

*Miki W.*

**STENOGRAPHIC MINUTES  
UNREVISED AND UNEDITED  
NOT FOR QUOTATION OR  
DUPLICATION**

**HEARINGS  
Before The**

**COMMITTEE ON FINANCE**

**UNITED STATES SENATE**

**BUSINESS MEETING**

**FRIDAY, SEPTEMBER 10, 1982**

**Court Reporting Services, Inc.**

201 North Fairfax Street, #21  
Alexandria, Virginia, 22314

BUSINESS MEETING

---

FRIDAY, SEPTEMBER 10, 1982

U.S. Senate

Committee on Finance

Washington, D.C.

The committee met, pursuant to notice, at 11:20 a.m., in room 2221, Dirksen Senate Office Building, Hon. Bob Dole [chairman of the committee] presiding.

Present: Senators Dole, Packwood, Danforth, Grassley, Bentsen, Baucus, and Mitchell.

Staff present: Robert E. Lighthizer, chief counsel; Claud Gingrich, professional staff member; and Michael Stern, minority staff director.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

1           The Chairman. Now, Mr. Lighthizer, did you have  
2 one matter that you wanted to --

3           Mr. Lighthizer. We are required to make an allocation  
4 of spending within our jurisdiction by Section 302(b) of  
5 the Budget Act. It had no effect on any of our programs.  
6 Mike Stern and I have put this together and would like to  
7 get the committee's permission to file it with the Budget  
8 Committee.

9           Mr. Stern. It is the same kind of format that  
10 has been used in the past.

11          The Chairman. I know of no objection to that,  
12 so without objection, that will be done.

13          It was my hope that we might be able to discuss  
14 some of the noncontroversial tariff measures. Is Mr.  
15 Gingrich around?

16          Mr. Gingrich. Yes, sir.

17          The Chairman. Claud, why don't you go down there?

18          Now there are a number that have been indicated  
19 to me that there is "some objection" to, and we are not  
20 going to get into those, but maybe we can at least -- hopefully  
21 if we could agree on these we could report out -- I think  
22 we have a vehicle to include on that Senator Danforth's  
23 reciprocity or trade bill.

24          Mr. Gingrich. May I proceed to describe the bills,  
25 Mr. Chairman?

1           The Chairman. Now, Claud, do you have the list  
2 of the purely noncontroversial tariff provisions? I know  
3 some I have been advised that I think Senator Packwood is  
4 concerned about; Senator Bradley had a concern about one  
5 or two; Senator Heinz; Senator Roth. Therefore, we do not  
6 want to bring up anything at this time where any member of  
7 this committee has indicated any reservation at all. We  
8 will deal with that, but not today.

9           Mr. Gingrich. Okay. Those bills which to our  
10 knowledge are absolutely noncontroversial are the following:  
11 S. 1746; S. 2031; S. 2566; S. 2692; S. 2699; S. 2705; S. 2539;  
12 S. 2540; S. 2685; S. 1392; and S. 1717. We did have S. 2560,  
13 Senator Mitchell's potato bill, on that list. The  
14 administration called this morning and indicated that they  
15 did have some reservations with that bill.

16           Senator Bentsen. Is there a list of these?

17           Mr. Gingrich. Yes, sir. It is the chart.

18           Senator Bentsen. The entire chart?

19           Mr. Gingrich. No, sir. The noncontroversial bills  
20 are the first four pages of the chart.

21           Senator Bentsen. The first four pages? Okay.

22           Mr. Gingrich. With the exception of S. 2560, to  
23 which the administration has now objected, as of this morning.

24           Senator Bentsen. Well, that includes -- what was  
25 the last one that you mentioned?

1 Mr. Gingrich. S. 1717 was the last bill that I  
2 mentioned.

3 Senator Bentsen. The first three pages of the  
4 chart?

5 Mr. Gingrich. Excuse me. The first three pages.

6 The Chairman. Now as I understand it, the 1746,  
7 2031, 2566, 2692, 2699, 2705, 2539, 2540, 2685, 1392, and  
8 1717, there is no known opposition to any of those measures.

