

Doyle	Johnson (CT)	Pryce
Dreier	Johnson, E. B.	Quinn
Duncan	Johnson, Sam	Riggs
Ehlers	Johnson	Rohrabacher
Ehrlich	Jones	Ros-Lehtinen
Emerson	Kasich	Royce
English	Kildee	Salmon
Eshoo	Kim	Sanford
Everett	Kingston	Sawyer
Farr	Klecza	Saxton
Fawell	Knollenberg	Scarborough
Fields (TX)	Kolbe	Schaefer
Flanagan	LaHood	Schiff
Foley	Largent	Seastrand
Forbes	Latham	Shadegg
Fowler	LaTourette	Shays
Fox	Lazio	Skeen
Franks (CT)	Leach	Skelton
Franks (NJ)	Lewis (CA)	Smith (MI)
Frelinghuysen	Lewis (KY)	Smith (NJ)
Frisa	Lightfoot	Smith (WA)
Frost	Lincoln	Solomon
Funderburk	Linder	Souder
Ganske	LoBiondo	Stearns
Geren	Longley	Stenholm
Gilchrest	Lucas	Stump
Gillmor	Manzullo	Stupak
Goodlatte	Martini	Talent
Gordon	McColum	Tanner
Goss	McCrery	Tate
Graham	McHugh	Tauzin
Green	McInnis	Taylor (MS)
Greenwood	McIntosh	Tejeda
Gutknecht	McKeon	Thomas
Hall (TX)	Metcalf	Thornberry
Hancock	Meyers	Thornton
Hastert	Miller (FL)	Torkildsen
Hastings (WA)	Molinari	Towns
Hayworth	Morella	Trafficant
Herger	Nethercutt	Upton
Hilleary	Ney	Waldholtz
Hobson	Norwood	Walker
Hoekstra	Nussle	Walsh
Hoke	Ortiz	Watts (OK)
Holden	Oxley	Weldon (FL)
Horn	Pastor	Weldon (PA)
Hostettler	Paxon	White
Houghton	Payne (VA)	Whitfield
Hoyer	Peterson (MN)	Wicker
Hunter	Pombo	Wyden
Hyde	Porter	Wynn
Inglis	Portman	Zeliff
Istook	Poshard	Zimmer

NOT VOTING—129

Abercrombie	Goodling	Radanovich
Andrews	Gunderson	Ramstad
Archer	Gutierrez	Regula
Baker (LA)	Hall (OH)	Reynolds
Barrett (NE)	Hamilton	Rivers
Barrett (WI)	Hansen	Roberts
Bass	Harman	Roemer
Bateman	Hefley	Rogers
Bevill	Hefner	Rose
Bilbray	Heineman	Roth
Bilirakis	Hutchinson	Roukema
Bono	Johnson (SD)	Sabo
Borski	Kanjorski	Schroeder
Brownback	Kelly	Sensenbrenner
Bunning	King	Shaw
Callahan	Klug	Shuster
Canady	Lantos	Sisisky
Cardin	Laughlin	Skaggs
Chenoweth	Levin	Smith (TX)
Chrysler	Lipinski	Spence
Clinger	Livingston	Stark
Coleman	Manton	Stockman
Collins (IL)	Martinez	Stokes
Collins (MI)	Matsui	Studds
Combust	McDade	Taylor (NC)
Costello	Mica	Thurman
Coyne	Moakley	Tiahrt
de la Garza	Montgomery	Torricelli
DeFazio	Moorhead	Velazquez
Dellums	Moran	Vento
Deutsch	Murtha	Visclosky
Diaz-Balart	Myers	Volkmer
Dicks	Myrick	Vucanovich
Dornan	Neumann	Wamp
Dunn	Oberstar	Watt (NC)
Ensign	Olver	Waxman
Ewing	Packard	Weller
Flake	Parker	Williams
Foglietta	Peterson (FL)	Wilson
Galleghy	Petri	Wolf
Gekas	Pickett	Yates
Gibbons	Pomeroy	Young (AK)
Gilman	Quillen	Young (FL)

□ 0034

Mr. MILLER of Florida changed his vote from "aye" to "no."

So the motion was rejected.

The result of the vote was announced as above recorded.

REQUEST FOR PERMISSION TO CONSIDER AMENDMENT OUT OF ORDER DURING CONSIDERATION OF H.R. 1555, COMMUNICATIONS ACT OF 1995

Mr. BLILEY. Mr. Speaker, I ask unanimous consent that when the Committee of the Whole resumes consideration of the bill, H.R. 1555, pursuant to House Resolution 207, on the legislative day of August 3, 1995, it shall be in order to consider the amendment numbered 2-1 and 2-2 in House Report 104-223, notwithstanding earlier consideration of the amendment 2-3 in that report on the legislative day of August 2, 1995.

