

allowing the contracting officer of an agency to withhold an appropriate amount of payment with respect to a contract (depending on the size of the contract) until the date of receipt of complete, accurate, and timely subcontracting reports in accordance with paragraph (11)."

On page 196, lines 17 and 18, strike "performance, or lack of performance of the subcontractor." and insert "circumstances surrounding the failure to make the timely payment described in subparagraph (A)."

On page 199, line 3, strike "(b)" and insert the following:

(b) HUBZONE STATUS TIMELINE AND COMMENCEMENT.—

(1) IN GENERAL.—A base closure area shall be treated as a HUBZone for a period of 5 years beginning on the date of final closure. A military base that was closed before the date of enactment of this Act shall not be considered a base closure area for purposes of this section.

(2) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on the date of enactment of this Act.

(c)

The bill (S. 1375), as amended, was considered read the third time and passed, as follows:

(The bill will be printed in a future edition of the RECORD.)

ENCOURAGING THE PEOPLE'S REPUBLIC OF CHINA TO ESTABLISH A MARKET-BASED VALUATION OF THE YUAN

Mr. FRIST. Mr. President, I ask unanimous consent that the Finance Committee be discharged from further action on S. Res. 219, and the Senate proceed to its immediate consideration.

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

The clerk will report the resolution by title.

The assistant legislative clerk read as follows:

The resolution (S. Res. 219) to encourage the People's Republic of China to establish a market-based valuation of the yuan and to fulfill its commitments under international trade agreements.

There being no objection, the Senate proceeded to consider the resolution.

Mr. FRIST. Mr. President, I ask unanimous consent that the resolution be agreed to, the amendment to the preamble be agreed to, the preamble, as amended, be agreed to, the motion to reconsider be laid upon the table and that any statements regarding this matter be printed in the RECORD.

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

The resolution (S. Res. 219) was agreed to.

The amendment (No. 1789) to the preamble was agreed to, as follows:

AMENDMENT NO. 1789

(Purpose: To make clarifying amendments)

Strike the fourth clause of the preamble.

In the seventh clause of the preamble, strike "free fluctuation" and insert "market-based valuation".

The preamble, as amended, was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 219

Whereas the currency of the People's Republic of China, the yuan or renminbi, has been tightly pegged to the United States dollar at the same fixed level since 1994;

Whereas the undervaluation of China's currency makes exports from China less expensive for foreigners and makes foreign products more expensive for Chinese consumers, an effective subsidization of China's exports and a virtual tariff on foreign imports;

Whereas the Government of the People's Republic of China has significantly intervened in its foreign exchange markets in order to hold the value of the yuan within its tight and artificial trading band, resulting in enormous growth in China's dollar reserves, estimated to be over \$345,000,000,000 as of June 2003;

Whereas the practice of "currency manipulation" to gain a trade or competitive advantage is a violation of the spirit and letter of the World Trade Organization and International Monetary Fund agreements, of which the People's Republic of China is now party;

Whereas the undervaluation of China's currency has had and continues to have a negative impact on the United States manufacturing sector, contributing to significant job losses and business closures;

Whereas the undervaluation of China's currency also has had and continues to have a negative impact on the economies of its neighbor nations, the European Community, Mexico, and Latin America;

Whereas the free fluctuation of currencies is a key component to the health of global trade, and the stability of the world economy; and

Whereas China's central bank governor has stated that the value of the yuan will eventually be determined by market forces rather than pegged firmly to the dollar: Now, therefore, be it

Resolved, That the Senate of the United States—

(1) supports the Secretary of the Treasury's work with regard to the Secretary's discussions with the Government of the People's Republic of China leading to a market-based valuation of the yuan; and

(2) encourages the People's Republic of China to continue to act on its commitments to the trade rules and principles of the international community of which it is now a member.

SURFACE TRANSPORTATION EXTENSION ACT OF 2003

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate immediately proceed to the consideration of H.R. 3087, which is at the desk.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (H.R. 3087) to provide an extension of highway, highway safety, motor carrier safety, transit, and other programs funded out of the Highway Trust Fund pending enactment of a law reauthorizing the Transportation Equity Act for the 21st Century.

There being no objection, the Senate proceeded to consider the bill.

Mr. MCCAIN. Mr. President, today, the Senate will approve a 5-month extension of the highway programs authorized by the Transportation Equity Act for the 21st Century, TEA-21, based on an agreement between the Senate and House leadership. Only reluc-

tantly, and because of the need to complete action on the extension immediately to ensure the many TEA-21 programs do not come to a halt, do I accept the terms of the extension as approved by the House for the safety programs administered by the Federal Motor Carrier Safety Administration, FMCSA.

The House-passed short-term extension authorizes \$56 million less, on an annualized basis, for motor carrier safety than the program's fiscal year 2003 appropriated level. I am very concerned that the level of funding in the extension is insufficient to make progress toward the national goal of reducing the rate of truck-related crashes by 30 percent by 2008. The extension does not provide sufficient funding for FMCSA to fully implement existing, authorized programs in the short term, including the "new entrants" program, hazmat permitting, additional carrier compliance reviews, and completion of long overdue rulemaking proceedings. Further, the bill provides no funds to continue construction of inspection facilities at the border. The funding level is significantly below the President's funding request for fiscal year 2004; the Senate Commerce Committee's TEA-21 reauthorization legislation; and the funding levels approved by the Senate and House Appropriations Committees. And, it is entirely inconsistent with the significant funding increases provided over the short-term for highway construction and maintenance.

FMCSA was created after TEA-21 became law to address the increasing number of truck-related accidents on our nation's roads and highways. The duties assigned to the agency through the Motor Carrier Safety Assistance Act, MCSIA, and other legislation have resulted in funding levels significantly above the administrative takedown authorized by TEA-21. The extension, however, fails to recognize this and, on the grounds that the bill must comply with the budget resolution, funding for motor carrier safety is being curtailed, while highway construction and transit funding is being increased.

I want to put my colleagues on notice that either when the full Senate moves its 6-year reauthorization bill, or is faced with a further extension of TEA-21 next February, I will insist that the motor carrier safety programs are authorized at an appropriate level of funding. I believe my views are shared by Senator HOLLINGS, who joined me in sponsoring legislation, S. 1646, that would have funded the safety programs for 5 months at a level consistent with the Commerce Committee's reauthorization proposal.

I take pride in the fact that the Senate Commerce Committee completed work last June on its 6-year reauthorization of the TEA-21 safety programs under its jurisdiction. Our bipartisan bill is designed to meet the level of commitment to safety needed to achieve aggressive goals for reducing accidents and fatalities on the nation's