

1 EXECUTIVE COMMITTEE MEETING TO CONSIDER S. 1641, A BILL
2 TO IMPLEMENT THE U.S.-COLOMBIA TRADE PROMOTION AGREEMENT;
3 S. 1642, A BILL TO IMPLEMENT THE U.S.-KOREA FREE TRADE
4 AGREEMENT; S. 1643, A BILL TO IMPLEMENT THE U.S.-PANAMA
5 TRADE PROMOTION AGREEMENT; AS WELL AS THE ASSOCIATED
6 STATEMENTS OF ADMINISTRATIVE ACTION; AND TO CONSIDER THE
7 NOMINATIONS OF MICHAEL W. PUNKE, OF MONTANA, TO BE DEPUTY
8 U.S. TRADE REPRESENTATIVE, WITH THE RANK OF AMBASSADOR,
9 EXECUTIVE OFFICE OF THE PRESIDENT; ISLAM A. SIDDIQUI, OF
10 VIRGINIA, TO BE CHIEF AGRICULTURAL NEGOTIATOR, OFFICE OF
11 THE U.S. TRADE REPRESENTATIVE, WITH THE RANK OF
12 AMBASSADOR, EXECUTIVE OFFICE OF THE PRESIDENT; PAUL
13 PIQUADO, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSISTANT
14 SECRETARY OF COMMERCE, U.S. DEPARTMENT OF COMMERCE; AND
15 DAVID S. JOHANSON, OF TEXAS, TO BE A MEMBER OF THE U.S.
16 INTERNATIONAL TRADE COMMISSION

17 TUESDAY, OCTOBER 11, 2011

18 U.S. Senate,
19 Committee on Finance,
20 Washington, DC.

21 The meeting was convened, pursuant to notice, at
22 4:07 p.m., in room SD-215, Dirksen Senate Office
23 Building, Hon. Max Baucus (Chairman of the Committee)
24 presiding.

25 Also present: Senators Conrad, Bingaman, Kerry,
26 Wyden, Stabenow, Cantwell, Nelson, Menendez, Carper,
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410-729-0401

1 Cardin, Hatch, Grassley, Crapo, Roberts, and Thune.

2 Also present: Tim Reif, General Counsel, U.S. Trade
3 Representative; Michael Smart, International Trade
4 Counsel; Paul DeLaney, International Trade Counsel;
5 Joshua LeVasseur, Deputy Chief Clerk; and Danielle
6 Edwards, Deputy Clerk.

7 Also present: Democratic Staff: Russ Sullivan,
8 Majority Staff Director; Amber Cottle, Chief
9 International Trade Counsel; Gabriel Adler, Senior
10 International Trade Counsel; and Chelsea Thomas,
11 Professional Staff. Republican Staff: Chris Campbell,
12 Minority Staff Director; Everett Eissenstat, Chief
13 International Trade Counsel; Maureen McLaughlin,
14 Detailee; and Antonia Ferrier, Communications Director.

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1 OPENING STATEMENT OF HON. MAX BAUCUS, A U.S. SENATOR FROM
2 MONTANA, CHAIRMAN, COMMITTEE ON FINANCE

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4 The Chairman. The committee will come to order.
5 The committee will come to order to consider bills to
6 implement three trade agreements: the U.S.-Colombia Trade
7 Promotion Agreement; the U.S.-Panama Trade Promotion
8 Agreement; and the U.S.-Korea Free Trade Agreement.

9 The committee will also consider four trade
10 nominees: Michael Punke to be Deputy U.S. Trade
11 Representative and U.S. Ambassador to the World Trade
12 Organization; Islam Siddiqui, to be Chief Agricultural
13 Negotiator at the Office of U.S. Trade Representative;
14 and Paul Piquado, to be Assistant Secretary of Commerce;
15 and David Johanson, to be a member of the U.S.
16 International Trade Commission.

17 John Quincy Adams once said, "Patience and
18 perseverance have a magical effect before which
19 difficulties disappear and obstacles vanish." Our free
20 trade agreements with Colombia, Panama, and South Korea
21 are nearing the end of a long journey. We have faced
22 difficulties and obstacles along the way. But thanks to
23 the patience and perseverance of many, we overcame them.

24 We are now poised to give these agreements our final
25 approval. The Colombia, Panama, and South Korean trade

1 agreements will create tens of thousands of American
2 jobs. They will give our ranchers, farmers, workers, and
3 businesses a competitive edge in three lucrative, fast-
4 growing markets. They will increase U.S. exports by \$13
5 billion. They will boost our GDP by more than \$15
6 billion. They are what our economy needs right now.

7 The journey of these agreements began during the
8 Bush administration. They negotiated robust commitments
9 to open markets for American manufactured goods, farm
10 products, and services.

11 In 2007, Congress continued the journey when we
12 negotiated the May 10 bipartisan trade deal. That deal
13 amended these trade agreements to include the strongest
14 labor and environmental provisions of any trade agreement
15 in the world. But after the agreements were signed,
16 obstacles remained. American ranchers, workers, and
17 businesses still could not compete on a level playing
18 field. American beef and autos faced entrenched
19 barriers. Labor conditions in Colombia had improved, but
20 problems persisted. Serious concerns remained about tax
21 evasion and money laundering in Panama.

22 President Obama and his administration worked with
23 Congress to tackle these problems. We improved access
24 for U.S. beef by creating a fund to promote beef sales in
25 Korea and committing to remove unscientific barriers. We

1 eliminated more non-tariff barriers on U.S. autos in
2 Korea, and we negotiated a labor action plan with
3 Colombia to protect workers and worker rights. We signed
4 an agreement with Panama to improve tax transparency.

5 With these concerns addressed, only one hurdle
6 remained: renewing trade adjustment assistance. When
7 workers lose their jobs because of foreign competition,
8 trade adjustment assistance gives them the job training,
9 income support, and health benefits they need to find new
10 employment. Since 2009 alone, nearly 450,000 American
11 workers have been eligible for TAA, and despite the Great
12 Recession more than half of these workers have found new
13 jobs.

14 [Interruption from the audience.]

15 The Chairman. I am going to have to ask for those
16 in the audience to refrain, please. Do not disrupt,
17 because if the disruption continues we are going to have
18 to take other action. I just ask you, please do not
19 disrupt during the proceedings.

20 Trade adjustment assistance has been the pillar of
21 American trade policy for five decades. It has broad
22 support, but the program expired in February. Congress
23 has never voted to approve one trade agreement, much less
24 three, without the worker protections of trade adjustment
25 assistance in place. Without trade adjustment

1 assistance, Congress could not pass trade agreements.
2 But perseverance again paid off.

3 In June, I negotiated an agreement with my good
4 friend Dave Camp, chairman of the Ways and Means
5 Committee. Our agreement renewed all of the core
6 provisions on trade adjustment assistance. Two weeks
7 ago, the Senate approved our agreement with 69 votes.
8 That vote removed the last obstacle and allowed the
9 President to submit the trade agreements to Congress.