Mr. BRYANT of Texas. Mr. Speaker, reserving the right to object, I would like to ask the gentleman to explain exactly what he is attempting to do here.

Mr. BLILEY. Mr. Speaker, will the gentleman yield?

Mr. BRYANT of Texas. I yield to the gentleman from Virginia.

Mr. BLILEY. Mr. Speaker, basically it would allow us today to take up the Cox-Wyden amendment after the manager's amendment. That is it.

Mr. BRYANT of Texas. Mr. Speaker, I would ask the gentleman, is there some reason for doing that?

Mr. BLILEY. Mr. Speaker, if the gentleman will continue to yield, only to save time, so that we will have less time to be consumed tomorrow evening when we return to the bill.

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. BRYANT of Texas. I yield to the gentleman from Michigan.

Mr. DINGELL. Mr. Speaker, it also is because the gentleman from Michigan [Mr. CONYERS] would prefer to bring up his amendments tomorrow, and the gentleman from Massachusetts [Mr. MARKEY] would prefer to bring up his amendments tomorrow. This would facilitate the business of the House, and also is an accommodation to the Members.

Mr. BRYANT of Texas. Mr. Speaker, I wonder if the gentleman would respond, if I might yield to him further, why these gentlemen want to take their amendments up tomorrow instead of the middle of the night like all of the other amendments?

Mr. STUPAK. Mr. Speaker, if the gentleman will yield, on my amendment No. 2-1, we were very close tonight to having a final agreement on it. We worked on it for about 4 hours. We feel with a little more effort tonight and tomorrow morning, we may be able to get an agreement so we do not have to bring up my amendment tomorrow. We are trying to save the time tonight.

Mr. BRYANT of Texas. Mr. Speaker, reclaiming my time under my reservation, I would just like to say that the process of bringing this up in the middle of the night is an outrage, and I will not go along with accommodating anybody. If we are going to stay here all night long, everybody can stay here all night long, and I object.

The SPEAKER pro tempore. Objection is heard.

COMMUNICATIONS ACT OF 1995

The SPEAKER pro tempore. Pursuant to House Resolution 207 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1555.

□ 0038

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1555) to promote competition and reduce regulation in order to secure lower prices and higher quality services for American telecommunications consumers and encourage the rapid deployment of new telecommunications technologies, with Mr. KOLBE in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Virginia [Mr. BLILEY] will be recognized for 22½ minutes, the gentleman from Michigan [Mr. DINGELL] will be recognized for 22½ minutes, the gentleman from Illinois [Mr. HYDE] will be recognized for 22½ minutes, and the gentleman from Michigan [Mr. CONYERS] will be recognized for 22½ minutes.

The Chair recognizes the gentleman from Virginia [Mr. BLILEY].

PARLIAMENTARY INQUIRY

Mr. FIELDS of Louisiana. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. FIELDS of Louisiana. Mr. Chairman, does the chair expect to take any more recorded votes tonight? Will we roll votes until tomorrow morning? There are many Members who wish to know the answer to that question.

The CHAIRMAN. The Chair cannot anticipate whether or not votes will be required this evening.

Mr. FIELDS of Louisiana. Can the Chair roll votes until tomorrow morning if it is not a privileged motion?

The CHAIRMAN. Under the rule, the Chair has the authority to postpone requests for recorded votes on the amendments, which is the intention of the Chair, but not on other motions.

Mr. FIELDS of Louisiana. Will the Chair exercise the prerogative to roll votes?

The CHAIRMAN. It is the intention of the Chair to postpone votes on amendments until tomorrow.

Mr. BLILEY. Mr. Chairman, I yield myself four minutes.

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

Mr. BLILEY. Mr. Chairman, today and tomorrow we will consider and pass the Communications Act of 1995, the most important reform of communications law since the original 1934 Communications Act, more than 60 years ago. This bill is sweeping in its scope and effect. For the first time, communications policy will be based on competition rather than arbitrary regulation. As a result of this fundamental shift in philosophy, American consumers stand to benefit from a greater choice of telecommunications services at lower prices and higher quality than previously available.

As most Members of this House know, Congress has talked about telecommunications reform for the past several years. In fact, we have come close several times, most recently last Congress, when the House overwhelmingly passed a telecommunications reform bill only to see it die in the Senate. This year, with the help of Mr. DINGELL, Mr. HYDE and Mr. FIELDS, we are determined to succeed where past Congresses have failed in seeing to it that telecommunications reform finally becomes law.

