

MESSAGE FROM THE SENATE

A message from the Senate by Ms. Curtis, one of its clerks, announced that the Senate has passed a bill of the following title in which the concurrence of the House is requested:

S. 1704. An act to temporarily extend the programs under the Higher Education Act of 1965, and for other purposes.

ANDEAN TRADE PREFERENCE ACT
EXTENSION

Mr. RANGEL. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1830) to extend the authorities of the Andean Trade Preference Act until September 30, 2009, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 1830

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF ANDEAN TRADE
PREFERENCE ACT.

(a) EXTENSION.—Section 208(a) of the Andean Trade Preference Act (19 U.S.C. 3206(a)) is amended by striking “June 30, 2007” and inserting “February 29, 2008”.

(b) REPEAL OF CONDITIONAL EXTENSIONS.—Section 208 of the Andean Trade Preference Act (19 U.S.C. 3206) is amended—

(1) by striking “(a) TERMINATION.—Subject to subsection (b), no” and inserting “No”; and

(2) by striking subsection (b).

SEC. 2. TREATMENT OF CERTAIN APPAREL ARTI-
CLES.

Section 204(b)(3)(B) of the Andean Trade Preference Act (19 U.S.C. 3203(b)(3)(B)) is amended—

(1) in clause (iii)—

(A) in subclause (II)—

(i) by striking “Subject to section 208, the” and inserting “The”; and

(ii) by striking “4 succeeding 1-year periods” and inserting “5 succeeding 1-year periods”; and

(B) in subclause (III)—

(i) by striking “means 2 percent” and inserting “means—
“(aa) 2 percent”;

(ii) by striking the period at the end and inserting “; and”; and

(iii) by adding at the end the following:

“(bb) for the 1-year period beginning October 1, 2007, the percentage determined under item (aa) for the 1-year period beginning October 1, 2006.”; and

(2) in clause (v)(II)—

(A) by striking “Subject to section 208, during” and inserting “During”; and

(B) by striking “3 succeeding 1-year periods” and inserting “4 succeeding 1-year periods”.

SEC. 3. MERCHANDISE PROCESSING FEES.

Section 13031(j)(3)(A) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(j)(3)(A)) is amended by striking “September 30, 2014” and inserting “October 14, 2014”.

SEC. 4. TIME FOR PAYMENT OF CORPORATE ESTI-
MATED TAXES.

Subparagraph (B) of section 401(1) of the Tax Increase Prevention and Reconciliation Act of 2005 is amended by striking “114.25 percent” and inserting “114.50 percent”.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York (Mr. RANGEL) and the gentleman from Louisiana (Mr. MCCRERY) each will control 20 minutes.

The Chair recognizes the gentleman from New York.

Mr. RANGEL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Speaker, as most of us know, some time ago in 1991, President Bush, with bipartisan support, reached out to the Andean countries and extended favorable treatment as related to their exports to the United States.

This has proven successful in making it possible for these countries to get substitute crops for coca, and, therefore, it has been tremendously successful in building up a market for the people in this area, as well as people in the United States of America.

Right now, however, there are four free trade agreements that are pending that haven't passed the House as yet, which includes, of course, Peru. So as we speak, there are two countries for which free trade agreements have not been negotiated, Colombia and Peru. If we were to allow this provision to expire, we would find ourselves in the situation where these countries and their tariffs would be in disarray.

Because of the shortness of notice, and because we have to avoid the expiration, I have been able to work with Mr. MCCRERY in our committee to get, not a 2-year extension that we would really want, but at least an 8-month extension to avoid irreparable damage from being caused during this period, at which time we will again be able to review the situation in the free trade agreements and also the substance of the continuation of the Andean Trade Preference Act, trade promotion agreements.

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I also would like to say, in working with Mr. MCCRERY of the committee, the Members of this House should know that the cooperative spirit in which we got this extension extended to the point that we had to really go to the other Chamber in order to work out what we're able to do today.

Mr. Speaker, at this time I reserve the balance of my time.

Mr. MCCRERY. Mr. Speaker, I yield myself so much time as I may consume.

Mr. Speaker, I've been an avid supporter of Andean preferences, and today I voice my support for this short-term extension of the preferences. And I want to thank Chairman RANGEL for working with me and others to effect what we believe should pass on the floor today under suspension of the rules.

Our country's relationship with the Andean countries of Peru, Colombia, Ecuador and Bolivia is vitally important, and preferences have helped enormously with their economic development and with stability in the region.

At the same time, however, I believe it is time to move to a more substantial, mature and reciprocal relationship through free trade agreements. The unilateral preferences provide duty-free treatment to products from

the region, but very limited value to United States interests in return. The FTAs, the free trade agreements, provide reciprocal market access benefits, creating new opportunity for United States producers, farmers and exporters.

I might add that our FTAs also create greater obligations on our trading partners than preferences by requiring them to abide by fundamental labor rights and certain multilateral environmental agreements.

Right now we have an immediate opportunity to implement the FTAs with Peru and Colombia, with the possibility of future FTAs with Ecuador and Bolivia. We should seize this opportunity now. Both Peru and Colombia have already passed the pending FTAs, and they are expected soon to pass amendments to them reflecting the recently concluded bipartisan trade deal on labor and the environment.

It's time for our Congress here in the United States to move these FTAs, too. Preferences are a stopgap measure. Our trading partners and United States interests deserve more than that. Every day we wait is a lost opportunity to gain the advantages of those more mature agreements.

With respect to Ecuador and Bolivia, I remain very concerned with the treatment of United States investors there. This 8-month extension gives us time to evaluate how these countries are abiding by the preference program requirements with respect to United States investment. We will be watching developments very carefully.

Mr. Speaker, I support this short-term extension of preferences for 8 months, which will give us the time we need to implement our outstanding free trade agreements in the region. The first step will be to complete congressional action on the Peru agreement, I hope, before the August recess. The time is now to solidify our relationship, instead of perpetuating what I believe is an unsatisfactory status quo.

Mr. Speaker, I reserve the balance of my time.

Mr. RANGEL. Mr. Speaker, I'd like to yield 4 minutes to Mr. LEVIN, who's been the subcommittee Chair on Trade and has done an absolutely great job in spearheading this bipartisan approach of this sensitive subject.

(Mr. LEVIN asked and was given permission to revise and extend his remarks.)

Mr. LEVIN. Mr. Speaker, as we proceed, it should be clear. We're talking now about the Andean Trade Preference Act, and we're not talking about the free trade agreements that have been discussed here.

In my view, whether one supports or opposes any of those free trade agreements, it would be counterproductive for someone to vote against extension of the ATPA for 8 months.

This relates, as mentioned, to the four nations. The original ATPA was passed in 1991, and it was expanded and