10 No one has worked harder to get these trade
11 agreements approved than American farmers. Take Gordon
12 Stoner, a wheat farmer from Outlook, Montana. In May,
13 Gordon left his wheat farm in the middle of the spring
14 planting to testify before this committee about the
15 Colombia free trade agreement.

16 He told us that American farmers are losing the
17 Colombia market to their competitors from Argentina,
18 Brazil, and Canada. He explained that these countries
19 have signed their own deals with Colombia that give their
20 farmers a competitive advantage over ours. But Gordon,
21 like all American farmers, is nothing if not patient and
22 perseverent. He told us that if we approved the Colombia
23 FTA, our farmers will recapture this vital market.

24 The International Trade Commission agrees. They
25 estimate that the Colombia agreement will increase the

1 value of U.S. grain sales to Colombia by up to 80
2 percent.

3 Finally, we cannot forget the patience and
4 perseverance of our FTA partners. Earlier this year, I
5 visited Colombia and met with President Santos, members
6 of his Cabinet, labor leaders, and businessmen and women.
7 I saw a country healing from the wounds of war, expanding
8 its economy. I saw a country turning land to poor
9 farmers and compensating victims of violence, and I saw a
10 country stemming the flow of illegal narcotics and the
11 violence that accompanied it.

12 In just 10 years, Colombia has moved from the brink
13 of being a failed state to becoming a leading nation in
14 the hemisphere. Despite this process --

15 [Interruption from the audience.]

16 The Chairman. The committee will come to order.
17 Comments from the audience are inappropriate. There is a
18 time and place for everything. There is a time for
19 demonstrations, there is a time for statements --

20 [Interruption from the audience.]

21 The Chairman. And there is a time for --

22 [Interruption from the audience.]

23 The Chairman. Any further disruption will cause
24 the committee to recess until the police can restore
25 order.

1 Despite the progress we have made with Colombia, the
2 outlook for approval of the Colombia FTA was very much in
3 doubt at the time of my visit in February. Colombians
4 were deeply and rightly concerned. But I gave them my
5 word that the three FTAs, including the Colombia FTA,
6 would move forward together or not at all, including
7 passage of trade adjustment assistance. Today, their
8 patience and perseverance have paid off.

9 The committee is also considering the nominations of
10 four trade officials today. Each of the nominees has
11 shown uncommon patience and perseverance in reaching this
12 point.

13 Michael Punke, a distinguished Montanan, has been
14 nominated to be Deputy U.S. Trade Representative and
15 Ambassador to the World Trade Organization; Islam
16 Siddiqui has been nominated to be the Chief Agricultural
17 Negotiator in the Office of the U.S. Trade
18 Representative; and Paul Piquado has been nominated to be
19 Assistant Secretary of Commerce for Import
20 Administration; and David Johanson is nominated to be a
21 member of the International Trade Commission.

22 Each of these nominees has the energy, the skill,
23 the creativity, and the commitment to fulfill the
24 important roles they have been asked to perform. I
25 strongly support each nominee and hope the Senate will

1 act quickly to confirm them.

2 So today as we take a major step forward to advance
3 America's trade agenda, let us remember the wisdom of
4 John Quincy Adams, let us show once again the
5 difficulties that disappear and that obstacles vanish in
6 the face of patience and perseverance. Let us approve
7 the free trade agreements with Colombia, Panama, and
8 South Korea.

9 [Interruption from the audience.]

10 The Chairman. And boost U.S. exports and create
11 jobs here at home. Let us favorably report these four
12 nominees to help carry out our trade agenda.

13 Senator Hatch?

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1 OPENING STATEMENT OF HON. ORRIN G. HATCH, A U.S. SENATOR
2 FROM UTAH

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4 Senator Hatch. Well, thank you, Mr. Chairman. I
5 agree with the four nominees. Practically nine years
6 ago, Congress provided President Bush with trade
7 promotion authority. President Bush aggressively used
8 that authority to negotiate 11 trade agreements with 16
9 countries, including the 3 agreements we are considering
10 here today.

11 The first two agreements, Chile and Singapore, have
12 been in effect for over six years. Since that time the
13 export of U.S. goods to those two countries grew from
14 \$410 million to \$15.3 billion. Now, prior to 2007, nine
15 more FTAs were negotiated, providing unprecedented access
16 to growing markets for U.S. exports.

17 Yet since December of 2007, not a single new trade
18 agreement has been negotiated or approved. The three
19 pending agreements, ready for a vote, languished,
20 frankly, as a Democratic Congress and the new President
21 placed new demands on our trading partners and new pre-
22 conditions for their consideration.

23 For almost four years we have stood still and done
24 nothing while other countries raced ahead and seized
25 America's market share around the world. In a time of

1 economic uncertainty and weak job growth, this failure to
2 act by the administration remains shocking. From 2005 to
3 2010, the U.S. trade surplus with its recent free trade
4 partners surged from \$1.7 billion to \$24.5 billion,
5 excluding oil.

6 In contrast, our trade deficit with the rest of the
7 world remained stubbornly high over those years. But
8 despite the many obstacles thrown in the way, we and our
9 trading partners persevered and now very soon we will
10 finally complete the work that was begun so long ago.
11 The gains that will result for American workers,
12 exporters, and consumers are long overdue.

13 There are far too many people to thank for getting
14 us here today, so let me just note my appreciation for
15 the efforts of Chairman Baucus and his staff in working
16 with us to expedite consideration of these FTAs in the
17 Finance Committee and on the Senate floor.

18 It is no surprise that the American people do not
19 hold Congress in the highest regard, yet I think it is
20 worth recalling that while the President waited almost
21 three years before he finally submitted these FTAs only
22 eight days ago, Congress will act in a matter of days to
23 quickly consider them and hopefully get them across the
24 finish line.

25 [Interruption from the audience.]

1 Senator Hatch. I would also like to thank all the
2 USTR negotiators who worked tirelessly and traveled
3 around the world to negotiate these agreements. Approval
4 of these three free trade agreements will enable U.S.
5 exporters to finally take advantage of the benefits from
6 these agreements that our negotiators secured over four
7 years ago. These countries maintain high tariff barriers
8 to our exports, while most of their exports enter our
9 market with little or no duty.

10 Approval of these three trade agreements will
11 finally provide fair access for U.S. exporters. They
12 will also alleviate the unfair advantage that many of our
13 trading partners, such as Canada and the European Union,
14 have gained in these growing markets while we stood still
15 and failed to act.

16 [Interruption from the audience.]

17 The Chairman. I would like to advise the public
18 that disruptions in the form of signs or outbursts will
19 not be tolerated, and if they continue I am going to have
20 to ask the committee to stand in recess until order can
21 be restored here in this hearing. If the Senator would
22 yield.