9 Senator Bentsen. Mr. Chairman, 2699, I would like  
10 to register opposition.

11 The Chairman. Okay.

12 Mr. Gingrich. Mr. Chairman, with respect to 2699,  
13 we have received a letter from the Union Carbide Corporation  
14 indicating that they do have a problem with the bill.

15 Senator Bentsen. On 2699?

16 Mr. Gingrich. Yes, sir. Well, we did not receive  
17 any testimony or written comments from them until yesterday.  
18 They did send a letter yesterday indicating that they believe  
19 they produce a directly competitive product. Our information  
20 from the Government agencies who looked at it was that they  
21 did not. At this point we do not know.

22 Senator Bentsen. My information is that there  
23 is a competitive product produced.

24 Mr. Gingrich. That is what Union Carbide alleges.

25 Senator Bentsen. In the area of one of the members.

1 Mr. Gingrich. Yes, sir.

2 The Chairman. Okay, so that will not be considered.

3 Senator Packwood. Can I ask the staff a question  
4 also?

5 The Chairman. Sure.

6 Senator Packwood. I am informed by Senator  
7 Boschwitz that he has introduced S. 2889, which continues  
8 until September 30, 1985 the suspension of duties on color  
9 couplers and coupler intermediates, compounds used in the  
10 manufacturing of photographic-sensitized material, and that  
11 he knows of no objection to this and the staff is familiar  
12 with it. Can you comment on it?

13 Mr. Gingrich. Yes, sir. We are aware that Senator  
14 Boschwitz introduced that bill yesterday. We have attempted  
15 to check with the Government agencies who we think would  
16 know whether or not there is opposition. They are doing  
17 so at this point. They do not know that there is any  
18 opposition but they are not sure at this point. We would  
19 like to have a couple of days to check it out.

20 Senator Packwood. Thank you.

21 Mr. Gingrich. Mr. Chairman, there is one other  
22 matter, S. 1588 on fresh carrots. It was a matter of  
23 controversy --

24 The Chairman. Fresh what?

25 Mr. Gingrich. On fresh carrot imports. It was

1 a matter of controversy. It is our understanding that Senator  
2 Roth and Senator Bentsen have worked out a compromise which  
3 is acceptable to the parties concerned. It is page 4.

4 The Chairman. I think what I might suggest, because  
5 we do not have a quorum at this point in any event, is that  
6 we have now in a public session indicated those we feel are  
7 not objectionable. We have had some indication of some that  
8 there may be an objection to. Perhaps we can -- we will  
9 be meeting next Wednesday -- just let everybody reflect on  
10 these until that time.

11 I understand Senator Packwood would like at that  
12 time to raise a matter that may be opposed or objected to.  
13 Is that correct, Bob?

14 Senator Packwood. Yes. It relates to the import  
15 of shoes donated to the Special Olympics. However, let me  
16 ask you, Bob, are you having the markup on Wednesday?

17 The Chairman. Well, we plan to have one on  
18 Wednesday. Is that going to be bad?

19 Senator Packwood. Wednesday, okay.

20 Senator Bentsen. Could I inquire of the staff,  
21 S. 1552 is not in this list of acceptables? Fine. It is  
22 not acceptable.

23 Mr. Gingrich. No, there has been objection to  
24 that bill.

25 The Chairman. However, the fact that there

1 has been objection, I might indicate to members, unless there  
2 is a great deal of objection I think we ought to ask the  
3 committee to express their will.

4 Senator Bentsen. No, 1552 is not in the list.  
5 That is my objection.

6 The Chairman. Right. Therefore, are any others  
7 at a resolution stage?

8 Mr. Gingrich. It is our understanding that the  
9 cultural property bill, S. 1723, may be on the point of being  
10 mutually resolved. I think the parties need a couple more  
11 days to determine whether they have or not.

