that takes you to March 31. If the House does not agree
22 to it, then you have the other one that you can just pass in
23 the Senate and it goes directly to the White House.

24 The Chairman. You move, then, to report them both?

25 Senator Dole. Right, I move them both.

1 The Chairman. All right, amending one of them. Amending the
2 one with the high figure, put the March 31 date on it.

3 All in favor say aye.

4 (Chorus of ayes.)

5 The Chairman. Opposed, no.

6 (No response.)

7 The Chairman. The ayes have it, it is reported out.

8 Now, let me just take another one that is less controversial
9 before we get to one that is most controversial.

10 I do not know of anybody who is opposed to extending the
11 International Coffee Agreement. Is anybody opposed to it?

12 Senator Dole. Is that something we need to act on this year?

13 Mr. Foster. Mr. Chairman, we do have some representatives
14 from the Administration here, maybe they can respond to that
15 question from Senator Dole.

16 Mr. Phillips. We put a high priority on this bill. I would
17 point out the fact that we have already ratified the International
18 Coffee Agreement. So, it is not a question of extending the
19 agreement, it is only a question of adopting the implementing
20 legislation which will enable us to participate in the agreement.

21 Further, I would like to point out that there are no
22 appropriations involved in this bill. The bill has already been
23 thoroughly reviewed in the House. Our participation in the
24 agreement and this particular bill do have a wide measure of
25 support among the coffee industry and also among consumers. We

1 have had the Consumers Union officially support this bill.

2 We feel that this bill and the Coffee Agreement, the operation
3 of the Coffee Agreement itself, will have significant economic
4 advantages for the U.S. It will help to avoid the boom-and-bust
5 cycle that has characterized the coffee industry in recent years,
6 and also it has significant foreign policy interests for us, our
7 participation in it.

8 We feel, therefore, that it is very important that we pass
9 this bill during this session. Thank you.

10 Senator Dole. Is that your understanding, Bob?

11 Mr. Lighthizer. Senator, it is our understanding that there
12 is no particular reason to pass it in the next week, or the next
13 couple of days. It is something that could be done in January or
14 February, or early next year.

15 In addition, we have had not hearings in the Finance Committee.
16 It is somewhat of a dangerous precedent, it seems to us, to be
17 passing things routinely that the Finance Committee has not had
18 a look at.

19 Senator Dole. Have they had hearings on the House side?

20 Mr. Lighthizer. They did have hearings on the House side.

21 Senator Dole. Which subcommittee was that?

22 Mr. Lighthizer. I think it was the Trade Subcommittee.

23 Mr. Phillips. That is right.

24 The Chairman. How did they vote when the House voted on it?

25 Mr. Lighthizer. I do not know that there was any great

1 controversy on it.

2 Mr. Foster. The House passed it on the Suspend Calendar
3 without objection last Tuesday.

4 The Chairman. The House can pass it by unanimous consent
5 after they hold hearings. It would not sound to me as though
6 there is enough controversy on this for us to wait until next
7 year.

8 As I understand it, is not this merely carrying out a
9 treaty commitment of the United States?

10 Mr. Lang. Yes, sir, that is correct. The treaty itself
11 was approved by 75 to zero votes in the Senate several years ago.
12 Mr. Chairman, the treaty itself expires in 1982, so there would
13 be an opportunity to review the matter.

14 Senator Dole. I would just move that we report it. If we
15 have any objection, we just hold it on the floor.

16 Senator Chafee. Mr. Chairman, I would like to see us get
17 on with this. I spoke to Under Secretary Cooper this morning
18 about it, he gave me a ring. It seems to me, it is just one more
19 step of reinforcing our treaties with the actual legislation.

20 As I understand it, every nation that is part of the treaty
21 has passed conforming legislation except us and one other nation.
22 I personally would like to see us get on with it.

23 The Chairman. Without objection, then, we will report this
24 implementing agreement, the International Coffee Agreement Act.
25 Without objection it is reported.

1 Incidentally, we do not want to file any report with this.
2 If we file a report, it has to lay over. The same thing is true
3 of the others, we do not want to file any reports; that would
4 have to lay over.

5 Now, let us talk about the number one item, the Presidential
6 authorization for negotiating auto imports. What can you tell us
7 about that, Mr. Foster?

8 Mr. Foster. On Tuesday, December 2, the House passed H.J.
9 Res. 598, which is a resolution that would authorize the President
10 to enter into negotiations with foreign governments to limit the
11 importation of automobiles and trucks to the United States, or to
12 require export limitations be placed on these vehicles.

13 The resolution came to the committee yesterday. There is a
14 companion Senate Resolution, S. J. Res. 193, which is somewhat
15 different than the House resolution but has the same objectives.

16 The resolution, basically, authorizes the President to
17 negotiate an agreement. It would require the consent, if you
18 will, of the foreign governments. It does not authorize the
19 President unilaterally to impose any restraints, it requires him
20 to engage in negotiation and reach an agreement with the foreign
21 governments.