23 Senator Hatch. Yes.

24 The Chairman. I think it is preferable that those
25 who have different points of view stay, but I think it is

1 preferable that those who stay do not indulge in
2 outbursts during this proceeding. But if those who stay
3 do indulge in outbursts, I have no choice but to call the
4 committee to order, have the committee stand in recess
5 until the police can restore order.

6 Senator Hatch?

7 Senator Hatch. Well, thank you, Mr. Chairman.

8 Finally, approval of these agreements will cement
9 our friendship and alliance with three key partners, each
10 of whom deserves our continued support. Let us start
11 with Colombia.

12 [Interruption from the audience.]

13 Senator Hatch. A decade ago, Colombia was close to
14 becoming a poster child for failed --

15 The Chairman. The committee will come to order.
16 The committee will be in order. The committee will stand
17 in recess until the police can restore order.

18 Senator Hatch. I am just about done.

19 The Chairman. Senator Hatch?

20 Senator Hatch. Let us start with Colombia. A
21 decade ago, Colombia was close to becoming a poster child
22 for the failed narco-state. Thanks largely to the brave
23 leadership of key Colombian government officials, the
24 story is very different today. Colombia's economy is
25 growing, employment is up, and violence is markedly

1 decreased. Institutional reforms are creating a stronger
2 and more vibrant democracy. Land reform and reparations
3 for victims of violence continue to advance in an
4 unprecedented effort to heal the wounds of the past.

5 Along the way, the United States provided important
6 support for Colombia. Approval of our FTA with Colombia
7 will reaffirm our support for Colombia in its long battle
8 for democracy and longstanding commitment to the rule of
9 law, as well as provide important new market access for
10 U.S. exports.

11 [Interruption from the audience.]

12 Senator Hatch. Panama is a thriving democracy.
13 With one of the fastest-growing economies in Latin
14 America, Panama is a land of new opportunities for
15 workers and entrepreneurs from around the world.
16 Panama's commitment to open markets and adoption of
17 fiscal transparency secures its place as one of the
18 financial hubs of the world.

19 With the approval of our free trade agreement with
20 Panama, the United States has the opportunity to provide
21 significant new access for U.S. businesses and workers to
22 this growing economy. South Korea is one of our
23 strongest allies in North Asia and is currently our
24 fourth-largest export market in the world. Approval of
25 this high-standard trade agreement will serve as a model

1 for trade agreements in the region and reaffirm our
2 commitment to strategic engagement in the Asian-Pacific
3 region.

4 Each of these agreements provides important benefits
5 to the United States, but at the end of the day much more
6 is at stake. Over the past five years, the position of
7 the United States as a global leader in trade
8 liberalization has weakened. Our inaction on these
9 highly beneficial trade agreements for so many years has
10 led many to doubt whether the United States remains
11 serious about addressing the world and its own economic
12 challenges, and whether we can be counted upon to deliver
13 on our promises.

14 With the approval of these three free trade
15 agreements we can begin taking the first steps toward
16 rebuilding our image as a global leader on trade while at
17 the same time providing much-needed economic
18 opportunities to U.S. workers and job creators here at
19 home.

20 I am also pleased that we would be considering our
21 trade nominations today. I greatly admire the
22 willingness of each of these individuals to serve and
23 hope that they will be quickly confirmed by the U.S.
24 Senate.

25 So, Mr. Chairman, I thank you for your leadership on

1 these matters. I appreciate it very much and I am
2 prepared to go ahead.

3 The Chairman. Thank you very much, Senator.

4 Now we should recognize other Senators that wish to
5 speak. I ask to hold remarks to about four minutes. In
6 order of arrival, I have Senator Wyden. Then I will go
7 back and forth, Democrats and Republicans.

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1 OPENING STATEMENT OF HON. RON WYDEN, A U.S. SENATOR FROM
2 OREGON

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4 Senator Wyden. Thank you, Mr. Chairman. Mr.
5 Chairman and colleagues, I'll be brief.

6 As chairman of our Trade Subcommittee here at the
7 Finance Committee, it has become evident that there is
8 ongoing significant demand for American goods and
9 services around the world and we have a chance to feed
10 that demand and feed it through American exports.

11 What that means, is for our constituents we can grow
12 things here, we can make things here, we can add value to
13 them here, and then we can ship them all over the world.
14 That translates into family-wage jobs for our
15 constituents. I want to just make one point that I think
16 is indisputable with respect to this trade debate,
17 because certainly there are a lot of differences of
18 opinion with respect to trade.

19 But there is one fact that is indisputable--
20 indisputable--and that is that our markets are
21 overwhelming open to countries around the world and again
22 and again we find that our trading partners have
23 significant barriers, are remarkably closed to us. That
24 applies to agricultural, it applies to wood products, it
25 applies to steel.

1 In the debate over the next few days I am going to
2 be going through some of the differentials in the
3 barriers, but just wanted to cite one. Oregon exports of
4 beef face a 40 percent tariff upon arrival into Korea,
5 but Korean beef often only faces a tariff of 4 percent
6 when it arrives in the United States. So if you can go
7 forward with a trade policy that touches on this issue of
8 leveling the playing field, our exporters, our companies,
9 and our workers can get more out of this than those
10 around the world.

11 [Interruption from the audience.]

12 Senator Wyden. So I look forward to working with
13 our colleagues on a bipartisan basis and I yield the rest
14 of my time.

15 [Interruption from the audience.]

16 The Chairman. The committee will be in order. The
17 committee will stand in recess until order can be
18 restored.

19 [Pause.]

20 The Chairman. The committee will be in order.
21 Actually, I am going to overrule myself here because I
22 know Senator Stabenow came very early. So next on the
23 list here is Senator Stabenow.

24 Senator Stabenow. Thank you very much, Mr.
25 Chairman.

1 First, let me say with the three trade agreements
2 that we have, I will be supporting Korea but opposing
3 Colombia and Panama and I would like to just briefly say
4 why.

5 On Korea, when the agreement was first signed in
6 2007, I strongly opposed it because it didn't do enough
7 in terms of American manufacturing, particularly
8 automobiles, but other manufacturers as well. I
9 appreciate the work of the Obama administration in
10 renegotiating the auto provisions to ensure that American
11 automobiles will be, in fact, allowed open access into
12 South Korea. I appreciate the fact that you listened to
13 the concerns of workers and the companies regarding that.

14 With my chair of the Agriculture Committee hat on, I
15 would just simply say South Korea is our fifth biggest
16 market for agricultural exports. As you know, nearly
17 two-thirds of our exports will enter Korea duty-free once
18 the agreement is signed into force, so I am supportive of
19 that.

20 I do want to register, though, my opposition on
21 Korea. They do in fact continue to oppress their
22 workers. The administration tried to address this
23 through their labor action plan, but unfortunately it was
24 not included in the agreement. I believe that without it
25 we have no way of ensuring that Colombia will follow

1 through on its commitments.

