



U.S. SENATE COMMITTEE ON

Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

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By a vote of 7 to 14, the Finance Committee voted against favorably approving the Committee's recommendation, as amended with an unconstitutional amendment, to implement the U.S.-Australia Free Trade Agreement. 14 senators voted to disapprove the recommendation as amended. 7 senators voted to approve the recommendation as amended.

A statement from Sen. Chuck Grassley, chairman, prior to the vote, follows.

Statement of Sen. Chuck Grassley on the Continuation of the Senate Finance Committee
Consultative Consideration of the U.S.-Australia Free Trade Agreement Implementation Act
June 24, 2004

Good afternoon. Yesterday we met in open executive session to review and make recommendations on proposed legislation implementing the U.S.-Australia Free Trade Agreement. We were unable to complete our work yesterday, so we are continuing the executive session this afternoon.

Today we will be voting on whether to consider favorably approving the Committee's recommendation, as amended. Let me first say that I strongly support this Agreement. While it might not be perfect, it is a solid agreement that will bring significant benefits to the United States and my home state of Iowa. I also support the bulk of the implementing legislation that we reviewed yesterday. In fact, Senator Baucus and I worked closely together with the White House and the House of Representatives to make improvements to the legislation in an attempt to craft an implementing bill that will receive broad bipartisan support.

Unfortunately, during our informal Committee review, an amendment was very narrowly adopted to the Committee recommendations which I simply cannot support. This amendment would make the exercise of the beef safeguard waivers subject to approval by the Finance and Ways and Means Committees. While the recommendation contained in the amendment is not binding on the Administration, this amendment, according to a legal analysis provided by the impartial and nonpartisan Congressional Research Service, violates the United States Constitution. I ask that this analysis be included in the record. I cannot in good conscience recommend that the President include an unconstitutional provision in the formal implementing bill, and for that reason alone, am voting no on our recommendations today. Therefore, we will not be sending a favorable recommendation on the Committee-amended product. I understand that the House of Representatives favorably reviewed proposed legislation which is identical to the bill we have before us today, but without the constitutional infirmities caused by the adoption of the Conrad amendment. I highly recommend the Administration favorably consider the recommendations provided by the House Ways and Means

Committee yesterday.

I move that the Committee now consider favorably approving the Committee's recommendation, as amended, to implement the U.S.-Australia Free Trade Agreement. I vote no.