22 Probably the major other provision in the resolution would
23 provide immunity from prosecution under the U.S. Antitrust Law
24 and other unfair trade laws of the United States for the actions
25 of any persons which are necessary to carry out any agreement that

1 is negotiated, or any modification or renewal of such agreement.

2 There is a bit of background. On November 10 the International
3 Trade Commission decided by a three to two vote that the U.S.
4 automobile industry was not eligible for import relief, import
5 restraints, under the Trade Act of 1974, the Import Relief pro-
6 visions.

7 Under those provisions, if an industry indicates and
8 establishes that increased imports are a substantial cause of
9 serious injury, that would result in authorizing the President to
10 impose some relief.

11 The three commissioners who voted in the negative found there
12 were increased imports, and clearly found that the industry was
13 being injured, but were not able to find that the "substantial
14 cause" criteria had been met.

15 Basically, they found that there was at least one other cause
16 that was more important than imports in explaining, if you will,
17 the injury that is being suffered by the domestic industry.

18 Senator Bradley. What was that?

19 The Chairman. Let me ask, who is here that can reflect the
20 Administration's point of view on this automobile import problem?
21 Are you competent to do that, Mr. Lubick?

22 Mr. Lubick. No, sir.

23 (Laughter.)

24 The Chairman. I thought you were competent to do almost
25 anything that had to do with money.

1 I would suggest that you pass the word along that they send
2 somebody up here to talk about this automobile thing because I
3 would like to get some idea of what the Administration thinks about
4 matters. I do not know about automobiles. Anything they can
5 tell us would be appreciated.

6 Mr. Foster. We have not been able to find a definitive
7 Administration position on this particular resolution.

8 The Chairman. That is what I have been trying to find out,
9 what is their position.

10 Mr. Foster. Right. We have not been able to discover it.
11 Ambassador Ascew(?) did testify on the House side that he would
12 not like to see a resolution as narrowly drawn as this, that is,
13 covering only automobiles. That he thought some consideration
14 should be given to the general problem of whether the President
15 ought to have this sort of authority to enter into voluntary
16 restraint agreements. He thought it was appropriate under given
17 limitations.

18 But he never indicated what would be the Administration's
19 stance.

20 Senator Talmadge. Mr. Chairman, may I ask a question? I
21 thought in the last Trade Act that we passed we made it broad
22 enough for the President to impose quotas, raise tariffs, or
23 initiate restraints upon foreign countries at will. Is that not
24 correct?

25 Mr. Foster. In the Import Relief provision, Senator

1 Talmadge, we did provide that. But that required that the
2 International Trade Commission find the industry eligible for relief
3 What happened in this case is that they did not find them
4 eligible for relief.

5 So, that precondition was not met.

6 The Chairman. Mr. Roth?

7 Senator Roth. Mr. Chairman, has it not been true that
8 additionally it was thought that the President had this authority?
9 In fact, there is a somewhat divided point of view on that issue
10 currently. One of the problems being that many of the companies
11 are concerned that if they agree, that there might be a later time
12 when they might be caught in antitrust litigation.

13 So, that is a very real way. What this legislation does is
14 confirm what many people think the President already has, but
15 removes it from any controversy.

16 Because of the serious plight of the industry right now, it
17 seems to me highly desirable that we ensure that the President
18 does have this authority. Am I correct on that?

19 Mr. Foster. There is divided opinion on the question of
20 whether he has the authority and, as you point out, if it is
21 ultimately decided he does not have the authority, then that gives
22 rise to questions of antitrust liability.

23 Many of the foreign companies, in particular, are very
24 reluctant to enter into any arrangement unless they feel that
25 they would be insulated from antitrust suits.

1 Senator Roth. So, in effect you are removing the doubt, or
2 the cloud on that authority that has heretofore been thought to
3 exist.

4 Mr. Foster. That would certainly be the attempt of the
5 language, to try to remove that doubt.

6 Senator Roth. It is not mandatory, it merely permits it;
7 is that correct?

8 Mr. Foster. It does not require a negotiation or an agreement,
9 nor could the President unilaterally impose restraints.

10 Senator Chafee. Mr. Chairman, I think this is a bad piece
11 of legislation. What we are doing here is running around the
12 ITC. The ITC made a decision which was three to two, and the
13 industry, a big industry, a powerful industry, is now seeking to
14 get around it.

15 I think we would make a great mistake, Mr. Chairman, to
16 support this resolution and to report it out at all. As was
17 pointed out, as Senator Talmadge noted, there is a method for
18 dealing with it. If the ITC finds that there has been damage
19 through imports, then there is a way to proceed. The President has
20 certain powers.

21 But here specifically, after considering it for what, ten
22 months?

23 Mr. Foster. Not quite, I think about five months.

24 Senator Chafee. All right, five months, and hearing all
25 kinds of testimony, and going into it great depth, they found

1 that the principal cause of the automobile companies' problems did
2 not come from the imports.