2 It is still a very extremely dangerous place to
3 work. Last year, 51 labor leaders were assassinated. So
4 far this year, 23 leaders have been assassinated. I
5 believe it is not just a human rights issue, which of
6 course is very important, but it is an issue that affects
7 American workers because they are undercut when wages of
8 Colombian workers are kept artificially low due to the
9 denial of basic worker rights.

10 [Applause from the audience.]

11 Senator Stabenow. Then finally, in Panama, Panama
12 has a history of allowing businesses to establish
13 subsidiaries in Panama, as we know, to evade U.S. taxes.

14 Panama has not yet shown, in my judgment, that they will
15 no longer be a tax haven. The Panama agreement would
16 require the United States to waive Buy America
17 requirements for procurement bids from thousands of
18 foreign firms, including Chinese firms incorporated in
19 this major tax haven. They also have a history of
20 denying basic worker rights.

21 And Mr. Chairman, I would finally just say that as
22 we enter into what will be three new agreements, and we
23 have more than 300 trade agreements right now, we still
24 have the smallest Trade Enforcement Office of any
25 industrialized country according to former USTR Mickey

1 Kantor, who has spoken before the committee. You and I
2 have talked about this before, the need to have someone
3 to focus specifically on trade enforcement.

4 Last week, as part of the fight against currency
5 manipulation with China, Senator Lindsay Graham and I
6 introduced an amendment that would create a chief trade
7 enforcement official. I still believe very strongly that
8 we need that. The majority of our USTR is focused on
9 creating agreements but not enforcing them, so I think it
10 is very important for our businesses and our workers that
11 we have a level playing field. The bottom line for me,
12 is we want to export our products, not our jobs.

13 Thanks very much.

14 The Chairman. Thank you, Senator.

15 Next, is Senator Menendez.

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1 OPENING STATEMENT OF HON. ROBERT MENENDEZ, A U.S. SENATOR
2 FROM NEW JERSEY

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4 Senator Menendez. Thank you, Mr. Chairman.

5 As we discuss these trade agreements, I want to
6 first thank you for your tireless commitment to ensuring
7 that the extension of trade adjustment assistance is
8 moving forward for Americans whose jobs are displaced as
9 a result of trade.

10 And while the argument has been made that these FTAs
11 may create as many as 70,000 American jobs, the benefits
12 of trade are not uniform. Not everyone will benefit from
13 these agreements. I find it morally wrong to look at an
14 American and say, because of our trade agreements, you
15 will fall victim to economic displacement and be on your
16 own.

17 That is what would happen if we did not have trade
18 adjustment assistance moving forward, so I appreciate the
19 Chairman's efforts in making that a reality. The
20 simultaneous consideration of TAA reflects an
21 understanding of the complexity of trade policy and the
22 need to take care of hardworking Americans who may lose
23 their jobs due to trade.

24 Now, Mr. Chairman, I intend to support the Korea and
25 Panama agreements, but I continue to have concerns with

1 ongoing labor violence in Colombia and will oppose the
2 Colombia agreement because it does not underscore the
3 importance of that issue.

4 I was one of the strongest supporters of Colombia
5 during my time in the House International Relations
6 Committee, and I remain a strong supporter of Colombia to
7 this day as a member of the Senate Foreign Relations
8 Committee, chairing the Western Hemisphere Subcommittee.

9 Colombia has made great progress in rooting out the
10 drug cartels that threaten the very stability of that
11 nation and has emerged as a stronger democratic nation.
12 It is now lending its expertise to other countries who
13 are threatened by the scourge of the narcotics trade. It
14 has strengthened its democracy in many ways and it is to
15 be applauded for all of that.

16 However, I read and I ask unanimous consent that
17 today's AP article be included in the record.

18 A Human Rights Watch study found "virtually no
19 progress in getting convictions for killings that have
20 occurred in the past four and a half years". It counted
21 just 6 convictions obtained by a special prosecutions
22 unit from 195 slayings, with nearly 9 of 10 of the unit's
23 cases from that period in preliminary stages with no
24 suspect formally identified.

25 Colombia is the world's most lethal country for

1 labor organizing, and the killings have not stopped. At
2 least 38 trade unionists have been slain since President
3 Juan Manuel Santos took office in August of 2010,
4 according to Colombia's National Labor School.
5 Convictions have been obtained for less than 10 percent
6 of the 2,886 trade unionists killed since 1986. That's
7 less than 10 percent. The Rights Group has found severe
8 shortcomings in the special units that are supposed to be
9 pursuing it.

10 I ask unanimous consent so I do not read the entire
11 article into the record.

12 The Chairman. Without objection.

13 [The article appears in the appendix.]

14 Senator Menendez. During the mark-up hearing I
15 pursued an effort that would have allowed me to support
16 the Colombia Agreement. The Colombia Labor Action Plan
17 was a positive step towards addressing labor violence in
18 Colombia, and it was my hope that the text of the plan
19 and reporting requirements would have been included in
20 the implementing legislation. During the mark-up, I
21 sought to include language that would have required the
22 President to report to the Congress annually on the
23 implementation and enforcement of the Colombia Labor
24 Action Plan by the Government of Colombia.

25 This inclusion would have been consistent with

1 reporting requirements in other FTAs. My reporting
2 requirement mirrored one included exactly in the CAFTA
3 implementing legislation, and NAFTA's implementing
4 legislation which also provides precedent for the
5 inclusion of reporting requirements.

6 I am disappointed that neither the labor plan, nor
7 reporting requirements for the plan are included in the
8 implementing legislation to ensure that Colombia's labor
9 leaders are not forgotten once this agreement is
10 implemented. That is crucial because, as we have seen,
11 if you are labor leader in Colombia you are likely to
12 die. In fact, it is because of that that despite my
13 admiration for how far Colombia has come, I cannot in
14 good conscience support the U.S.-Colombia trade promotion
15 agreement, and I will be voting against it.

16 I ask that my full statement be included in the
17 record.

18 The Chairman. Thank you, Senator Menendez.

19 [The prepared statement of Senator Menendez appears
20 in the appendix.]

21 The Chairman. Senator Carper, next.

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1 OPENING STATEMENT OF HON. THOMAS CARPER, A U.S. SENATOR
2 FROM DELAWARE

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4 Senator Carper. Thanks, Mr. Chairman.

5 In discussing these labor proposals, the free trade
6 agreements with some of our labor leaders in Delaware,
7 one of the things we talked about a month or two ago, and
8 again even this week, was how do we get into a situation
9 where the United States basically allows other countries
10 to sell their goods and services here without impediment?
11 They sell whatever they are making, whether it is cars in
12 Korea or other products, they sell here and we do not
13 have many tariff barriers or non-tariff barriers. But
14 when we try to sell our goods and services there, they
15 erect these barriers. Why is that?

