

Citizens Trade Campaign

P.O. Box 77077 Washington, D.C. 20013 phone (202) 778-3320 fax (202) 293-5308

August 1, 2002

Dear Senator:

The Citizens Trade Campaign urges you to oppose the Fast Track conference bill H.R. 3009. There are many reasons to oppose this flawed conference report, not the least of which is the fact that this legislation revokes Senate reforms in almost every area in which the Senate acted to address serious concerns with the original House Fast Track legislation.

In place of the Senate's protection of U.S. trade laws, the Fast Track conference bill leaves these essential safeguards on the international negotiating table by stripping out the Dayton-Craig amendment passed in the Senate by a vote of 61-38. Disregarding the overwhelming bipartisan support demonstrated time and again for these laws, conferees have chosen to not only completely remove the Dayton-Craig amendment, but also to instate a new non-binding resolution which if employed would actually preclude Congress from considering a binding procedural resolution of disapproval. For the many U.S. farmers, businesses, and workers who depend on these trade remedy laws for their survival, this conference bill is nothing less than abandonment.

In the area of assistance for workers displaced by trade, the Trade Adjustment Assistance package included in the conference report is a pittance to America's many struggling families who are the victims of flawed trade policy. The 65% level of COBRA coverage is not only lower than the compromise reached in the Senate bill, but 23% lower than the average employer policy, leaving COBRA-eligible workers to pay 26% of their monthly TAA income on health insurance. Non-COBRA-eligible workers are completely left out in the cold as the conference bill eliminates requirements for insurers to cover pre-existing conditions. The TAA coverage excludes major categories of workers including service, high tech and support workers, fishermen, and most "downstream" workers, as well as excluding the Senate-passed permanent certification for textile and apparel workers. In addition to these substantial limitations, the conference bill also fails to combine TAA and NAFTA-TAA, excluding all workers who have lost their jobs due to plant relocation to any country other than NAFTA, AGOA, or CBI party countries.

The conference bill also creates a major loophole in the Senate language on investment, undermining the already meager improvement there. Instead of ensuring foreign corporations no greater rights than U.S. investors, the legislation now explicitly allows foreign investors greater procedural rights than those afforded U.S. investors. The Fast Track conference bill not only promotes the expansion of NAFTA's flawed Chapter 11 investment rules which empower foreign corporations to file suit against the U.S. over our public health and environmental protection laws, but through the Joint Explanatory Statement, acknowledges that foreign investors may have greater rights when it comes to frivolous claims and other procedural matters. Additionally, the conference bill removes the Dorgan amendment passed by the Senate addressing the dangerous lack of transparency in the proceedings of the NAFTA investor tribunals.

On the issue of labor and environmental protections, the conference bill is substantially weaker than the bipartisan-supported U.S.-Jordan Free trade Agreement, and even falls short of previous fast track bills. The conference bill overturns yet three other Senate directives. It guts the already limited Harkin Amendment which would have provided for negotiating objectives addressing the worst forms of child labor, eliminates a principal negotiating objective on human rights, and removes the right to non-discrimination from the definition of labor rights utilized for the General

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System of Preferences. Additionally, the conference bill maintains the backward Gramm language from both bills, actively prohibiting enforcement of workers' rights and environmental protection in future fast-tracked trade agreements.

Above and beyond the rollback of almost every Senate improvement to the Fast Track legislation and the failure to address any of the serious concerns raised in the Senate debate, we urge you to vote against this conference report for the reason that if this seriously flawed legislation is passed, it unequivocally prevents any meaningful oversight role from Congress while establishing all of the aforementioned serious flaws as the dictate for the next five years of U.S. trade policy.

The ill-conceived and undemocratic mechanisms established in this bill not only apply to what we have previously experienced as traditional trade agreements, but through negotiations currently being conducted on the Free Trade Area of the Americas and the General Agreement on Trade and Services, the terms of this Fast Track could govern far-reaching and crucial areas such as financial services, food safety, pensions, sanitation, social security, and education.

We urge you to vote no on this terribly flawed legislation.

Sincerely,

United Methodist Church, General Board of Church and Society

International Brotherhood of Teamsters

Institute for Agriculture and Trade Policy

National Family Farm Coalition

Western Organization of Resource Councils

Friends of the Earth

United Steelworkers of America

Public Citizen

Communications Workers of America