3 Now, every one of us represents industries that would like to
4 come here and get this type of relief. My State has a lot of
5 jewelry industry and they would be delighted in here and run around
6 the ITC. As a matter of fact, the ITC did make a decision, three
7 in favor of the leather apparels industry. Some Senators in
8 this committee spoke out very strongly that the ITC had made this
9 decision and thus the President should proceed under his power.
10 In other words, reinforcing the importance of the ITC decision.

11 I think if we approve this resolution we will just be under-
12 mining our trade policies, and I think we would be doing great
13 damage.

14 The Chairman. Senator Heinz?

15 Senator Heinz. Mr. Chairman, I believe that the President
16 already has the authority to negotiate voluntary restraint
17 agreements. That authority was used by President Nixon, it was
18 tested in the courts, and he was found, ultimately, to have the
19 right to do so.

20 But in a more perfect circumstance I would probably feel the
21 same way as many of my colleagues, such as Senator Chafee. But
22 on the issue of the resolution I think it would be a very serious
23 sign were we in the Finance Committee, or we on the floor to
24 defeat this resolution or one similar to it. It would send a very
25 bad signal to the Japanese.

1 I am very concerned about the reports I have heard of the
2 Europeans, in particular, going to the Japanese over the last
3 months or so and, in effect, negotiating hidden voluntary restraint
4 agreements that will inevitably damage us. We will become the
5 continual and increased dumping ground for the Japanese.

6 They make a pretty good product and they sell it at an
7 awfully fair price - unfortunate for our automakers.

8 However, as the resolution is now drafted I believe that it
9 is seriously flawed, and that is because while we talk about
10 automobiles and trucks, we do not mention a very serious problem
11 in a lot of our industrial States, which is the import of
12 automobile and truck parts.

13 So I move to amend the resolution by inserting after the
14 words "automobiles and trucks" wherever they occur, the words,
15 "and the parts used in assembling them."

16 It profits us nothing to say that we are going to stop or
17 get some kind of restraint on whole automobiles and trucks if
18 they can come in in two pieces, be bolted together, and be driven
19 right out the back door. I think we have to make sure that if
20 we are going to do something, if we are going to give the
21 President some authority, that we give him some meaningful
22 authority, otherwise we are going to find out what we have done
23 is worse than nothing.

24 Senator Bradley. Will the Senator yield? Perhaps the staff
25 or the Senator could give me some idea how big a problem is the

1 parts import, and where it is primarily concentrated.

2 Senator Heinz. It is concentrated in many States, Bill. In
3 Cleveland, Ohio, there are some 1,200 workers whose jobs are
4 threatened at a Ford plant there because of the importation of
5 engines, an engine-making plant.

6 In Pennsylvania we have numerous part suppliers who are
7 slowly being replaced.

8 Senator Bradley. What is a part, is it a bolt? Is it a
9 chassis? I mean, what is the part? Are we saying here that we
10 are going to put up the barriers for all the manufacturers of
11 bolts and screws, and fenders?

12 Senator Heinz. I think the Senator recognizes that this
13 merely grants the President authority to negotiate. It does not
14 tell him that he has to; it does not tell him that he has to
15 cover every single part. It just gives him the authority to do it.

16 Therefore, it seems to me fairly important that we under-
17 stand that this is a grant of opportunity, not an instruction to
18 him to cover every nut and bolt.

19 Senator Bradley. Well, by that argument, I mean, you might
20 as well forget the ITC and forget the process, and just give the
21 President the full authority in any industry that he deems to be
22 in serious danger.

23 I do not know if it is such a wise idea to broaden the
24 authority without a very clear definition of what parts are.

25 Senator Heinz. I think there is a good "common sense"

1 definition, and I think we ought to grant the Executive Branch the
2 discretion to decide what they want to do. That is all my addition
3 does.

4 The Chairman. Here is what I want to suggest. It really does
5 not make any difference what we do about the fine points of this
6 measure if we do not get it out of committee because it cannot be
7 called up even out there on the floor. We are aware of the fact
8 that there is opposition, Mr. Chafee has indicated opposition. Mr.
9 Stevenson told me he is strongly opposed to it. I would not be
10 surprised if an effort is to call this up, that even the motion
11 to proceed might be debated, just as it is on the Fair Housing Bill.

12 But if it stays inside the committee then we know nothing
13 is going to happen.

14 Senator Dole. But they can offer it as an amendment.

15 The Chairman. Of course, it could be offered as an amendment
16 to something else. But I would just suggest that we accept Mr.
17 Heinz's amendment and that we just vote on it so the country can
18 know how the Finance Committee reacted to it.

19 Frankly, I am not optimistic about the chance of it passing
20 the United States Senate, but at least as far as the Finance
21 Committee is concerned we could give them an answer in this
22 committee, how we think about it. I suspect that is the best
23 they are going to get, by the way, Mr. Heinz.