The Communications Act of 1995 requires the incumbent provider of local telephone service to open the local exchange network to competitors seeking to offer local telephone services. The legislation also will create competition in the video market by permitting telephone companies to compete directly with cable companies. Once the Bell operating companies open the local exchange networks to competition, the Bell companies are free to compete in the long distance and manufacturing markets. This bill also includes language relating to the Bell operating company provision of electronic publishing and alarm services.

More importantly, the key to this bill is the creation of an incentive for the current monopolies to open their markets to competition. This whole bill is based on the theory that once competition is introduced, the dynamic possibilities established by this bill can become reality. Ultimately, this whole process will be for the common good of the American consumer.

The difficulty of passing communications reform legislation is well known. In the midst of the important and difficult policy decisions which must be made by Members, large telecommunications companies have expended enormous pressure to keep competitors out of their businesses. In the name of competition, these companies have lobbied our Members intensively for their fair advantage in the new competitive landscape. Any one of these factions is capable of preventing what we all recognize is much needed reform. I urge my colleagues, particularly the new Members, to resist these pressures and

to pass this long overdue bill. I realize these are not easy votes.

As I have stated, the need for telecommunications legislation is long overdue. We all recognize that the telecommunications industry is at a critical stage of development. This was highlighted by some of the merger activity we have seen this week. "Convergence" is the technical term used to describe the rapid blurring of the traditional lines separating discrete elements of the industry. From a policy perspective, convergence means that Congress must set the statutory guidelines to create certainty in the marketplace and to ensure fairness to all industry participants, incumbent and new entrant, alike. Such a policy will ensure a robust, competitive environment that will provide the American consumer with new telecommunications products and services at reasonable prices.

Mr. Chairman, Subcommittee Chairman FIELDS, Mr. DINGELL, and the members of the Commerce Committee strongly believe that the best policy decision this Congress can adopt is to open all telecommunications markets and to encourage competition in these markets. We believe it is competition, and not Government micro-management of markets, that will bring new and innovative information and entertainment services to Market as quickly as possible.

In shaping our legislation on a pro-competitive model, we have been careful. However, not to legislate in a vacuum. We have taken into account past, Government-created advantages. We have resisted, in the name of deregulation, to simply break up one monopoly only to replace it with another. Rather, we have created a model that reflects the development of competition in the local telephone market.

Mr. Chairman, I want to spend a few moments on the issue of opening the local telephone market to competition.

The bill directs the Federal Communications Commission to adopt rules relating to opening the local telephone market. At any time after the FCC adopts its rules, a Bell operating company may seek entry into the long-distance market by filing with the Commission a certification from a State commission that it has met the bill's checklist requirements for opening up the local telephone market.

Additionally, a Bell operating company must file a statement that either: First, there is an agreement in effect—the terms and conditions of which are immediately available to competitors statewide—under which a facilities-based competitor is presently offering local telephone service to residential and business subscribers; or second, no such facilities-based provider has requested access and interconnection, but the Bell Company has been certified by the State that it has opened the local exchange in accordance with the act's requirements.

The FCC will review the Bell Company's verification statement, and during this review period, the FCC will consult with the Attorney General and the Attorney General's comments will be entered into the FCC's record.

Mr. Chairman, we believe that the approach we have adopted is a fair and balanced one. We understand the lobbyists and media tend to characterize this bill as either pro-Bell or pro-long distance depending on any word change. Our aim has always been to produce a fair test for providing not only Bell entry into long distance but long distance and other competitors entry into local telephony.

Each side has lobbied hard for its own fair advantage. What is important is that we believe we have achieved our goal of opening these markets in a balanced and equitable manner in order to bring new services and products to the American people as quickly as possible.

The legislation we are considering today will provide competition not only in the local telephone market but the long distance, cable, and broadcast markets. The bill also removes unnecessary and arbitrary regulation and adopts temporary rules that provide the transition to competitive markets.

Mr. Chairman, today we have a historic opportunity to reclaim our role in setting telecommunications policy. I urge my colleagues to vote for H.R. 1555.

□ 0045

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

Mr. DINGELL. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, I rise in support of H.R. 1555.

H.R. 1555 is a big bill, but not a flawless bill. While I continue to have serious reservations about several of its provisions, it accomplishes many important goals. It will inject a healthy dose of competition into the communications industries—competition for cable service, competition for local telephone service, and more competition for long distance service. These are good provisions, and will benefit our constituents and our economy.

