



U.S. SENATE COMMITTEE ON

Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

<http://finance.senate.gov>

MEMORANDUM

To: Reporters and Editors
Re: U.S.-Australia Free Agreement
Da: Wednesday, June 23, 2004

Today the Senate Finance Committee is considering proposed implementing legislation for the U.S.-Australia Free Trade Agreement. Sen. Chuck Grassley, chairman of the committee, offered the following comments on the committee's consideration:

"I'm pleased that we're taking the first step toward implementing the free trade agreement with Australia. However, I'm very troubled by the Conrad amendment that was adopted by the committee.

"The Conrad amendment is clearly unconstitutional. In light of the Supreme Court's decision in INS versus Chadha, this amendment violates both the principle of bicameralism and the presentment clause of the U.S. Constitution. Although this amendment is not binding on the Administration, still I find it distressing that the committee of jurisdiction would adopt such a blatantly unconstitutional provision.

"On top of that, it is entirely unnecessary. I worked with Senator Baucus to develop a bipartisan proposal to strengthen congressional oversight before any waiver of the beef safeguards could be applied. I would have hoped that the Democrats would have respected Senator Baucus' efforts to strike an appropriate balance. That proposal, which is reflected in the Administration's proposed Statement of Administrative Action, reflects the balances arrived at in the agreement while ensuring appropriate congressional oversight in a manner that does not violate our Constitution.

"I'm disappointed, but the process will move forward. We'll see what the House Ways and Means Committee reports and go from there. It's unfortunate. As a result of Democratic support for Senator Conrad's unconstitutional amendment, the process will be delayed, and it's possible enactment of the final legislation may get pushed past the July recess. That won't be good news for America's manufacturers."