Ernest C. Swanson, Air Force, Captain.
Richard P. Swanson, Army, Private First Class.
Randall R. Sweet, Army, Corporal.
Richard H. Todd, Marine Corps, Sergeant.
James E. Torgeson, Air Force, Corporal.
Donald R. Torstad, Army, First Lieutenant.
Lloyd O. Twidt, Army, Corporal.
Fred L. Verant, Marine Corps, Corporal.
Merco Joe Verrant, Army, Captain.
Arthur R. Vossen, Army, Corporal.
Marvin L. Whitehead, Air Force, Corporal.
Stanton G. Wilcox, Marine Corps, First Lieutenant.
Jerome F. Williams, Army, Private.
Albert V. Wiswell, Army, Private.
Jack R. Ziemer, Army, Private First Class.
Harry R. Zupke, Army, Sergeant.
Vernie A. Zurn, Army, Sergeant

CHINA's ACCESSION TO THE WORLD TRADE ORGANIZATION—ONGOING MULTILATERAL NEGOTIATIONS

Mr. BAUCUS. Mr. President, I am very pleased that we are approaching the end of our debate on PNTR. This legislation will authorize the President to grant permanent Normal Trade Relations status to China after he certifies to Congress that the terms of China's accession to the WTO are at least equivalent to those agreed in the U.S.–PRC bilateral agreement reached last November.

Before the President can make that certification, the ongoing multilateral negotiations in Geneva must be completed, specifically, the Protocol of Accession and the Working Party Report to the WTO General Council.

China is a nation where a free market and the rule of law are in the earliest stage of development. Accession to the WTO, and our granting PNTR, are just the first steps in that process.

China's integration into the global trade community will not be completed overnight. It will take a lot of work by economic reformers in China. And it will take a lot of work by leaders in the United States and in other WTO members to ensure that China stays on course.

Over the coming years, we will have to put a lot of effort into scrutinizing closely and constantly China's compliance with its commitments. That is why earlier this year I introduced the China WTO Compliance Act. I was glad that some of the provisions in my proposal were adopted by the House. Other issues raised in my bill will be dealt with in a three-year investigation that we on the Finance Committee have requested that the General Accounting Office carry out. And that is why I support the President's request for a significant increase in the resources of the Executive Branch to monitor compliance with trade agreements.

Today, I would like to mention several issues in the ongoing negotiations in Geneva. In addition to informing my colleagues about these issues, I am also using this opportunity to remind our American negotiators and the Chinese leadership about the importance of resolving these issues properly.

Section 401 of the bill states that it is the objective of the United States to obtain, in China's protocol of accession, an annual review within the WTO of China's compliance with its terms of accession. China is a nation where a free market and the rule of law are in the earliest stage of development. The success of the WTO, by contrast, is premised on its members having relatively free markets operating against a backdrop of the rule-of-law. For China's transition to membership in the world trading community to be smooth, China will have to undertake major reforms in many areas, from intellectual property law, to customs procedure, to judicial process.

Some of this is underway. It poses a uniquely massive challenge to China and to the world trading community. Some of the issues that come up may be handled through dispute settlement. But the WTO's dispute settlement mechanism has limited resources, and a flood of China cases could overwhelm the system. Rather than deal with all of China's transition issues one dispute at a time, it is vital to deal with groups of issues as a bloc, through regular annual reviews.

China has objected to having its implementation of trade obligations reviewed every other year, which is the current demand on the table in the protocol negotiations. They want to be treated as a developing country, which means a review every four years. China has also proposed that the focus of such reviews be shifted away from China and instead look at ''abuse by any Member of any specific provisions imposed especially on China in this Protocol.''

This is absolutely unacceptable. The issue is China's implementation. If China believes that other members are abusing China-specific measures in the protocol of accession, it should challenge those practices in the dispute settlement mechanism. We cannot allow attention to be deflected from China's record.

In June, Canada offered an intriguing proposal, whereby each ''subsidiary body'' of the WTO, that is, the councils and committees that have responsibility for particular subject matters, would meet in special session at least once a year to review China's implementation of its trade obligations. We should support the Canadian proposal, which is a common-sense approach.

China has insisted for years that it should enjoy the rights and special treatment accorded to developing country members. We must continue to reject China's position on this point. China is unique. It is not simply another developing country, and it should not automatically be allowed to avail itself of developing country provisions in the WTO. China's size, the extent of state ownership, and the transitional nature of its economy and legal institutions, all should be taken into account in deciding the developing versus developed issue in particular instances. It must be on a case-by-case basis.

