



FOR IMMEDIATE RELEASE

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Opening Markup Statement of Senator Max Baucus (D-Mont.)
Regarding Permanent Normal Trade Relations with Russia
As prepared for delivery

Benjamin Franklin once said, "You may delay, but time will not."

Franklin's words ring true today as we work to pass legislation establishing permanent normal trade relations with Russia, or PNTR. We cannot afford to delay.

Russia's Duma today enacted its accession package, and Russia will formally be a member of the WTO next month. That is our deadline for passing PNTR. There is no time to waste; America risks being left behind.

If we miss that deadline, American farmers, ranchers, workers and businesses will lose out to the other 154 members of the WTO that already have PNTR with Russia. American workers will lose the jobs created to China, Canada and Europe when Russia, the world's seventh largest economy, joins the WTO and opens its market to the world.

WTO members who have PNTR with Russia will benefit from the more secure business environment that WTO rules provide. This includes increased market access through enforceable tariff reductions, larger beef quotas and greater access to telecommunications and banking markets.

It also includes greater transparency, binding procedures for settling disputes and strong commitments to protect intellectual property and to follow sound science on agricultural imports.

All this boils down to one thing: jobs.

In my home state of Montana, one in five jobs is tied to agriculture, and ranching is a major driver of our ag economy. When Montana ranchers can sell more beef in Russia, it means they can support more workers in Montana. More trade means more jobs. It's that simple.

The proposal that we are marking up today will make sure American businesses can go after those jobs.

It will make permanent the normal trade relations we have already had with Russia for the past twenty years. And it is predicted to double U.S. exports to Russia in five years. That is why hundreds of companies and trade associations have come out in favor of PNTR.

The PNTR proposal also removes Russia from the Jackson-Vanik amendment. Jackson-Vanik served its purpose twenty years ago by ensuring that Jews and others could freely emigrate from Russia, but it is now out of date.

That is why American and Russian Jewish groups, including the National Conference on Soviet Jewry and the American Israel Public Affairs Committee, have endorsed PNTR and said Jackson-Vanik should no longer apply to Russia. Russian human rights and democracy groups agree.

Senator Cardin's proposal to add the Magnitsky Rule of Law Accountability Act to the PNTR legislation will help fight human rights abuses in Russia.

By enacting PNTR together with the Magnitsky bill, we are replacing Jackson-Vanik with legislation that addresses the corruption and accountability issues that Russia confronts today. The Chairman's revised mark includes the version of the Magnitsky bill that the Senate Foreign Relations Committee approved last month under Chairman Kerry's leadership.

The mark also includes other provisions to address corruption issues in Russia, as well as to ensure that Russia complies with its WTO obligations and that the Administration enforces them.

I want to thank Ranking Member Hatch for his hard work in helping to put together these provisions. They make for a stronger proposal, and I am grateful for his contribution.

I also want to thank Senators Stabenow and Rockefeller. They have long championed strong enforcement of our trade laws, and this proposal reflects their input as well.

The mark also establishes PNTR with Moldova. Like Russia, Moldova has allowed freedom of emigration for many years, and Moldova joined the WTO in 2001. It is the only WTO member with whom we do not have permanent normal trade relations. We are long overdue in providing that status.

I urge Members to pass the combined PNTR-Magnitsky bill today. Doing so will ensure U.S. businesses do not get left behind.

We are also marking up a second proposal today to extend the "third-country fabric" provision in the African Growth and Opportunity Act, or AGOA. This gives apparel from AGOA countries made with fabric produced anywhere in the world duty-free access to the U.S. market.

This provision accounts for 95 percent of all apparel imports under AGOA. The uncertainty caused by its looming expiration in September has already led to devastating job losses in African countries and could have ripple effects here in the United States as well.

A timely extension of this provision will help stem the tide of job losses in Africa, and it will ensure that U.S. retailers have the certainty they need to help their businesses succeed and grow.

This proposal also makes technical corrections to the Dominican Republic-Central America-United States Free Trade Agreement. These changes are technical, but they're important to the U.S. textile industry. One of these corrections will lead to increased yarn production in North Carolina and other states.

This proposal also reauthorizes Burma import sanctions for three more years, through July 2015. The Burmese government has taken a number of positive political steps over the last two years, but it has not yet complied with all the requirements for the lifting of sanctions set forth in the Burmese Freedom and Democracy Act of 2003. By reauthorizing the import sanctions for three years, we encourage the Burmese government to undertake reforms.

We are also marking up a third proposal today that includes the citrus, cotton and wool trust funds. Senators Nelson, Menendez, Cardin and Schumer have been tireless advocates for these funds.

The citrus trust fund that Senator Nelson has championed would provide scientific research and technical assistance to combat citrus diseases and pests. This fund is strongly supported by citrus producers in Florida, Texas and Arizona.

This proposal also includes Senator Menendez's cotton trust fund, which expired in 2009. I know this trust fund is very important to thousands of cotton manufacturers, growers and spinners around the country. And this proposal includes the wool trust fund for which Senators Cardin and Schumer have worked so hard. This trust fund helps to support wool textile manufacturers, growers and suit makers.

I have long supported all three of these trust funds, and I am pleased that we have the opportunity to consider them in the Finance Committee today.

Finally, we are marking up a modified version of the ENFORCE Act, which was introduced by Senators Wyden, Snowe, Schumer, Cardin and Burr.

The ENFORCE Act requires U.S. Customs and Border Protection (CBP) to investigate evasion of antidumping and countervailing duty orders, and it sets hard deadlines for Customs to act to protect our producers from unfairly priced and subsidized imports.

Evasion can take different forms, such as mislabeling products or submitting fraudulent documents, but its goal is always the same: to conceal an import's true country of manufacturing to evade legitimate import duties. These practices rob our government of hundreds of millions of dollars in duty revenue, and they deny U.S. producers relief from unfair trade.

I agree that Customs has been too slow in investigating evasion, and I have worked with Senator Wyden and his co-sponsors to ensure that the ENFORCE Act will require CBP to crack down on such evasion. I urge my colleagues to support it.

We have an opportunity to act without delay on all four of the proposals before us today. Let us heed Ben Franklin's advice and take that opportunity, because time will not delay.

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