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1 EXECUTIVE COMMITTEE MEETING
2 WEDNESDAY, NOVEMBER 15, 1989
3 U.S. Senate
4 Committee on Finance
5 Washington, D.C.

6 The meeting was convened, pursuant to notice, at 9:23 a.m.,
7 in Room SD-215, Dirksen Senate Office Building, Hon. Lloyd
8 Bentsen (Chairman) presiding.

9 Also present: Senators Moynihan, Baucus, Rockefeller,
10 Daschle, Packwood, Roth, Danforth, Heinz, Durenberger and Symms.

11 Also present: Vanda McMurtry, Staff Director and Chief
12 Counsel; Ed Mihalski, Chief of Staff, Minority.

13 Also present: Jeff Lang, Joshua Bolton, Donald E.
14 Kirkendall, Senator Gramm, Catalina Vasquez Villalpando, and
15 Congressman Ortiz.

16 (The prepared statement of Senator Chafee appears in the
17 appendix.)

18 (The press release announcing the meeting follows:)

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1 The Chairman. If you will please be seated and cease
2 conversation, we will get underway here.

3 The first thing on the agenda, we have had a request that
4 the International Trade Commission conduct an investigation
5 pursuant to Section 332 on the question of competition between
6 the United States and Canadian durham wheat industries.

7 Jeff, if you would report on that. Mr. Lang.

8 Mr. Lang. Yes, Mr. Chairman. This request originated with
9 Senators Baucus and Conrad. A similar request was made by the
10 Ways and Means Committee to the ITC and in consultation with the
11 ITC and Ways and Means and the staffs of the Senators concerned,
12 there has been agreement on the text of a letter. There is no
13 conflict between them. And the ITC to save money will conduct
14 only one investigation even though there are two requests. So
15 we are not aware of any opposition to this?

16 The Chairman. Is there any objection to the study?

17 (No response.)

18 The Chairman. If not, we will report that one out.

19 The other one is to request the International Trade
20 Commission initiated investigation, pursuant to Section 332, to
21 identify international agreements to protect the environment
22 that are made effective through trade restrictions.

23 Mr. Lang.

24 Mr. Lang. This request comes from Senator Moynihan. The
25 text of the letter which was prepared in consultation with the

1 ITC and Senator Moynihan's staff was circulated at a Staff
2 Meeting yesterday to all Senator's staff. We are not aware of
3 any opposition to it.

4 The Chairman. May I have a motion on that?

5 Senator Packwood. So moved.

6 The Chairman. All in favor of the motion stated, make it
7 known by saying aye.

8 (A chorus of ayes.)

9 The Chairman. Opposed?

10 (No response.)

11 The Chairman. Motion carried.

12 Now we will proceed to the markup of H.R. 3275 and that is a
13 bill to implement a steel trade liberalization program announced
14 by President Bush in July. On October 27 Senator Baucus held a
15 hearing in the International Trade Subcommittee on this
16 particular piece of legislation. All witnesses at that hearing
17 testified in support of the bill, including the Administration,
18 the domestic steel industry and its workers and a coalition of
19 steel consuming industries.

20 Because of the widespread support for this piece of
21 legislation and because the Administration has made it clear
22 that it wants this bill enacted as soon as possible so that it
23 can enforce the steel BRAs, I scheduled this markup today in an
24 effort to pass the bill before we recess this year. It will not
25 be an easy task.

1 Frankly, unless we get unanimous consent to move the bill,
2 without amendment, on the Senate floor, I doubt we can get it
3 done. But I am sure prepared to try and that means we are going
4 to need some help out of the Administration to accomplish this.
5 It is their objective. We think it is a good one. At least the
6 Chairman does and I think the members of this Committee do.

7 The only way we can avoid a Christmas trade bill on this on
8 the floor or to avoid a Christmas tree here in this Committee.
9 So I intend to oppose all amendments to this bill with the
10 exception of one, which I think we have complete support for and
11 will be offered.

12 As you know we turned down a House offer on the trade
13 provisions in the reconciliation bill yesterday. But we offered
14 to move the two time sensitive provisions in that bill on the
15 steel bill. And that commitment we are trying to carry out this
16 morning.