24 Is that all right with the committee, just to vote on it?

25 Senator Danforth. Mr. Chairman, if I could just proceed for

1 one minute.

2 I think it is clear from talking to a number of Members of
3 the Senate, particularly members of the Finance Committee, that
4 there are many of us who are not happy about this resolution. We
5 consider ourselves philosophically to be committed to free trade
6 and we realize that any time barriers are erected it is not a free
7 lunch, there are minuses, there are liabilities that are incurred
8 at the same time for the country.

9 That is certainly the case with respect to automobiles. How-
10 ever, this is the vehicle that is before us right now. This is
11 the resolution that is before us. Really, the issue is, "Well,
12 what do we want to do about it, do we vote for or against it?"

13 I think we are now in a position where we have to vote for it.
14 I think that it is important to send to the Japanese a message
15 that Congress simply will not tolerate a situation in which an
16 industry as important as the automobile industry, goes down the
17 drain.

18 However, I think it is also important as we do it to indicate
19 to the automobile industry that this is in essence a life-support
20 system, and it is an expensive life-support system for the rest
21 of the country; and that eventually the patient is going to have
22 to get well and is going to have to be able to walk on its own
23 feet without being sustained artificially by government in what
24 amounts to a subsidy, which is what the protection system is all
25 about.

1 Therefore, I think it is incumbent for all of us to focus
2 on the long-term problems of the automobile industry, and in the
3 next Congress to pay special attention to what the problems are
4 and what is necessary to get that industry back on its feet so
5 that the artificial support system does not have to maintain it
6 forever.

7 Senator Chafee. Mr. Chairman, I do not agree with the
8 procedure here. I do not think there is all this rush. As I
9 understand from the newspaper announcements, this Administration
10 has indicated it does not intend to proceed under this legislation,
11 if passed. That the incumbent President would not do anything
12 about it.

13 So therefore, we get to the next year, the new Administration.
14 If we then wish to pass it, all right, fine. But here we are
15 passing very significant legislation. We never had any hearings
16 on it. The legislation has been before this committee for four
17 months, as I understand, and no one has taken it up. If anybody
18 has asked for a hearing, I do not know about it. We have not been
19 all that busy in the last few months.

20 I just think it is a great mistake to rush ahead with this
21 that is not going to be used, as indicated.

22 Now, Mr. Chairman, a parliamentary question. You indicated
23 you did not want any reports with this legislation. How is that
24 determined, what are my rights? Suppose I would like to have a
25 report?

1 The Chairman. It would take a majority vote. Let me just
2 suggest this, Senator: I think I know something about your
3 capabilities and also those of Mr. Stevenson. I will tell you
4 right now that I do not have any doubt that if you two would
5 determine that this measure should not pass, it is not going to
6 pass.

7 All I want to do, I personally would like to just record
8 myself, and I think the others would also like to record themselves
9 on the issue. Those who favor it, they could offer this as an
10 amendment to anything. They could offer it on an appropriations
11 bill; they could offer it on any of our tax bills, or even that
12 coffee agreement.

13 So, in other words, it is not within your power to prevent
14 somebody from trying to pass that through the United States
15 Senate. I suspect, and I honestly believe that it is within
16 your power, particularly if Senator Stevenson feels as strongly
17 about it as he seems to feel, among those of you opposing it, I
18 think it is within your power to prevent this thing from passing
19 in any form in this Congress in the few days that are left.

20 But I do think that we, the committee, ought to just vote on
21 it. I would like to vote. Is there any objection to the Heinz
22 amendment? I have no objection to it.

23 Without objection, it is agreed to.

24 Senator Bentsen. Mr. Chairman, if I could have just one
25 minute.

1 The Chairman. Yes, sir. Senator Bentsen.

2 Senator Bentsen. I would like to comment on the fact that
3 John Heinz made, and he made a good one about what is happening
4 to the increased production in Japan. They have a substantial,
5 major increased capacity to produce additional automobiles in
6 Japan, and they will be coming onstream next year and the year
7 after.

8 I just returned from England where I know they have just
9 entered into a voluntary restraint agreement with the Japanese to
10 limit the export of Japanese cars into England. I know that
11 members of the Common Market are working towards the same end with
12 informal agreements today. That means that excess production has
13 to head for the Unites States.

14 I have been a free trader all my life, and I am just as
15 uncomfortable as Senator Danforth is in this position. But I
16 believe that you have to have something to be able to trade with
17 the Japanese, and at least say you have the muscle to react when
18 we saw what they did in their communications industry and their
19 telephone industry, and they would not do quid pro quo with us.
20 They finally said they would let us sell them some telephone poles,
21 as I recall. But insofar as any of the high technology manu-
22 facturing capacity we have for export, we could not utilize it
23 for that purpose.