16 What I have learned in drilling down on this, is if
17 you go back to the end of World War II we emerged from
18 World War II as the strongest economy on earth, and we
19 were the 800-pound gorilla in the room when it came to
20 international trade. We made better products, we
21 dominated markets, whether it was cars or just about
22 anything you can think of. Other countries, in an effort
23 to try to protect their markets and build their domestic
24 markets, they began to erect barriers to keep our goods
25 and services out.

1 As time goes by, they have gotten to be a lot
2 better, stronger competitors. Frankly, the time has come
3 to level the playing field. I think what the President
4 has tried to do is to say, you know, game over. We are
5 tired of the fact that, after all these years, other
6 countries are still trying to keep our products out,
7 whether they happen to be cars, whether they happen to be
8 chemicals, whether they happen to be poultry, whether
9 they happen to be financial services. We are tired of
10 you keeping our stuff out. We allow you to sell your
11 products here. We do not try to stop it. It is time for
12 you to cut it out.

13 I think that is really the bottom line of what is
14 going on here. Someone asked me today in a conference
15 call I had with some labor friends, "How do you know this
16 is going to work?" At the end of the day, what we need
17 to do is stay on it and to make sure it is being
18 implemented.

19 The President says, on Colombia, if the
20 implementation plan is not fully implemented, we are not
21 going to implement the free trade agreement. He has been
22 about as blunt and direct as he can be. I would just say
23 to everyone who has raised a concern about, oh, whether
24 it's the death of a labor leader, a teacher, or a judge
25 in Colombia, one death of any of those people is too

1 many.

2 The idea of some people who say, we should feel
3 better because the numbers are down from 200-plus to down
4 as low as 20 or 25. One death is too many. It is
5 important that we remain vigilant and make sure that the
6 Colombian government knows that we are going to be
7 remaining vigilant and we fully expect them to comply
8 with that implementation plan. We are not going to go
9 away, and they have got to know that. Thanks very much.

10 The Chairman. Thank you, Senator.

11 Senator Roberts, you are next.

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1 OPENING STATEMENT OF HON. PAT ROBERTS, A U.S. SENATOR
2 FROM KANSAS

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4 Senator Roberts. Well, thank you, Mr. Chairman. I
5 want to thank you as well as other members who have
6 expressed their supporting on behalf of your perseverance
7 and for your efforts on behalf of these agreements. I
8 think, collectively at least, the information that I have
9 that the three trade agreements add up to about \$13
10 billion in additional exports. That is about 250,000
11 jobs.

12 [Interruption from the audience.]

13 Senator Roberts. I would also say that under the
14 trade agreements, the exports from Colombia and Panama
15 have already come in duty-free for years now under a
16 variety of preference programs. What these agreements
17 merely do is level the playing field and address some of
18 the concerns that my colleagues have, extending the same
19 benefits to U.S. producers and exporters who still face
20 the tariffs and other barriers to these markets. So, I
21 think the answer to it is obvious.

22 The Kansas Farm Bureau estimates that these
23 agreements will increase direct exports by \$130 million
24 for Kansas ranchers and farmers and create an additional
25 1,150 jobs. Delay is not without consequence, and there

1 has been a lot of delay on these three agreements. My
2 colleagues on the other side have addressed some of the
3 problems, but it is not without consequences. Right now,
4 some 100-plus trade agreements are being negotiated
5 without the United States. That is not including the
6 trade agreements that have entered into force already.

7 I think just for the amount of time that we have, I
8 am going to take the time to thank Senator Wyden for his
9 summary in regards to how he says the situation will
10 arrive with trade and thank him for his diligent efforts
11 as the subcommittee chairman. I wanted to associate
12 myself with your remarks.

13 The Chairman. Thank you, Senator.

14 Senator Crapo, you are next.

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1 OPENING STATEMENT OF HON. MIKE CRAPO, A U.S. SENATOR FROM
2 IDAHO

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4 Senator Crapo. Thank you very much, Mr. Chairman.

5 Congress is hopefully on the cusp of passing
6 historic trade legislation, and while auspicious, this is
7 not a moment, in my opinion, that reflects well on
8 Congress, the administration, or our country.

9 For almost four years, our trade competitors have
10 enacted agreements that erode our export markets while we
11 have frankly yielded the field. The rest of the world
12 has been busy, signing new agreements, expanding markets,
13 and creating trading alliances. If ever there were a
14 self-inflicted wound, this is it.

15 For years, a bipartisan majority in Congress has
16 been ready to help our exporters find new market
17 opportunities and reduce consumer prices on the many
18 goods that we import. That is why it is truly a shame
19 that we have had to face this kind of delay in the United
20 States.

21 I have, with concern, seen that just days ago the
22 President has put yet another apparent road block in the
23 way of implementing the Colombian free trade agreement,
24 saying he will forego implementation until Colombia
25 fulfills its commitments under the Labor Action Plan,

1 this despite repeated confirmation from U.S. Trade
2 Representative Kirk that Colombia has met its
3 obligations.

4 Well, finally, here we are at the next-to-the-last
5 step, but support for these agreements has never really
6 been in doubt. Mr. Chairman, I have an extended
7 statement here going over the benefits of each of these
8 agreements which I would forego and request that the full
9 statement be made a part of the record.

10 The Chairman. Without objection.

11 [The prepared statement of Senator Crapo appears in
12 the appendix.]

13 Senator Crapo. Thank you, Mr. Chairman.

14 I would just say that consideration of trade
15 agreements by the Finance Committee has a really long and
16 distinguished history, with bipartisan cooperation and
17 progress on behalf of the American people. I appreciate
18 the Chairman's efforts to get us to this point because I
19 know that you have been supportive of doing so.

20 It is time now that the administration and the
21 members of Congress remember that the tradition this
22 committee has set up benefits our Nation greatly as we
23 move forward and keep our Nation competitive in world
24 markets. I appreciate the fact, Mr. Chairman, that you
25 have moved as quickly as you can once the opportunity has

1 presented itself.

2 Thank you.

3 The Chairman. Thank you very much, Senator, for
4 those comments.

5 Senator Cardin?

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1 OPENING STATEMENT OF HON. BENJAMIN CARDIN, A U.S. SENATOR
2 FROM MARYLAND

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4 Senator Cardin. Mr. Chairman, thank you very much.

5 I also appreciate your leadership in the manner in which
6 these free trade agreements have been handled. Trade is
7 critically important to our country. It is critically
8 important to my State of Maryland. The Port of Baltimore
9 is a very important economic engine of my State. Yes, we
10 want to see our port busy with imports, but also exports.
11 So having a balanced trade agreement, to us, is very,
12 very important.

13 I will not support the Colombia free trade agreement
14 and I want to give my reasons why. Some of the proudest
15 moments in American history is when we stood up for human
16 rights and were prepared to use trade as a way of
17 advancing international human rights. The Jackson-Vanik
18 law was an important statement by this country, but also
19 changed the habits within the former Soviet Union. The
20 United States led internationally on the use of trade to
21 change the apartheid government of South Africa.