For example, if China automatically received developing country status for all purposes, it would receive special treatment under the subsidies agreement. Then, export subsidies and subsidies in the form of operating loss coverage would not be treated as prohibited subsidies. The burden of challenging those subsidies in the WTO would be much greater than under ordinary rules. This would be particularly troublesome, given the level of state ownership in China.

This bill contains a safeguard provision (sec. 103) that lets U.S. industries, workers, and farmers obtain relief from surges of imports from China. The provision reflects the terms of the November, 1999, U.S.-China bilateral agreement. Among its provisions is a rule that will govern the granting of relief when there is ''trade diversion''—that is, when another country provides safeguard relief from surges of Chinese goods, and the goods are then diverted to the United States.

China has proposed that ''trade diversion'' would only be considered to exist when there is clear evidence that imports are increasing ''significantly and absolutely,'' and are ''a significant cause of material injury'' to the domestic industry in the country to which the goods have been diverted.

We must reject this proposal. It is counter to our bilateral agreement in November which included none of these limitations on our taking action.

The safeguard provision, including insulation against trade diversion, is a very important feature of this bill. It ensures that if shifts in trade patterns following China's entry into the world trading system cause or threaten dislocations to American workers, businesses, and farmers, they will be able to obtain relief quickly. We must reject any efforts by China to weaken those commitments.

Under our bilateral agreement, China agreed to protect all rights acquired by American insurance companies prior to China joining the WTO. Specifically, China committed to permit existing insurance branch operations to sub-branch in the future on a wholly owned basis. I understand USTR continues to work with China to correct this situation, both bilaterally and multilaterally in Geneva. I have written to Ambassador Li to make certain he understands the importance I attach to this matter. It is essential that China rectify this situation.

ESTATE TAX LEGISLATION

Mr. ALLARD. Mr. President, recently, President Clinton vetoed legislation that would have repealed the estate tax, legislation that I strongly supported. I fundamentally oppose the estate tax. I call it the ''death tax.'' This has been a concern of mine for some time now. In fact, I have previously introduced legislation that would do away with this unfair tax.

Congress has clearly demonstrated its support for easing this burden. The

Taxpayer Relief Act of 1997 gradually increases the exemption. Last year, Congress decided that further action was needed and passed a bill that would have eliminated the federal estate tax. Unfortunately, the President chose to veto that bill.

The United States has one of the highest estate taxes in the world. While income tax rates have declined in recent decades, estate taxes have remained high. Today, the death tax is imposed on estates with assets of more than $675,000. The rates begin at 37% and very rapidly rise to 55%. Some estates even pay a marginal rate of 60%!

This issue really hits home for me. Family farms and small businesses are two of the groups most affected by the estate tax. I grew up on my family's farm in Colorado, and I owned a small business before I came to Washington. So, I truly understand the concerns of those who live in fear of the impact that this tax will have on their legacy to their children.

The estate tax has resulted in the loss of family farms and family businesses across the nation. Many people work their entire lives to build a business that they can pass on to their children. When these hard-working businessmen and farmers pass away, their families are often forced to sell off the business to pay the estate tax. I see this as an affront to those who try to pass on the fruits of their lives' work to their children.

The people affected by this tax are not necessarily wealthy. Many small businesspeople are cash poor, but asset rich. For example, the owner of a small restaurant might have $800,000 of assets, but not much cash on hand. Her children will still have to pay an excessive tax on the assets. The beer wholesaler, who has invested all of his revenue in trucks and storage, might have more than $675,000 in assets. That does not make him a cash-wealthy man. Yet, he is still subject to this so-called ''tax on the wealthy.''

The death tax also impacts employment and the economy. When a family-owned farm or a small business closes, the workers lose their jobs. Conversely, leaving resources in the economy can create jobs. A recent George Mason study found that if the estate tax were phased out over five years, the economy would create 198,895 more jobs, and grow by an additional $509 billion over a ten-year period.

Additionally, the estate tax is a disincentive for Americans to save their earnings. The government has created a number of tax breaks and other incentives for those who save their money: 401(k)s and IRA's—to name a few. Yet, the estate tax sends a contradictory message. Basically, it says, ''If you don't spend all your savings by the time you die, the government will penalize you.'' This tax is no small penalty, either. We are talking about some very high tax rates.

The death tax also represents an unjust double taxation. The savings were taxed initially when they were earned. Then, when the saver passes away, the government comes along and takes a second cut. There is no good reason for the current system—other than the government's desire to make a profit at the already trying time of the death of a dear one.