24 So, I think you need something to trade with, I think,
25 probably the toughest traders in the world, and some of the most

1 astute, and the most effective. That means that the President
2 of the United States has to have some additional weapons.

3 Senator Roth. Mr. Chairman, could I just make one quick
4 comment along the lines of what Senator Bentsen just said?

5 I think there is one reason to distinguish this industry
6 from some of the other problems because in this industry we do
7 have a commitment of the major manufacturers to spend billions of
8 dollars to modernize. They are not just coming in and saying, "We
9 need help." They are pledged to trying to modernize and be a
10 competitive force.

11 But what is necessary is some time. I would just point out
12 that our competitors do not hesitate to use protection when you
13 are talking about oranges, or beef, or some of these other things.

14 I would also point out that these other countries are
15 depending upon the United States for security, and that it is
16 absolutely essential that these vital companies like the automobile
17 be permitted to modernize and become competitive again.

18 The Chairman. If I might, I would like to recognize Senator
19 Durenberger, he has had his hand up for some time.

20 Senator Durenberger. Just briefly, Mr. Chairman. I intend
21 to vote against the proposal, and a lot of the arguments have been
22 made. I just wanted to add to this discussion of free trade the
23 impression I have had from two years on this committee, the
24 commitment of the members of this committee who have been here
25 longer than I, to the subject of free trade.

1 I have been impressed by that. I have been impressed by the
2 brief research on the 201 issue of how carefully this committee
3 since 1962 had dealt with this whole problem of injury. I think
4 to me the law, while there may be some disagreement about the
5 President's authority, the law is fairly clear - there were
6 repeated hearings and repeated legislation in this committee -
7 that it was not our intent to politicize this whole business of
8 imports and tariffs.

9 I think the process has worked its way. There was a three to
10 two vote. There is recourse to the auto industry and related
11 industries through the court. I think there is time available.
12 We are all concerned. The message went out to the automobile
13 industry a year and-a-half ago. It went out again in August when
14 we passed the tax bill. We do not have to do anything to send
15 them any messages.

16 I am very comfortable with the process that this committee
17 has designed in the past to handle these situations, and intend
18 to stick with it.

19 The Chairman. Senator Wallop, do you want to say something?

20 Senator Wallop. Mr. Chairman, I just have to say that
21 while I agree in some principle with what both Senators Chafee
22 and Durenberger are saying, the fact is that Senator Bentsen has
23 said, and others, that there is no quid pro quo.

24 It is one thing to be a leader in the free trade movement
25 if somebody will follow it. But there is no point in going over

1 the hill without some troops behind you. The Japanese simply
2 have been unwilling to lower any of the restrictive barriers, the
3 restrictive accesses to their markets, just token stuff, a hundred-
4 thousand pounds of beef; odd little things that do not mean
5 anything in the overall scheme.

6 I think that it is time. We have not only an industry that
7 is in trouble, but we have all the support industry that surrounds
8 that, the dealers in the country that are in trouble, those
9 dealers who sell American automobiles.

10 I agree with you that in all likelihood this is not going
11 to go any farther than out of this committee and onto the floor,
12 but it is a good message and it is one that I intend to help with.

13 Senator Chafee. Mr. Chairman?

14 The Chairman. Yes, sir.

15 Senator Chafee. Mr. Chairman, I think there are some
16 pretty serious charges being made around here as far as the
17 trade policies of the United States and how we are being "had".

18 Now, if we are being had to the extent it is being alleged
19 here, then we are really led down the primrose path in approving
20 the trade agreement that we just approved two years ago, and in
21 our whole trade policy.

22 So, very wide doors are being opened with these accusations.
23 If that is so, then we ought to have a very thorough review of
24 the whole trade policy of the United States vis-a-vis Japan;
25 should we remain in GATT, and all those matters which I thought

1 we had covered in the past.

2 All of a sudden the Japanese are way ahead of us, are keeping
3 us out, are pouring their stuff in here. Now, if that is so, I
4 think we ought to have some extensive hearings next year and get
5 into this whole problem.

6 The Chairman. Senator Dole?

7 Senator Dole. I was on the telephone earlier. Does the
8 Administration support the resolution? Is anybody here to speak?

9 Mr. Foster. There is no one here from the Administration to
10 speak to it, and we have not been able to find an Administration
11 position definitively in opposition or in support of it.

12 The Chairman. Mr. Riegel(?) ought to have a chance to be
13 heard, he is sitting back there, he is very much interested. Stand
14 up there, Mr. Riegel, let us take a look at you. Do you want to
15 say something? We would be delighted to let you have a word in
16 here.

17 Mr. Riegel. Thank you, Mr. Chairman. I do not want to try
18 to barge into this discussion on this specific question that was
19 raised. I do not know that the Administration has given a signal
20 one way or the other. They have been quiet on this issue,
21 especially since the elections.

