

I said: If you don't take American beef, I am going to go right to the Senate floor and do all I can to get that domestic content legislation passed because that will be two way; that will be fair.

My gosh, I could see scribbling of all kinds of notes, cameras going on. The next day there was a big article about my statement in the Japanese newspapers. My photo was in the Japanese newspapers. I can't read Japanese, but I know basically what I had said.

Guess what. Within a couple of weeks, the Japanese sat down at the bargaining table. Mike Armstrong was our trade negotiator at the time. They needed to negotiate, and they agreed to eliminate that quota entirely. But they did replace it with a 70-percent tariff. That is pretty high, but at least our industry said: That is great; the quota is eliminated. We can start importing beef into Japan.

I go over to Japan a couple, three times. I know about two words in Japanese. I learned this one. It is "Oishii," which means delicious. I would stand in front of the Japanese cameras and say: American beef is Oishii, delicious. At the same time, a Japanese polling company showed that the Japanese housewives and Japanese citizens of Tokyo wanted American beef by far. Under the Japanese constitution, because the rural districts have disproportionate voting power, they want to protect themselves. That is why they had that quota. The quota was eliminated, replaced with a 70-percent tariff.

We also agreed to bring that tariff down. The Senator from North Dakota says it is now down to around 28 percent. That could well be. It is my recollection that eventually that tariff will be down at a lower rate. The point is that we have made progress with Japan. We now, by the way, export more beef overseas than we import. That line was crossed about 2 years ago. So there is progress.

These things are more complicated than meets the eye. But we certainly have a lot more to do and further to go. As in the Korean situation, Korea had this provision—this was about 2 years ago—called the shelf life law. They wouldn't let boats unload beef products, canned beef, for over 2 weeks. Their distribution system wouldn't let foreign beef get to the grocery stores. That was bad beef under Korean law.

The Korean Prime Minister was, for about 2 or 3 months, coming over to the United States.

So I got ahold of him. I said: Mr. Ambassador, your Prime Minister is coming over. I have a letter signed, with many Senators cosigning who are opposed to this. I don't think you want your Prime Minister to come over when we are getting up on the Senate floor being critical of Korea.

He got the message. Within 2 weeks, they repealed the provisions and allowed in American beef.

So it is important for us to think of how we can get this job done and make

sure these other countries play fair. If we work well in a concerted effort with the trade negotiators, we can get some things done. But I have also learned deeply that no country altruistically is going to lower a trade barrier. You need leverage.

I urge that as we move forward to protect American interests, we find the proper persuasion to help each other. I see the assistant majority leader anxiously waiting to seek recognition.

I yield the floor.

(Ms. CANTWELL assumed the Chair.)

Mr. REID. Madam President, I thank my friend. I extend my appreciation to the chairman of the Finance Committee, the senior Senator from Montana, who is so important to this institution.

#### UNANIMOUS CONSENT AGREEMENT—H.R. 1552

Mr. REID. Madam President, I ask unanimous consent that we now proceed to the consideration of Calendar No. 204, H.R. 1552, the Internet tax moratorium bill; that when the bill is considered, it be under the following limitations: that there be 20 minutes for general debate on the bill, with that time divided as follows: 5 minutes each for the chairman and ranking members of the Senate Commerce and Finance Committees, or their designees; that the only first-degree amendment in order be the following: an Enzi-Dorgan amendment regarding extension, on which there will be 60 minutes for debate prior to a vote in relation to the amendment; that if the amendment is not tabled, then Senator GRAMM of Texas be recognized to offer a relevant second-degree amendment to the Enzi-Dorgan amendment; that there be 20 minutes for debate prior to a vote in relation to the Gramm of Texas amendment, with no amendments in order, with all time equally divided and controlled between the proponents and opponents; that upon the disposition of all amendments, the use or yielding back of all time, the bill be read the third time, the Senate vote on passage of the bill, with this action occurring with no further intervening action or debate.

I further ask unanimous consent that the Enzi-Dorgan and Gramm of Texas amendments, which are at the desk, be the amendments in order under the provisions of this agreement.

The PRESIDING OFFICER. Is there objection?

The Senator from Minnesota.

Mr. WELLSTONE. Reserving the right to object, and I say to the whip that I will not object, I want to be clear that on the record tonight the Senate, in wrap-up, will proceed to Calendar No. 191, S. 739, the Homeless Veterans Improvement Act, which Congressman LANE EVANS and I have worked on for the last 3 weeks. There has been an anonymous hold. My understanding is that tonight this will pass in wrap-up without any objection.

Mr. REID. The Senator has our assurance that will be handled in wrap-up.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

#### INTERNET TAX NONDISCRIMINATION ACT

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 1552) to extend the moratorium enacted by the Internet Tax Freedom Act through November 1, 2003, and for other purposes.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. MCCAIN. Since I see the Senator from North Dakota here, I suggest that perhaps we could make our opening statements as part of the 60 minutes of debate on the Dorgan-Enzi amendment. If that is agreeable, I would be glad to do that. I move to modify the agreement that we move immediately to the Enzi-Dorgan amendment with the 60 minutes of debate equally divided.

The PRESIDING OFFICER. Is there objection?

Mr. BAUCUS. Madam President, reserving the right to object—

Mr. MCCAIN. I withdraw that. I will proceed with my statement. I was trying to save the Senate some time. Obviously, we will take more time in discussing whether I was saving the Senate time or not.

First, I ask unanimous consent to have printed in the RECORD a Statement of Administration Policy concerning H.R. 1552, the Internet Tax Nondiscrimination Act, from the President of the United States.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

#### H.R. 1552—INTERNET TAX NONDISCRIMINATION ACT

The Administration supports Senate passage of H.R. 1552. The Administration believes that government should be promoting Internet usage and availability, not discouraging it with access taxes and discriminatory taxes.

As passed by the House, H.R. 1552 extends the Internet tax moratorium enacted by the Internet Tax Freedom Act for two years. While a five-year extension would be preferable, a two-year extension will provide additional time to analyze the impact of e-commerce on local and State tax receipts while ensuring that the growth of the Internet is not slowed by new taxes.

The moratorium expired on October 21, 2001. The Administration supports rapidly reinstating the moratorium. The Administration encourages the Senate to pass H.R. 1552, without amendment, to enable its expeditious enactment into law.

It basically says that the administration supports Senate passage of H.R. 1552. He concludes by saying that the administration encourages the Senate to pass H.R. 1552, without amendment, to enable its expeditious enactment into law.

On Sunday, October 21, the Federal moratorium on Internet taxes expired.