The current death tax law has a greater effect on the lower end of the scale than the higher. Wealthy people can afford lawyers and planners to help them plan their estate. Those at the lower end of the estate tax scale are often unable to afford sophisticated estate planning. So the current law also makes the tax somewhat regressive, which is not fair.

Planning and compliance with the estate tax can consume substantial resources. In 1995, the Gallup organization surveyed family firms. Twenty-three percent of owners of companies valued over $10 million said that they pay more than $50,000 per year in insurance premiums on policies to help them pay the eventual bill. To plan for the estate tax, the firms also spent an average of $33,000 on lawyers, accountants and financial planners, over a period of several years. This is money that could have been better spent to expand the business and create new jobs—rather than dealing with the death tax.

The estate tax only raises one percent of federal revenue, yet it costs farms, businesses and jobs. No American family should lose their farm or business because of the federal government. I support full repeal of the federal estate tax.

VICTIMS OF GUN VIOLENCE

Mr. DORGAN. Mr. President, it has been more than a year since the Columbine tragedy, but still this Republican Congress refuses to act on sensible gun legislation.

Since Columbine, thousands of Americans have been killed by gunfire. Until we act, Democrats in the Senate will read the names of some of those who have lost their lives to gun violence in the past year, and we will continue to do so every day that the Senate is in session.

In the name of those who died, we will continue this fight. Following are the names of some of the people who were killed by gunfire one year ago today.

September 15, 1999:

Larry Gene Ashbrook, 47, Fort Worth, TX; Kristi Beckel, 14, Fort Worth, TX; Mackersher Beckford, 22, Miami, FL; Shawn C. Brown, 23, Fort Worth, TX; Sydney R. Browning, 36, Fort Worth, TX; Keith Brunson, 28, Miami, FL; Gary Burgin, 51, Cincinnati, OH; Ralph Burgin, 58, Cincinnati, OH; Jorge DelRio, 36, Miami, FL; Joseph D. Ennis, 14, Fort Worth, TX; Cassandra Griffin, 14, Fort Worth, TX; Leardis Lane, 59, Chicago, IL; Omar Martinez, 32, Miami, FL; Jerry Lee Miller, 63, Salt Lake City, UT; Ali Panjwani, 32, San Antonio, TX; Lamar Price, 34, Detroit, MI; Justin M. Ray, 17, Fort Worth, TX; Calvin D. Sangrey, 45, Seattle, WA; Lawrence Venson, 21, Washington, DC; Unidentified Male, 45, Sacramento, CA.

Today is the one-year anniversary of a horrific shooting in Fort Worth, Texas. On this day one year ago, a gunman burst into the Southwestern Baptist Theological Seminary during a youth rally. Seven of the people whose names I just read were shot and killed and seven were wounded by a man they did not know. The gunman stormed into the church, cursed their religion, and shot multiple rounds of gunfire before he turned the gun on himself.

We cannot sit back and allow such senseless gun violence to continue. The deaths of these people are a reminder to all of us that we need to enact sensible gun legislation now.

ADDITIONAL STATEMENTS

THE VERY BAD DEBT BOXSCORE

● Mr. HELMS. Mr. President, at the close of business yesterday, Thursday, September 14, 2000, the Federal debt stood at $5,675,575,620,669.30, five trillion, six hundred seventy-five billion, five hundred seventy-five million, six hundred twenty thousand, six hundred sixty-nine dollars and thirty cents.

One year ago, September 14, 1999, the Federal debt stood at $5,657,546,000,000, five trillion, six hundred fifty-seven billion, five hundred forty-six million.

Five years ago, September 14, 1995, the Federal debt stood at $4,968,803,000,000, four trillion, nine hundred sixty-eight billion, eight hundred three million.

Ten years ago, September 14, 1990, the Federal debt stood at $3,233,193,000,000, three trillion, two hundred thirty-three billion, one hundred ninety-three million, which reflects an increase of almost $2.5 trillion—$2,442,382,620,669.30, two trillion, four hundred forty-two billion, three hundred eighty-two million, six hundred twenty thousand, six hundred sixty-nine dollars and thirty cents, during the past 10 years.●

RECOGNITION OF GENERAL ROBERT S. FRIX

● Mr. GORTON. Mr. President, I rise to recognize General Robert S. Frix, an outstanding individual from my State, who is the recipient of the Boy Scouts of America Distinguished Eagle Scout Award.

This award is bestowed upon a select group of Eagle Scouts who are chosen by a national review board as distinguished individuals who, by sharing their talents and time with others, have improved their communities. General Frix clearly deserves this rare honor for his service to our country, his profession and community.