

I thank you for the opportunity to comment, and wish you the very best in your deliberations. With best regards, I am.

Very truly yours,

PERRY B. NEWMAN,
*Director of International Trade,
State of Maine and,
President, Maine
International Trade
Center.*

UNUM CORPORATION,
Portland, ME, October 30, 1997.

Senator SUSAN M. COLLINS,
Russell Building, Washington, DC.

DEAR SUSAN: Earlier this year, Unum communicated support for passage of fast track trade negotiating legislation. As this issue moves forward in Congress, I wanted to write and reiterate our support for passage of this legislation.

Opening foreign markets has been critical for Unum in several of our recent international expansions. Currently, Unum has operations in the United Kingdom, Japan, Argentina, Bermuda, France, and Germany, along with the United States and Canada.

We will continue to expand internationally as opportunities present themselves. However, we have found that it is imperative that our government be able to negotiate aggressively with our trading partners in order to get the fair and open access that we need to be competitive. Fast track legislation gives our government the ability to negotiate these kinds of trade agreements. As you weigh the facts on this issue, I think you will see that this legislation is a necessary tool for our government to be successful in negotiating with foreign governments.

If you would like any additional information about Unum's international operations, I would be more than happy to provide it. As fast track legislation is considered by the Senate, I urge your support.

Sincerely,

BRIAN K. ATCHINSON,
2nd Vice President, External Affairs.

PRATT & WHITNEY,
North Berwick, ME, October 31, 1997.
Senator SUSAN M. COLLINS,
*Senate Russell Office Building, U.S. Senate,
Washington, DC.*

DEAR SENATOR COLLINS: The president's authority to negotiate any major trade agreement has lapsed and must be authorized by Congress. I am writing to tell you why it is important to the people at Pratt & Whitney's North Berwick plant, and United Technologies, to pass legislation known as "fast track" authority this year.

Pratt & Whitney's business success in the U.S. depends to a significant degree on our ability to sell our products in markets abroad. Our government's negotiators need fast track authority to open markets, reduce tariffs and eliminate trade barriers to U.S. products. Negotiators will not be taken seriously if it is perceived that they do not have the authority to conclude an agreement.

Fast track is not a new concept, and it does not result in us "rushing into trade agreements". It has been a procedure used since 1974 and has been renewed many times by Congress. Fast track does not remove Congress' involvement in trade agreements because the legislation includes specific negotiating objectives and a consultation mechanism whereby the president is obligated to consult with Congress during the negotiating of trade agreements. All fast track ensures is that once an agreement is reached, with congressional permission and consultation, it will not be amended after it is signed.

Why is fast track important to our economy? Because trade creates and supports

jobs in the U.S. and in Maine. The opponents of fast track would have us halt our participation in the global economy. That approach is the greatest threat to jobs in the U.S., especially for companies like United Technologies that export over \$3 billion per year. We need fast track to stay competitive, and maintain a strong economy.

I urge you to press for speedy consideration of the fast track legislation in Congress this year.

Sincerely,

R. E. PONCHAK,
General Manager.

ABB ENVIRONMENTAL SERVICES, INC.,
Portland, ME, October 7, 1997.

Hon. SUSAN M. COLLINS,
U.S. Senate, Washington, DC.

DEAR SENATOR COLLINS: On behalf of ABB Inc., I am writing to urge you to support renewing fast track authority for the President. More than one third of the economic growth and nearly 40 percent of the new jobs created since 1993 are based on exports. Since only 4 percent of the world's consumers reside in the U.S., future growth and job creation will rely heavily on exports and the ability of the U.S. to access global markets. In order for the U.S. to be able to eliminate trade barriers and thus open foreign markets to U.S. goods and services, the President must have the proper authority to negotiate trade agreements from a position of strength, where the U.S. will be able to maintain its place as a world economic leader. Fast track will provide the President with this authority.

Fast track authority is especially important to ABB Inc. Our operations in the U.S. are becoming increasingly reliant on exports. So far, ABB's exports in 1997 have grown over 40 percent. The ability to gain greater access to markets all over the world and especially in Latin America and Asia is vital to the well-being of our company and employees. Fast track authority will ensure that ABB's interests abroad, as well as those of other U.S. companies, will be preserved.

Every President since 1974 has had fast track trade negotiating authority. Without fast track, the U.S. will be at a competitive disadvantage by permitting other countries to gain preferential market treatment at the expense of the American worker. Since fast track authority expired in 1994, more than twenty trade expansion agreements have been negotiated without the U.S.