The bill will also get the Federal judiciary out of the business of micromanaging telecommunications—and that is good too. In fact, this has been a goal of mine since the breakup of the Bell System back in 1984.

The bill outlaws the practice known as slamming—when subscribers are switched from one carrier to another without permission. And it includes penalties that should serve as an effective deterrent to this noxious practice.

In moving to a competitive environment, the legislation protects several industries from unfair competition. H.R. 1555 includes safeguards to ensure that burglar alarm companies, electronic and newspaper publishers, and manufacturers of telecommunications equipment are not victimized by unfair competition.

H.R. 1555 requires that if the Federal Communications Commission adopts standards for digital television, that the rules permit broadcasters to use their spectrum for additional services that will benefit our constituents.

Having said all these good things about the bill, however, it is important to note that it is not perfect. It contains many compromises that were necessary to move the bill along. I'd like to compliment my colleagues, TOM BLILEY and JACK FIELDS, for the manner in which they have treated me and all the minority members as the bill moved through the process. We reached many compromises on the technically complex and detailed provisions of this bill, and they have worked with me with fairness, grace, and wit.

There are other areas, however, that need more work. These include the premature deregulation of the cable industry, the provisions eliminating limits on the ownership of mass media properties, and the absence of provisions that require the installation of the V-chip in television receivers. Mr. MARKEY intends to offer amendments to correct these deficiencies, and we will debate them later on.

Last year, the House suspended the rules and passed comparable legislation, H.R. 3626, by a vote of 423 to 5. Our bill did not pass the Senate—for a variety of reasons—and so we have been forced to go through this process all over again. I suspect that many of our colleagues dearly wish that the Senate had acted, so that we could have avoided much of the controversy of the last couple of weeks.

Mr. Chairman, on balance, H.R. 1555 is an improvement in current law. With its problems corrected by the adoption of the Markey amendments, it will be a downright good bill. I urge my colleagues to support Mr. MARKEY on his amendments, and vote for the adoption of H.R. 1555.

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

Mr. HYDE. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Illinois [Mr. FLANAGAN].

Mr. FLANAGAN. Mr. Chairman, I rise in strong support of H.R. 1555. This is a very important bill. It will provide competitiveness to an industry that has long lacked it. It will provide competitiveness in the long distance market.

Most support this bill, industry, labor alike. There is one small group that opposes this bill violently. That is the group of interesting and very strongly opposing folks, the Competitive Long Distance Coalition, made up of seven of the most colossally large corporations in the world, with net assets that are measured in the hundreds of billions of dollars.

Over the course of the last 10 days or so, every Member of this Chamber has been greeted as they came through the door with a sack of mail. I got one such sack here. This sack is not the mail I have received over the past 10 days. It

is not even the sack of mail I received today. This is my 2 o'clock mailing. Every Member of Congress gets four mailings a day. This arrived at 2 o'clock today.

I was so livid by this, because I have never sent a telegram in my life, but AT&T would have me believe that thousands of people in my district feel so strongly about their corporate profits that they are going to send me thousands of telegrams.

So I put my busy beavers to work today in my office and asked them to make a few phone calls. They called 200 of these telegrams. We actually got hold of 75 of them. And in the course of that time we found out that 3, exactly 3 people out of those 75 even heard of these much less supported it.

Let me give you a few examples. This group of people right here, they do not speak English. We put some multilingualists on the phone with them for a good long time and talked to them at great length, but they really did not care much about telecommunications and even less about long distance corporate profits.

This group here, Anthony in Chicago, very fine fellow, we could not talk to him. He has been bed-ridden for several months, and his wife told us on the phone that he has bigger problems to worry about than profits in the long distance companies.

This guy here, Harold, he is also a very fine fellow. We could not talk to him either because his wife told us that he had been in intensive care for several weeks and probably had better things to do than call me about telecom.

This is a great one, Mr. Chairman. This is Dennis, who is supposed to live in River Grove. We called Dennis out there. Dennis has not lived in Illinois in 10 years. Dennis not only lives in southern Wisconsin, but just for grins we asked for his phone number to get hold of him. We called Dennis and Dennis said, Not only do I not care about telecom and long distance profits, but if I did, why the hell would I call you?

This is the great one, this is little Andrea. We called her, and her mom answered the phone and said, Well, little Andrea is 8 and she is out playing now, but when she comes in, I will have her call and tell you about the bill.