22 I think the only definitive thing that I have heard is that
23 they would feel if this authority were created in a modified form
24 as has been suggested here, that would be something that they would
25 not intend to act on. That would be something they would leave

1 to the next President. Of course, it is voluntary, so they could
2 use it, or not.

3 Senator Dole. Is there any limit on the President's
4 authority? I mean, can he take action immediately or is there a
5 waiting period between the date of the ITC decision? Is there a
6 six-month waiting period before the President can act? Would there
7 be public hearings?

8 Mr. Foster. The authority or any agreement would expire on
9 July 1, 1983. There is no beginning waiting period. However, he
10 does have to consider that automobiles and trucks are causing
11 serious injury or a threat thereof, to the domestic industry.
12 If he considers they are, that is necessary.

13 Senator Wallop. Are you talking about under the resolution?

14 Mr. Foster. The resolution, yes.

15 Senator Wallop. Or under the present authority?

16 Mr. Foster. Under the resolution.

17 Senator Dole. Under the resolution.

18 Mr. Foster. So, he has to consider that. Then he has to be
19 satisfied that the domestic industry has exhausted available
20 remedies under Section 201 of the Trade Act of 1974. It is not
21 clear how far that extends, whether it means they have to exhaust
22 judicial remedies, or merely the administrative procedures. But
23 he would have to consider that and be satisfied.

24 The agreement would have to expire on July 1, 1983, but
25 it should not exceed the time necessary to allow orderly adjustment

1 to import competition. And he would have to consult with members
2 of the private sector before he entered into the agreement with
3 respect to negotiating it. This would include representatives of
4 consumers.

5 Those are essentially the procedural steps. But there is no
6 absolute time limit that must be observed before he can complete
7 these steps. So, presumably it could occur very quickly if he
8 were satisfied of the injury and the causation requirements and
9 had done some consultation.

10 Senator Dole. As I understand, we could still, without
11 delaying it any further in the committee, if we report it, it
12 is still open for amendment on the Senate floor. I think we should
13 have - if we are going to pass it at all in the Senate - some
14 additional language.

15 I am willing to report it to the Senate floor, I may not be
16 willing to do anything else. Maybe we can just vote.

17 The Chairman. I would like to do that. Why not just call
18 the roll because it is obvious it is not going to be unanimous.

19 Mr. Stern. This is a vote to report the resolution.

20 The Chairman. To report the resolution as amended by
21 Senator Heinz.

22 Senator Danforth. The Senate, or the House resolution?

23 The Chairman. The House resolution amended by Mr. Heinz.

24 Mr. Stern. That is right, H.J. Res. 598 as amended. Mr.
25 Talmadge?

1 Senator Talmadge. Aye.

2 Mr. Stern. Mr. Ribicoff, Mr. Byrd, Mr. Nelson, Mr. Gravel,
3 Mr. Bentsen?

4 Senator Bentsen. Aye.

5 Mr. Stern. Mr. Matsunage, Mr. Moynihan?

6 Senator Bradley. Aye by proxy.

7 Mr. Stern. Mr. Baucus?

8 Senator Baucus. Aye.

9 Mr. Stern. Mr. Boren, Mr. Bradley?

10 Senator Bradley. Aye.

11 Mr. Stern. Mr. Dole?

12 Senator Dole. Aye.

13 Mr. Stern. Mr. Packwood, Mr. Roth?

14 Senator Roth. Aye.

15 Mr. Stern. Mr. Danforth?

16 Senator Danforth. Aye.

17 Mr. Stern. Mr. Chafee?

18 Senator Chafee. No.

19 Mr. Stern. Mr. Heinz?

20 Senator Dole. Heinz votes aye.

21 Mr. Stern. Mr. Wallop?

22 Senator Wallop. Aye.

23 Mr. Stern. Mr. Durenberger?

24 Senator Durenberger. No.

25 Mr. Stern. Mr. Chairman?

1 The Chairman. Aye.

2 As usual, we will record the absentees when they let us know
3 their wishes. The vote is eleven ayes and two nays. Mr. Dole?

4 Mr. Stern. Would this also be reported without a filed
5 report?

6 The Chairman. Yes, we just report it.

7 Senator Chafee. Well, what are my choices on a report?

8 Senator Dole. You can file minority views.

9 The Chairman. If we file a report the bill has to lay over
10 three days, does it not?

11 Mr. Stern. Yes, sir.

12 The Chairman. Look, we are supposed to go out on tomorrow,
13 so there would be no hope, absolutely no hope that we will call it
14 up. As little hope as it had, if it had any hope, it would be
15 at end tomorrow.

16 Now, Senator, if you want to filibuster this bill, just get
17 your name on the list because you have to stand in line to
18 filibuster. There are already two filibusters going on and there
19 will be a third one on some other matter before this thing is
20 over with. So, you will be lucky if you can get a word in edge-
21 wise to filibuster a bill between now and the time we go out
22 anyway.