Once again, I am requesting that you endorse fast track negotiating authority for the President. Please help support a strong American economy and jobs for the future by supporting fast track.

Sincerely,

DAVID P. CSINTYAN,
Office Manager.

Ms. COLLINS. I thank the Chair. I yield the floor.

Mr. ROTH. Mr. President, I make a point of order a quorum is not present.

The PRESIDING OFFICER (Mr. FRIST). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

MORNING BUSINESS

Mr. ROTH. I ask unanimous consent that there now be a period of morning business until 1 p.m. with Senators per-

mitted to speak for up to 10 minutes each.

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

Mr. ROTH. Mr. President, I make a point of order a quorum is not present.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

AMENDMENTS TO S. 1269

Mr. CRAIG. Mr. President, at this moment I am filing at the desk four amendments that at the appropriate time I would make efforts to attach to S. 1269, the fast-track legislation.

The chairman is on the floor and I would provide him with a packet of information as it relates to these amendments. None of us yet know the fate of fast track or if the House will be able to engender the necessary votes to pass this legislation.

Clearly, I think the proper refinement of fast track broadens its ability to be passed and to become law, and it becomes very important to all of us, if that is the case, that it does. I have reservations about giving the President this authority, and yet at the same time I have not stood in the way that the process be expedited to get it to the floor for a vote. But the amendments that I am filing this afternoon that I think are important are a product of the frustrations that American producers have experienced as a result of the mid-1980's North American Canadian Free-Trade Agreement and then, of course, NAFTA, the North American Free-Trade Agreement in the early 1990's.

One of my amendments deals with the commodity problems that we have primarily in agriculture but also in the forest products industry between Canada and the United States. The flow of commodity interest is largely one way at this moment, from Canada into the United States—live cattle impacting our markets, grain bypassing through the Canadian Grain Board, the protocol of the North American Free-Trade Agreement. We have just had disputes with Canada over poultry and dairy products. We now see a flood of potatoes coming out of Canada, potatoes last year that depressed the United States producer price to almost a historic low level, putting farmers in Idaho, Washington, and Maine in jeopardy.

As a result of that, one of my amendments would establish a bilateral joint commission to identify and recommend means of resolving national regional and provincial trading or trade distortions and differences between the United States and Canada with respect to the production, processing and sales of agricultural commodities. I have explained the reason why, and if we get

to the appropriate time I hope that the chairman and the full Senate would look upon that kind of amendment in favorable light.

Another amendment that I think certainly the chairman and the Senate would look favorably on is an amendment to enforce the S. 1296 ban on extraneous provisions. This amendment would provide effective enforcement provisions already in the bill.

As reported, S. 1269 prohibits extraneous provisions from being included in trade agreement bills considered under fast track. The bill limits fast-track trade bill provisions to those necessary or related to the implementation of a trade agreement, or not necessary to comply with the Budget Act.

This is a major improvement, I think, over previous fast-track legislation. However, S. 1269 currently contains no effective enforcement of this provision. Let's remember the North American Free-Trade Agreement and what we fell into there. We forced small business people to have to go to computerized methods of accounting and withholding. That was a tax increase, in so many words, that was inflicted upon us in a "take it or leave it" proposition. What my amendment would do is prohibit that kind of extraneous material, or any hidden tax that might come sneaking through, if you will, in a trade agreement of the kind the President would be allowed to negotiate under fast track.

Also, I have offered an amendment that would require domestic tax increases to be amendable, and that adds to the strength of the amendment I have just offered.

Those are the three. The other one is a clarification of the standard for the importation of firearms. This amendment is aimed at clarifying current law and preventing the administration from continuing to abuse its trade authority to carry out a political agenda against firearms. Even for firearm imports, there needs to be a meeting of a standard and a test. We think the administration has gone well beyond that.

That is the essence of the amendments that I have filed. Depending on how we get to the issue of fast track and what the House is able to do in the coming hours could determine our ability here in the Senate to perfect or to shape the fast-track agreement.

With that, I will file those amendments and yield the floor.

The PRESIDING OFFICER. The Senator from Nebraska.

IRS RESTRUCTURING ACT OF 1997

Mr. KERREY. Mr. President, I ask unanimous consent the Senate proceed immediately to H.R. 2767, the IRS Restructuring Act of 1997, just received yesterday from the House, that the bill be read three times and passed, and the motion to reconsider laid on the table.