This is the worst one of all. This is the most loathsome example, Casimir in my district. I will not say anything more about him out of respect for the family. But Casimir passed on in March.

It has been said in Chicago that those who have gone beyond have a tendency to vote, but to send me a telegram is indeed truly long distance at its best.

Mr. Chairman, I do not make this speech to mock the dead. I make this speech to show the appalling tactics of a tiny minority that absolutely are opposed to this bill, not because it is anticompetitive but because they are not preferentially advantaged as they have been through the years.

I urge every Member to vote for H.R. 1555, to ignore these sacks of mail and to, if they have objection to this bill, please let it be principled. Please let it be a reason not to vote for it and let this have nothing to do with your decision.

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

Good morning, Members of the Congress, insomniacs in the public, particularly those that are watching us on cable. I hope they are enjoying it now, because it is about to get a whole lot more expensive.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. The gentleman from Michigan [Mr. CONYERS] is advised to address the Chair and not others.

Mr. CONYERS. Mr. Chairman, I will correct myself.

Good morning, Members of the Congress and insomniacs in the Congress, particularly those of you who are present on the floor. I hope that you are enjoying this now because it is going to get a lot more expensive for those of us who are cable subscribers in this country.

If this bill passes, cable rates are guaranteed to rise and rise substantially. That will be a blessing to some people who do watch us and listen to us with some regularity. Not only will it be more expensive to watch us, it will be more expensive to watch sports, movies, and even infomercials.

You know all those telephone commercials arguing that their rates are lower? Well, forget it. As a result of this bill, long distance telephone rates will also rise along with cable rates. It is going to be a lot more expensive to call anybody from one end of this country to the other, and it is going to be expensive for your constituents, more expensive for your constituents to call you and me here in Washington. It is going to be more expensive to reach out and touch.

When the Republican majority tells you this is good for you, I tell you that you had better read the fine print because this is a special interest bill. There are special interest politics that are at play here, not too much of a surprise at this point in time.

Special interest politics always smiles in your face while it picks your pocket. For American consumers, this is one big sucker punch.

The fact is that the Republican leadership knows all this, and that that is one big gift for the special interests. It is going to cost our constituents, the consumers, a bundle.

That is why the bill is brought up in the middle of the night, after so many people are not watching and that many Members of Congress have also apparently gone to sleep. And worse, they are not only doing it in the middle of the night, but with a so-called manager's amendment that was arrived at without the processes of either of the committee chairmen, not to mention ranking chairmen, of the two committees that produced two bills. No one

saw this, including the press, the public, Members of the Congress, until the final copy was issued yesterday.

So I ask those who support this bill and the manager's amendment, what are you so afraid of and why must we do it under these processes?

Fact: Long distance prices have gone down 70 percent since the breakup of AT&T in 1984. That is because the antitrust principles enforced by the Department of Justice drove that breakup. This bill is to get rid of those antitrust principles and send the Department of Justice to the showers. The problem is that your phone prices are very likely to increase as a result.

Maybe it is because a number of Members here do not want the public to know that its cable prices are going to rise as a result of this bill.

Maybe it is because many here do not want the public to know that all the media outlets in particular markets, television, radio, newspapers, will increasingly be owned by a very few, thereby drowning out the diversity of voices in our media outlets.

Maybe it is because the leadership does not want everyone to know that the antitrust rules which have so successfully governed the telephone industry are now in the process of being chucked out of the window.

So if you want it to cost more when your constituents flip on television or pick up the phone, you will vote for this measure tonight. If you want lower cable and telephone rates, then you are going to have to do something different. But I will say to my colleagues, this is one of the biggest consumer ripoffs that I have witnessed in my career in the Congress.

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

□ 0100

Mr. BLILEY. Mr. Chairman, I yield 4 minutes to the gentleman from Texas [Mr. FIELDS], chairman of the Subcommittee on Telecommunications and Finance.

(Mr. FIELDS of Texas asked and was given permission to revise and extend his remarks.)

Mr. FIELDS of Texas. Mr. Chairman, I rise in strong support of H.R. 1555, the Telecommunications Reform Act of 1995, and I hasten to say that I believe that this legislation is balanced, it is sweeping, and it is monumental.

Mr. Chairman, there are few times in a legislator's career when one can come to this floor and talk about an historic moment, a watershed when a government breaks the chains of the past and enters a new policy era. Well, this is such a moment.