22 So I think trade is an important tool that we have.

23 In Colombia, let me just quote, if I might, from the
24 2010 State Department Human Rights Report. This is what
25 they said in 2010: "Unlawful and extra-judicial killings,

1 insubordinate military collaboration with new illegal
2 arms groups, forced disappearance, torture, and
3 mistreatment of detainees, arbitrary detentions, impunity
4 and inefficient judiciary, subject to intimidation,
5 illegal surveillance of civilian groups, political
6 opponents and government agencies' occasional harassment
7 and intimidation of journalists, harassment of human
8 rights groups and activists, including unfounded
9 prosecutions, violence against women, including rape,
10 societal discrimination against women and indigenous
11 persons, Napro-Colombians, illegal child labor," and the
12 list goes on.

13 I do want to point out, Mr. Chairman, that the
14 report also notes that the Santos administration has made
15 strong, demonstrable advances in improving the human
16 rights environment, and we all know that. My concern is
17 that we do not incorporate the type of changes into this
18 agreement that we should. That is why I offered an
19 amendment to this free trade agreement during the
20 committee mock mark-up this past July that would have
21 codified the commitments of the Colombia Labor Action
22 Plan within the body of the agreement to ensure that it
23 is acted upon and part of the agreement in perpetuity.

24 I was listening to Senator Menendez and I agree with
25 the comments that he has made. I was disappointed that

1 we did not include that, and I am disappointed that the
2 administration did not include the continuing way to
3 enforce the type of labor commitments that supposedly are
4 part of this agreement. For all those reasons and
5 others, I will not support the Colombia free trade
6 agreement.

7 The Chairman. Thank you, Senator.

8 Senator Kerry, you are next.

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1 OPENING STATEMENT FROM HON. JOHN F. KERRY, A U.S. SENATOR
2 FROM MASSACHUSETTS

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4 Senator Kerry. Mr. Chairman, thank you. Like
5 everybody, I am very pleased that you have worked hard to
6 get us to the point of bringing these three agreement
7 forward.

8 The Korea agreement. Let me just say generally, as
9 we hear important voices from America talking about jobs
10 across the country, I really think it is important for
11 people to look at the four corners of these agreements
12 and take a hard look and read them, because the fact is
13 these agreements are fairly one-sided in our favor. They
14 actually open up markets that are closed to us and equal
15 a playing field that has been unequal against us for a
16 long period of time.

17 So I would just urge people, rather than sort of
18 being on automatic, to look at it. I understand the
19 Colombia one, and I will speak to that in a minute. But
20 these agreements actually create jobs for Americans.

21 [Interruption from the audience.]

22 Senator Kerry. The fact is that the tariff cuts
23 alone in the U.S.-South Korea trade agreement is going to
24 increase exports of American goods by \$10 billion to \$11
25 billion. Now, those \$11 bill represent jobs for America,

1 and we will not have those jobs if we do not have this
2 agreement.

3 The Panama agreement also guarantees access to a
4 \$20.6 billion services market, and a strategic location
5 as a major shipping route. To address our concerns with
6 the banking laws, which we thought were not fair for us,
7 Panama signed a tax information exchange agreement and it
8 amended its domestic law to deal with the problem of
9 anonymous accounts. Those are all benefits for us and
10 they help us with accountability in the global
11 marketplace.

12 But obviously the most controversial agreement is
13 the Colombia agreement. I really am very sympathetic and
14 I am mindful, as chairman of the Foreign Relations
15 Committee, to the comments of two very valuable members
16 of our committee, Senator Cardin, who works and heads up
17 our Helsinki Commission and works constantly on this, and
18 Senator Menendez, there is no stronger voice on these
19 things.

20 But there can be differences of opinion even as we
21 all acknowledge that there are continued abuses. There
22 are continued problems. I understand that. Nobody is
23 blind to that. But a lot of us have pushed for a long
24 time on Colombia's efforts to institute a strong Ministry
25 of Labor. That has been one of our goals. And though

1 the ministry was not in the specific Labor Action Plan,
2 Colombia's congress recently passed a measure requiring
3 the executive to create one by the end of next month.
4 Colombia has also passed laws that we pushed them to pass
5 to stem the abuse of contract labor and enforcement.

6 Has it accomplished everything we wanted it to
7 accomplish? No, but it has passed and it is in place and
8 it is moving. Most people in Bogota and Colombia watches
9 elsewhere use phrases like "cautious optimism" to
10 describe the changes of the last year in Colombia. They
11 say it is a fragile, but hopeful, time.

12 Now you can look at this both ways. You can say,
13 oh, we are just going to say this or that. I tell you,
14 if we do that we lose any leverage whatsoever that we may
15 or may not think we have. Gone. No reason, after all
16 these years of debate about this, for anybody to believe
17 anything the United States says is important because they
18 do the things, and they do the things, and they keep
19 moving at great risk.

20 This is a country in which 12 or 13 members of the
21 Supreme Court were assassinated one day when a gunman
22 just marched in and shot everybody, a country where
23 presidential candidates running for office to change
24 their country were assassinated while trying to do it, a
25 country in which countless candidates have been

1 assassinated. People have taken great risks.

2 President Uribe previously, and President Santos
3 now, who only took office last August, has championed
4 reforms such as the Victims Law, and the Land Restitution
5 Law, in order to address this question of violence. He
6 reversed the anti-activist rhetoric in Bogota, and during
7 his administration, yes, they have only been selective,
8 Senator Cardin. I agree with you. But they have finally
9 taken on some high-profile human rights abuses. Do they
10 need to do more? You bet they do. Is it at an
11 acceptable level? No, it is not.

12 But I believe our best hope in order to get them to
13 continue to believe in us and have a relationship with us
14 that matters, and to be able to leverage the things that
15 are of interest, is to help their society to be able to
16 stabilize and grow. If they do not have some efforts
17 where their economy improves to do that, I do not think
18 we can do that.

19 General Hill testified before this committee and
20 said, "Colombia has come back from the brink of becoming
21 a failed state in the 1980s and '90s." Having been
22 involved throughout that period as I was, both on the
23 Foreign Relations Committee and the Banking Committee in
24 the 1980s and 1990s, in our efforts to address an
25 incredibly toxic brew of the flow of drugs, illicit

1 money, guns, narcotics, contraband throughout the region,
2 a time when we found major banking abuses which included
3 Osama bin Laden and Manuel Noriega, all of this we have
4 seen an incredible transition taking place and I am
5 voting for the future.

6 I am voting for the idea that Colombia is in fact
7 qualified as fragile and cautious because these advances
8 could easily unravel, and I think it is critical for the
9 passage of this agreement that we will be taking steps
10 that actually increase our leverage, increase the odds of
11 better outcomes, and hopefully will allow us to continue
12 to address the abuses that we know have continued. That
13 is a future that I think is worth investing in.

14 [Interruption from the audience.]

