**Senators Moved Forward on the Central American Free Trade Agreement, putting off for one more day opposition from the sugar industry**

**By Jim Abrams**
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**WASHINGTON --** A major free trade agreement with Central American nations moved forward in the Senate Tuesday, although senators put off for another day how to deal with the sugar industry opposition that is the biggest obstacle to passage.

The Senate Finance Committee accepted one change in conjunction with the Central American Free Trade Agreement, known as DR-CAFTA, extending to service workers a federal program to assist workers displaced by trade competition.

The panel also rejected, on a 10-10 vote, a proposal by Sen. John Kerry, D-Mass., to ensure that labor laws are enforced, and it did not take up suggested amendments to protect the sugar industry from what it perceives as threats from Central American imports.

The committee later approved the package 11-8, and the House Ways and Means Committee is to take up the legislation today.

Two Democrats, Ron Wyden of Oregon and Blanche Lincoln of Arkansas, voted for it, while two Republicans, Mike Crapo from the sugar beet state of Idaho and Olympia Snowe of Maine, voted against it.

The committee actions are part of a procedure under which Congress can recommend minor changes to, but not alter the substance of, trade agreements negotiated by the administration. The administration, which need not accept those changes, then formally submits the accord to Congress, which has up to 90 legislative days to approve or reject it.

The Bush administration signed CAFTA a year ago with five Central American nations -- Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua -- with the Dominican Republic added later.

It eliminates, either immediately or over time, almost all tariffs on U.S. manufactured and farm goods sold to the region and commits those countries to opening up their service and telecommunications industries and better protecting intellectual property.

It faces fierce opposition from many Democrats, who say labor and environmental protections in the agreement are weak, as well as lawmakers who link free trade accords to the loss of American jobs and lawmakers from sugar industry states in the South and West.

"This agreement is shaping up to be the biggest trade battle Congress has faced in a decade," said Sen. Max Baucus of Montana, the top Democrat on the Finance Committee. Baucus, normally a free trade proponent, again expressed concern that CAFTA could cost thousands of jobs in his state's sugar beet industry.

GOP Sen. Craig Thomas, from neighboring Wyoming, said he was voting yes on the package Tuesday, but he cautioned that "I still have the opportunity to vote no" on the final bill if the administration doesn't make some concessions to sugar growers.

U.S. Trade Representative Rob Portman told reporters that while sugar "is a tough political issue for a lot of members," the administration was opposed to taking sugar off the table in future trade negotiations.

Supporters stressed that, while trade with the CAFTA countries is modest, the agreement is crucial, both in terms of bolstering the fragile democracies in a region that two decades ago was wracked by civil war, and of affirming that the United States was serious about other, more significant, international trade agreements.

"If we let sugar alone take down the agreement, we may live to regret it," said Sen. Trent Lott, R-Miss.

"I hope we all understand that the stakes here are high," Finance Committee Chairman Charles Grassley, R-Iowa, said.