23 But anyway, if we move it as far as the calendar we would
24 at least have taken a position on it, and that is all we are
25 really achieving here, Senator Chafee. But if you want to make

1 your views known, all right, we probably could content with that.
2 We just do not want to put ourselves in the position that the bill
3 could not conceivably be called up between now and the time we
4 get through.

5 Senator Chafee. Do I have to get a majority vote here if I
6 want to file a report?

7 The Chairman. I would think if we elect not to file a
8 report, that only takes a majority vote. I would propose that we
9 not file a report.

10 Senator Dole. Put out a press release.

11 (Laughter.)

12 The Chairman. Those in favor of not filing a report say aye.

13 (Chorus of ayes.)

14 The Chairman. Opposed, no.

15 (Chorus of noes.)

16 The Chairman. Those who want to file a report, let us just
17 call the roll and see how many it is that want to file a report.
18 If you file a report, that means it cannot be called up.

19 Senator Dole. It can by unanimous consent.

20 The Chairman. What chance do you have of getting unanimous
21 consent? That man right there tells you he is opposed to it. Call
22 the roll.

23 Senator Chafee. Wait a minute, Mr. Chairman, I just want to
24 ask a question. Are you saying that for me to file a report I
25 have to get a majority vote in this committee?

1 The Chairman. Senator, you can do whatever you want to do.
2 All I am saying is that for this committee to file a report it means
3 that the bill cannot be called up for three days, except by
4 unanimous consent.

5 Senator Chafee. We all understand that, that is no secret.
6 But I mean for a report to come out of this committee we have to
7 have a vote?

8 The Chairman. The rule does not say that we have a to file
9 a report. We do not have to file a report, do we?

10 Mr. Stern. No, the rules do not require that a report be
11 filed, they relate to the question of the lay-over when you do
12 file a report.

13 Senator Chafee. But suppose somebody wants to file a report,
14 do they have to get the approval of the committee?

15 Mr. Stern. I will read from the rules. They seem to be
16 designed for the case where there is a report. They say the
17 following, "If at the time of approval of the measure or matter by
18 any committee any member of the committee gives notice of intention
19 to file supplemental minority or additional views, that member
20 shall be entitled to not less than three calendar days in which
21 to file such views in writing with the clerk of the committee."

22 Senator Chafee. That is pretty clear. I wish to file a
23 report.

24 The Chairman. Well, you cannot file any supplemental views
25 if we do not have any views.

(Laughter.)

1 The Chairman. You cannot supplement something that does not
2 exist.

3 Senator Dole. File a minority view.

4 Senator Chafee. I will let you supplement my view.

5 (Laughter.)

6 The Chairman. Well, Senator, I believe you are going to find
7 that it is all a distinction without a difference.

8 Senator Chafee. I think there is a great, big difference.
9 One means that the bill lays for three days, and the other does
10 not. I think that is a big difference.

11 The Chairman. Would you pass me that thing?

12 Let me just suggest that we go on to other matters. We voted
13 to report the bill. I do not believe it is going to be called
14 up anyway, so we will just leave it that way.

15 Senator Dole. I believe Senators Roth and Durenberger have
16 a matter.

17 Mr. Stern. I was reading, Mr. Chairman, Item No. 10 - what
18 I read was 10(c) on page 4.

19 Senator Dole. Mr. Shapiro does not have the language prepared.

20 The Chairman. Do you want to give notice of your desire to
21 file minority views, Senator?

22 Senator Chafee. I do.

23 The Chairman. That is duly noted, that will protect your
24 rights. Now, let us go on to the next matter.

25 Mr. Shapiro. During the course of the consideration of the

1 budget resolution yesterday there was some discussion about modi-
2 fications to the Mortgage Subsidy Bond provision between Senator
3 Williams and other Senators with respect to potential burdens with
4 regard to the program - not necessarily the essential features of
5 it, but with regard to some of the administrative provisions.

6 As of right now we have not as yet had an opportunity to
7 work out the specific language or some of the specific provisions.
8 However, there does seem to be some reception to alleviating any
9 of the particular administrative burdens to the extent they can be
10 worked out.

11 What I think that some of the Senators would like to be done
12 is to have the staff work out these administrative burdens that are
13 brought to our attention, see if it can be worked out. Have the
14 committee agree to an amendment, have a committee amendment once
15 these are worked out, and possibly have it offered through one of
16 the committee bills.

17 Senator Roth. Mr. Chairman?

18 The Chairman. Senator Roth.

19 Senator Roth. I would just like to speak out in support of
20 what Mr. Shapiro has just said. As you well know, through the
21 unusual procedure of the reconciliation we in effect are adopting
22 legislation to limit the use of mortgage bonds, tax free, for
23 purposes of housing.

24 I think one of the problems all of us had, that there were
25 no hearings and few of us really understood in depth what we were

1 doing. As a result some of the action we have taken, we have
2 been contacted by our Governors and other people from home who are
3 responsible for this program, that it is unworkable.