15 The Chairman. Thank you, Senator.

16 Senator Cantwell? Senator Cantwell, you are next.

17 Senator Cantwell. Thank you, Mr. Chairman. I am
18 submitting a statement for the record.

19 The Chairman. All right, Senator Cantwell.

20 [The prepared statement of Senator Cantwell appears
21 in the appendix.]

22 The Chairman. Senator Bingaman?
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1 STATEMENT OF HON. JEFF BINGAMAN, A U.S. SENATOR FROM NEW
2 MEXICO

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4 Senator Bingaman. Mr. Chairman, I congratulate you
5 on your work on these three agreements. I support them.

6 Let me raise an issue that I raised when we had the
7 committee mock mark-up in July, and that is the issue of
8 our lack of resources in the U.S. Trade Representative's
9 Office to actually enforce these agreements. I think it
10 is clear that we do not adequately fund that office. I
11 think it is clear that the General Counsel's Office
12 within the U.S. Trade Representative's Office has too few
13 people to enforce the various agreements we've already
14 entered into.

15 Now with the entering into of these additional
16 agreements we are going to be substantially under-staffed
17 and under-resourced. At the time that we had the mock
18 mark-up, I tried to suggest that we should include
19 something there to recommend to the administration that
20 they request additional funds in the implementing
21 legislation. That was considered out of order.

22 Some way or another, I believe it is imperative that
23 we make the point to this administration and to the
24 Appropriations Committees in the House and Senate that
25 they need to give more resources to the General Counsel's

1 Office if we are going to see proper monitoring and
2 enforcement of these trade agreements, because frankly I
3 think they are under-staffed and overworked right now.

4 I know Senator Crapo made the point that he thought
5 that the failure to bring these trade agreements forward
6 was a self-inflicted wound. I think the failure to
7 adequately staff and resource the U.S. Trade
8 Representative's Office is a self-inflicted wound which
9 we continue to perpetuate here in this Congress. I think
10 it's very short-sighted. So I will stop with that, and
11 let you get on with the rest of the statements.

12 The Chairman. Thank you very much, Senator.

13 Senator Thune?

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1 OPENING STATEMENT OF HON. JOHN THUNE, A U.S. SENATOR FROM
2 SOUTH DAKOTA

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4 Senator Thune. Thank you, Mr. Chairman.

5 There is the old saying that it is better late than
6 never, and I think it applies in this case. It has been
7 over four years now since these agreements were signed,
8 and I am pleased that we are finally where we are.

9 I just have to look at, on August 15 Canada signed
10 an agreement, or entered into an agreement, I should say,
11 with Colombia. Since that time, Canadian wheat exports
12 to Colombia have increased by 18.3 percent. I think that
13 is what this means for American agriculture. I think it
14 is pretty clear that you cannot stand still on trade. We
15 have got to be either moving forward or the rest of the
16 world is going to move forward without us, and that is
17 going to be to the detriment of American producers and
18 consumers.

19 So I am glad we are finally moving these agreements
20 forward. I know I join with most of my colleagues on the
21 committee, at least, when I say that I look forward to
22 the passage of these bills and what it can mean for
23 American exporters, for jobs for people in this country,
24 and I think those are all things that many of us want to
25 see happening. So I am anxious to get these things

1 moving and look forward to voting to pass them out.

2 Thank you.

3 The Chairman. Thank you, Senator.

4 I do not see any Senators present who wish to make
5 any opening statements. I would, though, like to welcome
6 special guests. We have with us today Colombia's
7 ambassador, Gabriel Silva; South Korea's ambassador, Hun
8 Duck-soo; and Panama's ambassador, Mario Jaramillo.
9 Thank you all very much for being here. We are very
10 honored to have you present with us today.

11 I would now like to turn to the trade agreements
12 themselves. On July 7th, the committee held a mock mark-
13 up to draft bills to implement each agreement. On
14 October 3rd, the President submitted the final
15 implementing bills to the Congress. The final bills are
16 substantially similar to the draft bills. Under the fast
17 track rules, the committee may not amend the bills. We
18 will vote only on whether to report them.

19 I will start with S. 1641, the bill to implement the
20 Colombia agreement. We have an administration official
21 here to answer any questions. Tim Reif, the General
22 Counsel for the Office of USTR is here. Thank you, Mr.
23 Reif, for your presence. Also, Mr. Mike Smart from my
24 staff, to walk through the bill.

25 At this point I would like to have Mr. Smart walk

1 through any modifications. We are not going to walk
2 through the whole bill, but just walk through any
3 modifications at this point.

4 Mr. Smart, why do you not be extremely short. We
5 have 13 Senators present and a lot of present Senators
6 can ask any questions they want to ask before we have the
7 final vote, unless Senators want to walk through. I
8 discourage that.

9 [Laughter.]

10 The Chairman. But any Senator who wishes to have a
11 walk-through can certainly.

12 Senator Kerry. Thank you. That was a great walk-
13 through.

14 [Laughter.]

15 The Chairman. Are there any questions? Senator
16 Menendez?

17 Senator Menendez. I have one brief question which
18 I am sure will be relevant to trade agreements in the
19 future. Mr. Reif, during the mock mark-up we--I and
20 others--offered an amendment to require the President to
21 annually report on the implementation and enforcement of
22 the Colombia Labor Action Plan. I understand that this
23 type of reporting requirement is consistent with
24 reporting requirements both in CAFTA and NAFTA. Is that
25 true?

1 Mr. Reif. Thank you, Senator Menendez. There are
2 general reporting requirements. As you know, USTR
3 reports annually on all of our trade agreements programs
4 in March of every year, and we will do so. We do so with
5 respect to NAFTA, CAFTA, and we will do so with respect
6 to these three agreements as well.

7 Senator Menendez. My question is, were there not
8 specific reporting requirements in CAFTA and NAFTA that
9 dealt with labor rights as part of the reporting
10 obligation?

11 Mr. Reif. There was a specific reporting
12 requirement in CAFTA that pertained to a very special
13 part of that agreement that was a white paper that was
14 created, as you know, by the ILO. The reporting
15 requirement pertained to that.

16 Senator Menendez. Yes. So there is a precedent
17 for that.

18 What is the administration's position on providing
19 an annual report on the Colombia Labor Action Plan?

20 Mr. Reif. The Labor Action Plan, sir, contains
21 ongoing reporting between the governments' ongoing
22 meetings, between the governments' -- as you know, sir,
23 most of the requirements will need to be fulfilled before
24 January 1, 2012, and therefore before the President has
25 to determine whether the agreement is to come into

1 effect, when it is to come into effect, so he will be
2 taking that into account. As was pointed out earlier, he
3 has made that explicit three times in his letter of
4 transmittal to the Congress, that the President intends
5 to take that into account as he determines to bring the
6 agreement into effect.

7 Beyond that, there are periodic meetings between the
8 U.S. and the Colombian government as the action plan
9 unfolds, and also there would be the opportunity to be in
10 dialogue with the Congress and to report in that context
11 to the Congress on the developments.