Mr. Chairman, since Alexander Graham Bell invented the telephone, this is only the second time the Government has focused and dealt with telecommunication policy. The first time was 61 years ago in the 1934 Communication Act when our country utilized radio, telegraph, and telephone technology. The Congressmen and Senators in 1934 could not have envisioned the

technology that we enjoy today. They could not have envisioned the advantages of digital over analog transmission. They could not have envisioned that clear voice transmission, along with data and video, could be accomplished without a wire. They could not believe that you could digitally compress and transmit as much as six times the current broadcast signal with the same or enhanced video capabilities.

Mr. Chairman, I am here tonight to tell our colleagues that we cannot on August 3, 1995, predict what the technologies and applications of those technologies would be next month, let alone next year. I do firmly believe, however, that this legislation will unleash such competitive forces that our country will see more technological development and deployment in the next 5 years than we have seen this entire century. I firmly believe that this legislation will result in tens of thousands of jobs being created and tens of billions of dollars being invested in infrastructure and technology in an almost contemporaneous manner when signed by the President.

Mr. Chairman, I cannot stand here and say that this legislation is perfect, but I can stand up and say to this House that our focus as a Committee on Commerce was correct. This legislation is predicated upon two things: Competition and the consumer. A belief that competition produces new technologies, new applications for those technologies, new services, all at a lower per capita cost to the consumer.

Mr. Chairman, central to competition to the consumer in this legislation is opening the local telephone network to competition. We do this with a short rulemaking by the FCC, the telephone companies having to enter a good faith negotiation with a facilities-based competitor, like a cable company, on how the network is open. A review by the State Public Utility Commission and FCC that the loop is open to competition, and once the FCC finally certifies that that local telephone network is open to that facilities-based competitor, then the same agreement with the same terms and conditions is open to any competitor within that State.

Mr. Chairman, this puts the consumer in control. Cable companies, telephone companies, long-distance companies, will all be vying for the consumer's business, offering new technologies, better services, more choice, at lower cost.

Among other things we do in the bill, we also have broadcasters as they move into the new era of digital transmission to utilize the technology of signal compression, to produce as many as six signals over the air broadcast signals; where today, only one signal is produced, we do six. It is hard for us to know what this one piece of the legislation means tonight. We hope it means more local news, weather,

sports, cultural programming, and particularly, educational quality programming aimed at our Nation's children, but we do not dictate. We do not micromanage.

Mr. DINGELL. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Massachusetts [Mr. MARKEY].

Mr. MARKEY. Mr. Chairman, first of all, I would like to begin by complimenting my good friend, the gentleman from Texas [Mr. FIELDS]. I have worked with the gentleman for three years on this legislation, and he and I have spent hundreds of hours talking about these issues and trying our best to come to common ground, and on many issues, we have, and many of those issues are in this bill. I think it is there that, in my opinion, the monumental parts of this bill are contained. I cannot thank the gentleman enough, and the gentleman from Virginia [Mr. BLILEY] on that side and all of the Members, and on this side, the gentleman from Michigan [Mr. DINGELL] and all of the members of our committee for all of the hard work which they have put into this bill over the last 3 years.

Mr. Chairman, unfortunately, since last year when we were considering this bill, there have been additions made to the legislation that were never under consideration in 1994. It is there primarily that the serious flaws in this legislation appear.

For example, one, I repeat myself, but it is very important. It is wrong to allow a single company to own the only newspaper, two television stations, every radio station in the entire cable system for a single community. It is just wrong. Second, I have no problem with deregulating the cable industry, if there is another competitor in that community. For 100 years in this country we have regulated monopolies.

Mr. Chairman, my career on the Committee on Commerce has been dedicated to deregulating toward competition so that we do not need to regulate monopolies any more, in electricity, in telephone, and in cable. But the honest truth of the matter is that there will be no competing cable system in most communities in America 2 years from today and 5 years from today. We should not subject those captive ratepayers to monopoly rents. It is wrong. Whenever a competitor shows up, total deregulation. That should be the heart and soul of this bill: Competition.

Third, the V-chip. We are creating a universe that is going to go from 30 to 50 to 60 to 100 to 200 to 500 channels. Mothers and fathers who will want this technology in their home for the wide variety of programming that will be available will also be terrified at what their child may gain access to when they are not home, or when they are in the kitchen. A violence chip upgrades the on-off switch. That is all it does. It allows the parent to upgrade a 1950s on-off switch to something that they can

have on or off when they are not in the room. That is all we are talking about. It only matches this 500 channel universe.

Mr. Chairman, these are the issues that we have to include in this bill if we are to move into the 21st century: Competition and protection of the consumer. I would hope that those amendments would be adopted.