4 So, I would urge that we proceed along the lines that have
5 been suggested so that we continue to make this program feasible.
6 We did agree in conference that as much as \$200 million could be
7 provided for housing, and we want to make certain that the
8 administrative details are feasible.

9 For that reason I support what he is saying.

10 Mr. Shapiro. That is right. I will say that one of the
11 things I should put out in the record, that was discussed by the
12 conferees more so in the sessions that it was in the public, that
13 it should be worthwhile to bring into the record, is that a major
14 concern that the Senate Conferees had was that with the House bill
15 you had two problems that were major issues.

16 One was the arbitrar's limit, and second was the market share,
17 how many bonds would be available. The major focus that the Senate
18 Conferees wanted to make was that there be more mortgage bonds
19 available. Therefore, where the House bill had a limit of \$50
20 million per State, or five percent, whichever is greater, the
21 Senate was able to convince the House to increase that significantly
22 to have the \$50 million go to \$200 million, and have the five
23 percent market share go to nine percent.

24 So, the Senate was able to get the House to go along with a
25 significant increase in the number of bonds that could be available,

1 and tried to encourage them to reduce costs to come within those
2 limits.

3 Senator Dole. As I understand it, you are going to try to
4 draft language that is not going to open up the can of worms
5 again.

6 Mr. Shapiro. Only the administrative burdens which may be
7 there. I should point out that this is a whole new program in the
8 sense of this legislation. It is very complicated, we will do
9 the best we can in the short time. It may very well be that next
10 year you may hear some things that we were not able to deal with,
11 only because we are not familiar with it, or they have brought to
12 our attention that we are not familiar.

13 But let me assure you, we will do the best we can in the
14 short period of time to alleviate the burdens that we are aware of.

15 The Chairman. Might I suggest that we just put this on some
16 vehicle? The best I could think of off-hand was that coffee
17 agreement that was reported out. We need a vehicle, we need a
18 horse on which to put the rider. Something that the House would
19 accept.

20 Senator Roth. Yes.

21 The Chairman. Can you suggest some better vehicle to move
22 this?

23 Mr. Shapiro. What you may want to do is keep that in reserve
24 because you have a number of bills that are pending right now,
25 that we believe need to be worked out. Possibly there will be

1 some type of an agreement, or attempt to get an agreement to deal
2 with the committee bills that are on the calendar right now.

3 The Chairman. Anything we can put it on.

4 Mr. Shapiro. What you might want to decide to do is some time
5 later try to put it on anything that you think is appropriate.

6 The Chairman. Is that all right with the committee? We
7 will say we approved it, and whatever vehicle they let us put it
8 on, we will add it.

9 Senator Roth. I think that is satisfactory. I would only
10 request that it is something that the House will act upon.

11 Senator Wallop. Mr. Chairman, I agree with the procedure,
12 but I would not want it to be thought that merely because we do
13 this, the issue is dead for the next time because there are some
14 significant problems that occur in my State that simply cannot
15 be dealt with by any Federal program that now exists.

16 So, I intend to come back to it, regardless of what we do.

17 Mr. Lubick. Mr. Chairman, it is my understanding that what
18 you are trying to solve here are simply the administrative
19 problems of measuring a given amount of arbitrage, and that in no
20 way are you suggesting that there should be any change in the
21 arbitrage limits that were set in the bill. I think this is
22 merely a procedural mechanism, and to the extent that there is a
23 problem, we would gladly cooperate because anything that makes
24 the administrability simpler and more manageable, we are in favor
25 of.

1 To the extent we can accomplish it through regulations, we
2 would also cooperate in that regard.

3 We would be glad to work with the committee as we have, and
4 with the staff, to accomplish this as an administrative change.

5 Senator Dole. We are not going to change the arbitrage
6 figure.

7 Mr. Shapiro. No, these are just administrative burdens that
8 we will be looking at.

9 Senator Roth. I thought the Williams amendment provided for
10 I and 1(a).

11 Mr. Shapiro. He modified that.

12 Senator Roth. He did modify it?

13 Mr. Shapiro. At the end of his discussions he modified it
14 just to deal with certain of these administrative burdens that
15 he was focusing on at the end.

16 Senator Dole. We have a vote.

17 The Chairman. Do we agree on that? Without objection, it
18 is agreed.

19 Senator Chafee. Mr. Chairman, we had some hearings regarding
20 the GSP. I would like to get the committee's approval for the
21 ITC to make a 90-day study under the authority of Section 332 of
22 the Trade Agreements Act to determine the economic impact on the
23 domestic jewelry industry as a result of the subdivisions under
24 GSP. I so move, Mr. Chairman.

25 The Chairman. No objection. Without objection, agreed.

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Senator Chafee. Thank you very much.

The Chairman. Anything else?

The committee stands adjourned.

(Whereupon, at 10:40 a.m., the committee adjourned, to reconvene subject to the call of the chair.)