12 The Chairman. What about the one Senator Packwood  
13 is concerned about? Is that --

14 Mr. Gingrich. S. 2247?

15 Senator Packwood. Yes.

16 Mr. Gingrich. To my knowledge, the controversy  
17 still exists.

18 Senator Packwood. I could not hear.

19 Mr. Gingrich. To my knowledge, the controversy  
20 still exists. I am not aware that there has been any attempt  
21 to compromise on it.

22 The Chairman. Does anybody else want to raise  
23 any questions about the list? If not, then we will hopefully  
24 early next week, not later than Wednesday, come back and  
25 just give everybody a chance to reflect on these, approve



1 those that we can have unanimous agreement on, take up some  
2 of those where we may have minor objections, and I assume  
3 if it is a major objection we are not going to be able to  
4 do very much. I think a number of people who have interests  
5 in some of these would like to see them passed this year,  
6 and we are going to try to do that, so if there is anybody  
7 present who has one that is in controversy, I would recommend  
8 that you try to work it out.

9 Anything else, Bob, to come before the committee  
10 today?

11 Mr. Lighthizer. Mr. Chairman --

12 Senator Packwood. Let me ask a question, if I  
13 might, Mr. Chairman.

14 The Chairman. Sure.

15 Senator Packwood. Just because there may be some  
16 opposition does not mean we cannot have a vote on it and  
17 try to get it out.

18 The Chairman. No, no: That is right. No.

19 Senator Packwood. Some of these simply cannot  
20 be worked out and we will have to vote on them.

21 The Chairman. Sure. That is right.

22 Anything else?

23 Mr. Lighthizer. No, Mr. Chairman.

24 Mr. Grassley. Mr. Chairman, before we adjourn,  
25 in anticipation of next Wednesday's meeting, can you suggest

1 when we will take up some other legislation? I would like  
2 to offer a technical correction to the bill that I have  
3 on here, so that everybody knows what I will be talking about.

4 I offered yesterday in the Senate two bills to  
5 take the place of the one that is on our list here, S. 2885  
6 and S. 2884. Basically, what that does, it applies to two  
7 sulfa derivatives and we leave out sulfa quanadine, which  
8 is in my original bill. I would like to have that offered  
9 so that that is the subject of discussion when my bill comes  
10 up, as opposed to the one that is on the list. Could I --

11 The Chairman. Claud, are you familiar with Senator  
12 Grassley's --

13 Mr. Gingrich. Yes, sir. Those two will be a  
14 complete substitute for S. 1979.

15 Mr. Grassley. Yes. Is that all right, Mr. Chairman?

16 The Chairman. Right.

17 Anything else? Senator Baucus? Senator Mitchell?

18 Senator Mitchell. Mr. Chairman, I apologize for  
19 coming in late but I wanted to ask about the exclusion of  
20 S. 2560 from the list today of noncontroversial bills. I  
21 understood that that was a listing of noncontroversial bills  
22 which did not include that bill. In the previous --

23 The Chairman. Right. In fact, we had a 3-page  
24 list and that was on the list as being noncontroversial,  
25 no objection. We were advised, I guess this morning, that

1 the administration now objects to that plus there was one  
2 other bill on the list that has been objected to, so what  
3 I suggested was, they are all out in the open, and we will  
4 go over until next Wednesday. In the meantime, maybe you  
5 can resolve that problem with Treasury.

6 Senator Mitchell. Well, I have no --

7 The Chairman. If not, we will just have a vote  
8 on it next week.

9 Senator Mitchell. I have no objection to that,  
10 Mr. Chairman. I wondered if I might have the opportunity  
11 today to question the administration regarding its last  
12 minute change in position.

13 The Chairman. Is anybody here from the  
14 administration? I will have them here Wednesday.

15 Mr. Gingrich. We will have them here Wednesday.

16 The Chairman. I will have them here Wednesday.

17 Senator Mitchell. Thank you.

18 The Chairman. All right, then, we will recess  
19 subject to the call of the Chair.

20 [Whereupon, at 11:30 a.m., the committee recessed,  
21 to reconvene at the call of the Chair.]

22

23

24

25