Let me make another point. Here is the complaint form that is going to have to be filled out. For example, if you have 200,000 cable subscribers that are owned by the company in your area, 6,000 people have to fill out this form in order to complain about rates sky-rocketing when there is no other cable company in town that they can turn to, because rates are too high or quality is too low. Six thousand people out of 200,000 subscribers filling out a form that would basically make the 1040 form look attractive to most of them.

Mr. Chairman, this is not a complaint form. This is not a way in which ordinary consumers are going to be able to appeal when their rates go back up three times the rate of inflation before we put that cable rate protection on the books in 1992.

I am not looking for the kinds of radical changes that people might think. I am looking for common sense changes.

Mr. HYDE. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. NEY].

Mr. NEY. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I just want to actually make a comment, Mr. Chairman, about something that was not in the bill and we were disappointed because we did have an amendment, and that was to include stressing of availability and affordability for access for rural libraries, rural schools, and also rural hospitals. The gentleman from Virginia [Mr. BLILEY], the chairman of the committee, has stated here that although the amendment did not make it to the Committee on Rules, which was a disappointment, but that he is going to do all he can to work with the Senate version which does contain, I think, some good language.

Mr. Chairman, I just wanted to restate that there are a lot of Members of the House, had that amendment been in order and had that amendment come forth on the floor, they would have supported the amendment. I want to tell people here on the floor, Mr. Chairman, that in fact one of the most disenfranchised areas in the United States is in fact rural America. They pay the toll calls. There has not been the availability in a lot of areas on the information highway for rural America.

We know that we do not have enough money to solve all the problems, so therefore using high technology is going to bring a lot of information for our hospitals we could not normally get, it is going to bring a lot of information to our students who really do

not have the advantage a lot of times of the high-technology systems, it is going to bring a lot of advantage to our libraries. I just want to restate that it has to be available and affordable.

Mr. Chairman, I appreciate the commitment of the gentleman from Virginia [Mr. BLILEY], because if we do not do something in this bill that is not in the House version, if we do not do something in the conference report, as this information superhighway goes across the United States, there is not going to be any exit ramps for rural America.

Mr. CONYERS. Mr. Chairman, I am pleased to yield 4 minutes to the gentleman from Texas [Mr. BRYANT].

(Mr. BRYANT of Texas asked and was given permission to revise and extend his remarks.)

Mr. BRYANT of Texas. Mr. Chairman, I would like to identify with the very generous remarks made by the gentleman from Massachusetts [Mr. MARKEY] a moment ago about the hard work done on this bill over the last few years. In fact, we passed an enormous bill in the last session of Congress and it ended up dying in the Senate.

Unfortunately, however, the work that was done by the committee over a period of several days, and frankly over a period of months preceding that, has been obviated by the fact that we now have before us at the very last minute what is called a manager's amendment which changes the bill entirely. The work of the committee, therefore, and the work of all of the people that came forth in the private sector, all of the people that came forth in the various public sectors, all of the Members of Congress, has now basically been sidelined while a manager's amendment that has been hammered out by the gentleman from Virginia [Mr. BLILEY], and I assume the gentleman from Michigan [Mr. DINGELL] and the gentleman from Texas [Mr. FIELDS] and others, not in an open committee rule, not with hearings, not with any organized input from anybody, is going to be brought up and we are going to be asked to vote for that.

Mr. Chairman, I think it is unprecedented. Maybe there is a precedent for it, although I cannot remember what it is. But I think that even if there were some precedent along the way for this, it should be condemned as a process. It is wrong. It is not the right way to legislate. I think it has a lot to do with the fact that we are up here right now at 1:15 in the morning debating a bill that relates to, I think I heard the gentleman from Texas [Mr. FIELDS] say, one-sixth of the entire economy, that changes the ability of people who are very important, powerful people and entities that own television stations to own more and more television stations in the same market, have greater and greater market penetration in the entire country that is controlled by just a very few people, always at a time when we read in the papers, even today

about the confrontations going on in the telecommunications industry.

Mr. Chairman, this is an enormous bill. It is 1:15 in the morning. It is not right to be doing this, it is not necessary to be doing this. Not one single person will stand on the floor and say it is right or it is necessary.

Mr. Chairman, it is an outrage. I think the fact that we are doing it says a great deal about the manager's amendment. It says a great deal about the bill, unless we are able to amend it. We ought to amend it. We ought to adopt the Conyers amendment when the bill comes up unless the Justice Department has something to say about whether or not, when the Bell companies are able to enter into long-distance, they are in a position to drive everybody else out of business before they are allowed to enter into that business.