Mr. ROTH. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. KERREY. Mr. President, I hope my colleagues understand this legislation is something that will, by all accounts, today improve the operational efficiency of the IRS. It does not address many of the issues that were raised by the Senate Finance Committee during its 3 days of hearings and the chairman has indicated he is going to take those up next year. But in the 24 hours since I have offered this unanimous-consent resolution there have been 135,000 notices sent to taxpayers asking them to pay additional taxes and over 250,000 phone calls made by taxpayers to the IRS, trying to get information. These are the two principal points of contact, of irritation, that taxpayers have brought to us over and over and over.

The IRS Commissioner under current law simply does not have the authority to manage the agency. He can't hire and fire his top people, can't provide financial incentives, doesn't have the kind of oversight that's needed and doesn't have the requirement to publish his audit data. All that is kept for the moment confidential.

This piece of legislation, passed almost unanimously by the House, would certainly get nearly a unanimous vote here in the Senate as well. Everything in this legislation—if you look at it you would say, "My gosh, I'm surprised it isn't done already." As I said, every single day we wait, another 135,000 or so notices are going to go out to taxpayers that they owe additional taxes; a quarter of a million phone calls are going to be coming into the IRS, and they are not going to be managed nearly as well.

In our own survey we did to determine what was going on out there we found that 70 percent of the people who call in say they get good service from the phone calls, but that means that 3 out of 10 do not get good service. They are complaining. They are not getting their questions answered, for those who actually get through: A 25 percent error rate in the current environment, the current paper environment; less than 1 percent for electronic filing. The law that we propose, that was passed, as I said, nearly unanimously by the House, provides new incentives and powers to move to electronic filing. I hope my colleagues will understand the urgency of doing this. And what will happen, the price the taxpayers will pay, with a delay.

In this morning's papers there were stories about the Speaker saying he was going to try, in one of the conference committees, to get an amendment accepted that would have the IRS doing something that I can't imagine that anybody in this body would support. My guess is, if we discovered the IRS was doing what the Speaker is saying that he would like the IRS to do, most of us would be out here on the floor speaking out against it. He is proposing that the IRS conduct a poll, a 14-question poll. If you look at questions, you know what the answers are

going to be. "Do you think your taxes are fair or unfair?"

Not only a poll, but every single American taxpayer would be mailed under separate cover this poll. Not only would the taxpayer be mailed the poll, but the poll would also go to post offices, it would go to preparers, this poll would go to anybody who has contact with the IRS. The taxpayer then would be asked to fill out the questionnaire and mail it—not back to the IRS, but back to the General Accounting Office where they would be compiled and the results then would be published. The estimate of the costs to do that range from about \$30 million up to \$80 million. If somebody came to the floor today and said guess what, the IRS is doing a \$30 to \$80 million poll to find out whether or not the American taxpayers think their taxes are fair enough, if the level of taxes is fair or not, among other questions, I think it would be a 100-to-nothing vote to say the IRS cannot do this.

So I hope those who are on the Appropriations Committee, when they are working in these conferences, will make it clear that the Senate doesn't support asking the IRS to do a \$30 to \$80 million poll which will increase the caseload and work of the IRS itself, which will cause taxpayers to say, "My gosh what does this mean?" call the IRS with additional questions, and will cause people to say, "I don't know whether I want to mail this back. I am afraid this might produce some adverse reaction from the IRS itself."

This will increase complexity. Those who are proposing this have said that it is real simple, "We will just take it out of customer service, we will take the money out of customer service and it won't cost us anything at all." Again, can you imagine if somebody came to the floor and said, "Guess what the IRS is doing? They are proposing to spend \$30 million up to \$80 million out of customer service to do a 14-question poll." I can't imagine there wouldn't be 100 Senators down here saying we object to the IRS doing it.

This is a case where the Speaker of the House says he may ask the conference committee to direct the IRS to do this very thing. Mr. President, I hope Members, if we hang around here for another 4 or 5 days—given the word that I got that the House is going to vote on fast track, I guess, tomorrow; we could be here for awhile—every single day we wait, another 130,000 notices go out from the IRS to taxpayers that they owe money, another quarter of a million phone calls are going to come into the IRS, asking the IRS questions. The commonsense recommendations in this piece of legislation are so compelling that only four Members of the House of Representatives voted against it.

I believe this legislation would pass very quickly here in the Senate. It would set up, in fact, a debate over our tax system and put us in a position to be able to enact many of the things the