12 Senator Menendez. There would be an opportunity
13 but there is no explicit obligation?

14 Mr. Reif. There is no strict reporting requirement
15 under the Action Plan.

16 Senator Menendez. Thank you.

17 Thank you, Mr. Chairman.

18 The Chairman. Thank you, Senator.

19 I see a quorum. Oh. Senator Cardin?

20 Senator Cardin. Just very quickly. I just want to
21 clarify that last point, though. After the President's
22 made a certification in 2012, and it is putting an awful
23 lot of responsibility on the President to move forward on
24 it, virtually he has to, there is no enforcement within
25 the agreement for failure to comply with what is in the

1 labor agreement.

2 Mr. Reif. The agreement itself does not contain a
3 formal enforcement mechanism. However, the number of
4 aspects of the agreement that relate to the core labor
5 standards --

6 Senator Cardin. I understand the core labor
7 standards. That, I understand. I was referring only to
8 the sidebar labor agreement itself.

9 Mr. Reif. That is correct. There is no a formal
10 dispute settlement.

11 The Chairman. All right. I see a quorum present.
12 If there is no further debate, I would entertain a motion
13 that the committee report S. 1641.

14 Senator Hatch. So moved.

15 The Chairman. Senator Hatch so moves.

16 Those in favor will say aye.

17 [A Chorus of Ayes.]

18 The Chairman. Those opposed, no.

19 [No response.]

20 The Chairman. The ayes have it. The bill is
21 ordered reported. A roll call has been requested. The
22 Clerk will call the roll.

23 The Clerk. Mr. Rockefeller?

24 The Chairman. Pass.

25 The Clerk. Mr. Conrad?

1 The Chairman. Aye by proxy.
2 The Clerk. Mr. Bingaman?
3 Senator Bingaman. Aye.
4 The Clerk. Mr. Kerry?
5 Senator Kerry. Aye.
6 The Clerk. Mr. Wyden?
7 Senator Wyden. Aye.
8 The Clerk. Mr. Schumer?
9 The Chairman. Pass.
10 The Clerk. Ms. Stabenow?
11 Senator Stabenow. No.
12 The Clerk. Ms. Cantwell?
13 Senator Cantwell. Aye.
14 The Clerk. Mr. Nelson?
15 Senator Nelson. Aye.
16 The Clerk. Mr. Menendez?
17 Senator Menendez. No.
18 The Clerk. Mr. Carper?
19 Senator Carper. Aye.
20 The Clerk. Mr. Cardin?
21 Senator Cardin. No.
22 The Clerk. Mr. Hatch?
23 Senator Hatch. Aye.
24 The Clerk. Mr. Grassley?
25 Senator Hatch. Aye by proxy.

1 The Clerk. Ms. Snowe?
2 Senator Hatch. No by proxy.
3 The Clerk. Mr. Kyl?
4 Senator Hatch. Aye by proxy.
5 The Clerk. Mr. Crapo?
6 Senator Crapo. Aye.
7 The Clerk. Mr. Roberts?
8 Senator Roberts. Aye.
9 The Clerk. Mr. Enzi?
10 Senator Hatch. Aye by proxy.
11 The Clerk. Mr. Cornyn?
12 Senator Hatch. Aye by proxy.
13 The Clerk. Mr. Coburn?
14 Senator Hatch. Aye by proxy.
15 The Clerk. Mr. Thune?
16 Senator Thune. Aye.
17 The Clerk. Mr. Burr?
18 Senator Hatch. Aye by proxy.
19 The Clerk. Mr. Chairman?
20 The Chairman. Aye.
21 Senator Rockefeller votes no by proxy.
22 The Clerk. Mr. Rockefeller, no by proxy.
23 The Chairman. Senator Schumer votes no by proxy.
24 The Clerk. Mr. Schumer, no by proxy.
25 The Chairman. The Clerk will announce the results

1 of the vote.

2 The Clerk. Mr. Chairman, the tally of members
3 present is 18 ayes, 3 nays. I am sorry. The tally of
4 members is 12 ayes, 3 nays. The final tally, including
5 proxies, is 18 ayes, 6 nays.

6 The Chairman. The ayes have it and the bill is
7 ordered reported.

8 The next order of business is the Panama bill.

9 Mr. Smart, could you briefly describe the
10 differences? Actually, we can defer that unless anybody
11 has questions about the differences. I do not see any
12 Senators seeking to ask about the differences. I see no
13 questions from Senators.

14 The Chair, therefore, will entertain a motion that
15 the committee report 1643.

16 Senator Hatch. So moved.

17 The Chairman. Senator Hatch has made the motion.
18 All those in favor, say aye.

19 [A Chorus of Ayes.]

20 The Chairman. Those opposed, no.

21 [No response.]

22 The Chairman. The ayes have it and the bill is
23 reported.

24 The next order of business is our final free trade
25 agreement, to consider the bill to implement the South

1 Korea agreement. Mr. Smart, we will go through this
2 again. Unless Senators have questions, I suggest we go
3 straight to the vote.

4 The Chair will entertain a motion.

5 Senator Hatch. So moved.

6 The Chairman. It has been moved.

7 All those in favor, say aye.

8 [A Chorus of Ayes.]

9 The Chairman. Those opposed, no.

10 [No response.]

11 The Chairman. The ayes have it. The bill is
12 ordered reported.

13 We will next move to our four trade nominees. Any
14 debate on any of the four nominees? If not, I will
15 entertain a motion that the committee favorably report
16 the pending nominees en bloc.

17 Senator Hatch. So moved.

18 The Chairman. It has been moved.

19 All those in favor, say aye.

20 [A Chorus of Ayes.]

21 The Chairman. Those opposed, no.

22 [No response.]

23 The Chairman. The ayes have it. The nominations
24 are ordered reported.

25 I would take one final moment today to address our

1 audience, including those who have spoken up. Clearly,
2 all of us want to create jobs. If anybody does not know
3 that living in this town, he or she has lived under a
4 rock. We all want to create jobs. It is the most
5 important effort I think all of us are going to
6 undertake, especially with such high unemployment in our
7 country today.

8 We know these trade agreements, while they create
9 jobs and improve our economy, also engender emotion on
10 all sides. I would urge those who debate to continue to
11 meet with the elected officials. The main point I want
12 to make is this: we have a great country. We have a Bill
13 of Rights. We have got a First Amendment. We have free
14 speech. It is probably the cornerstone of liberty in
15 this country and I deeply respect the First Amendment.
16 All of us in our country wish to speak out, freedom of
17 assembly, freedom of press.

18 As we move forward, I just urge all of us to
19 remember to honor that so that in the future we will have
20 even better agreements, even better legislation than we
21 have passed thus far. So I thank all of those who
22 attended today, and the committee is adjourned.

23 [Whereupon, at 5:05 p.m., the meeting was
24 concluded.]

25

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