17 The two provisions relate to superfund and ethanol. As you
18 can recall, Mrs. Hills was here to tell us how important the
19 superfund legislation was in order that we could continue to
20 move forward in our negotiations on GATT and show good faith
21 thereby.

22 The ethanol provision expires the end of this year. That is
23 the time sensitive item, it seems to me, in the CBI legislation.
24 Thereby, when it expires, it would put the Caribbean ethanol
25 producers out of business. The GATTs about permit our trading

1 partners to retaliate against this on the superfund tax.

2 The Administration has urged us to move quickly on both of
3 these measures. So I would like to now ask the staff --

4 Senator Packwood, do you have any comments?

5 Senator Packwood. I think -- I have my fingers crossed, Mr.
6 Chairman, I hope we have it all worked out and hope we have the
7 report language worked out. The Chairman is absolutely right.
8 If anybody wants to attempt to put Pittston Steel or something
9 else on this, everything is dead.

10 The Chairman. Yes.

11 Senator Packwood. So I would hope we could send it out just
12 as it is, hope you get UC on the floor, and if you do not, we do
13 not go.

14 The Chairman. We will have made our best effort anyway.

15 Senator, do you have any comment on this?

16 Senator Durenberger. Mr. Chairman, only that I have a
17 strong interest in each of the three items that you mentioned --
18 BRA and the Caribbean ethanol and the superfund tax. I agree
19 with the way that you are handling this and I will certainly
20 support any effort to try to amend it.

21 The Chairman. Thank you.

22 Mr. Lang, if you would proceed.

23 Mr. Lang. Mr. Chairman, yesterday after you made the offer
24 to the House we met for some hours with the staffs of all
25 Senators and the Administration. We are not aware of any

1 opposition to the procedure you proposed on these two matters.
2 added to the steel bill or the steel bill itself. Controversies
3 over report language have been, we believe, completely ironed
4 out. We are not aware of any opposition to the way you propose
5 to do it.

6 The Chairman. Do you have any further comments on the
7 ethanol language?

8 Mr. Lang. Your description of it is correct. It provides
9 an extension beyond the current expiration date of December 31
10 of this year.

11 The Chairman. Or the superfund tax?

12 Mr. Lang. No.

13 The Chairman. Then are there further questions concerning
14 it?

15 (No response.)

16 Senator Packwood. I move we report it.

17 The Chairman. All right. The motion has been made to
18 report it with the two amendments. Is there further question?

19 (No response.)

20 The Chairman. All in favor of the motion as stated, make it
21 known by saying aye.

22 (A chorus of ayes.)

23 The Chairman. Opposed by similar sign.

24 (No response.)

25 The Chairman. Motion carried. Thank you.

1 Mr. Lang. Thank you, sir.

2 Mr. Bolton. Mr. Chairman, if I may just express the
3 Administration's --

4 The Chairman. Would they were also.

5 Go ahead. Let's hear your comment.

6 Mr. Bolton. Sir, if I may just express the Administration's
7 appreciation to you and Senator Packwood and the other members
8 of the Committee for moving haumptly on this legislation. The
9 Administration does consider both the steel and the superfund
10 provisions to be extremely important that they get adopted this
11 year and you will have our full support in getting the
12 legislation adopted before the end of this session without
13 amendment.

14 The Chairman. I think it is awfully important that you
15 exert such influence as you can to see that we get a clean bill
16 on that floor. Otherwise, we are in real trouble with it.
17 Okay?

18 Mr. Bolton. Yes. Thank you, Mr. Chairman.

19 The Chairman. Thank you.

20 Yes, Senator Packwood.

21 Senator Packwood. I ask unanimous consent that a statement
22 of Senator Chafee's on the superfund be included in the record
23 at this point.

24 The Chairman. Without objection, that will be done.

25 Senator Packwood. Thank you.

1 (The prepared statement of Senator Chafee appears in the
2 appendix.)

3 (Whereupon, the meeting was adjourned at 9:30 a.m.)
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This is to certify that the foregoing proceedings of an Executive Committee meeting, of the Committee on Finance, United States Senate, held on November 15, 1989, were transcribed as herein appears and that this is the original transcript thereof.

William J. Moffitt
Court Reporter

My Commission Expires