Mr. Chairman, I hope the amendment will be adopted. The Markey amendment ought to be adopted to try to ameliorate the monopolistic effects of this bill with regard to communications. Surely, if there is any industry that we do not want to see move in the direction of greater consolidation and monopolization, it would be the industry that controls the ideas of our children and the ideas of adults. Surely that is the one area we should protect assiduously, and yet this bill goes in the opposite direction. I hope you will adopt the Markey amendment.

Also, with regard to the V-chip, for goodness sakes, you know, we ought to be able to give parents the ability to control what their kids watch on television.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. BRYANT of Texas. I yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, the gentleman from Texas has worked assiduously on both committees. This is one of the few Members in the Congress who serve on both the Committee on Commerce and the Committee on the Judiciary.

Mr. Chairman, I would like to ask the gentleman, is there any way that we can promote investment and competition at the same time that we promote concentrations of power and mergers? I mean are these concepts that can be reconciled at all?

□ 1315

Mr. BRYANT of Texas. Not only can they not be reconciled, it is a great irony to me that our friends on the far right side of the political spectrum frequently stand up and say the problem with this country is the liberal media, and yet it is their bill that is going to allow the so-called liberal media owners to have greater and greater power. Now either my colleagues do not really believe the liberal media is a problem or somehow or another my colleagues do not mind going ahead and giving them more power. I am not sure which it is. It is preposterous.

The gentleman's question is right on target. We cannot reconcile the two goals, and I hope the Members will vote for the amendment offered by the gentleman from Massachusetts [Mr. MARKEY], for the amendment offered by the gentleman from Michigan [Mr. CONYERS], and, if we do not get them adopted, for goodness' sakes vote against the bill.

Mr. BLILEY. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. OXLEY].

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

Mr. OXLEY. Mr. Chairman, as an original cosponsor of the Communications Act of 1995, I wish to express my support for the manager's amendment and the bill, and let me give credit to the gentleman from Texas [Mr. FIELDS], the gentleman from Virginia [Mr. BLILEY], the gentleman from Michigan [Mr. DINGELL], the gentleman from Massachusetts [Mr. MARKEY], and many others who have worked long and hard on this. We are not reinventing the Wheel here.

The gentleman from Virginia [Mr. BOUCHER] and I have introduced a bill involving cable/telco cross-ownership along with then Senator GORE and CONRAD BURNS from Montana, and before that there was a bill introduced by Al Swift from Washington, and Tom Tauke from New York. This has been an issue that has been with us a long time.

The real question we ask ourselves is do we think it is necessary 10 years later to have an unelected, unresponsive Federal judge as a czar of telecommunications, or is it time we take that issue back for the people through their duly elected representatives?

Make no mistake about it. This is the most deregulatory bill in American history. Some \$30 billion to \$50 billion in annual consumer business costs are benefited, 3½ million new jobs created. This is the largest jobs bill that will pass this Congress or any other Congress for a long time to come. It opens up all telecommunications markets to full competition including local telephone and cable.

Now the cable/telco provisions based on the bill I introduced with the gentleman from Virginia is part and parcel of this bill. It basically allows telephone companies into cable, cable into telephone, and provides the necessary competition that is going to benefit our consumers.

I want to talk briefly about a provision that I was intimately involved in, and that is section 310(b) of the Communications Act. We felt it necessary to modernize that provision so that American companies would have better access to capital and at the same time would be more competitive in a global economy. I think, through the efforts of compromise with the Members on both sides of the aisle, we have reached that compromise, and I think that section 310(b), as we have amended it

working with the administration as well as with the members of the committee, is clearly a much better section than it currently is in that it would encourage foreign governments, if left as it is now, to restrict market access for U.S. firms.

Make no mistake about it. Countries all over the globe are liberalizing their policies in telecommunications and American companies are taking advantage of that more and more and more. It makes sense for us to be on that same path, and I think we will with the language we provided in section 310(b).

We are at the point of passing historic legislation in this House. It has been a long time coming. I give credit to all those who have been involved. This is a worthy undertaking, and I ask support for the manager's amendment and the bill.

Mr. DINGELL. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from California [Ms. ESHOO].

Ms. ESHOO. Mr. Chairman, I rise in support of HR 1555.

The indelible mark of the latter part of this century is that we have moved from an industrial era to the information age. Our Nation's telecommunications policies need revisions to match not only this moment but also prepare us for a new century.

California's Silicon Valley, which I'm privileged to represent, are reinventing cyberspace each day, pioneering technologies so dramatic, that they revolutionize how we live, how we work, and how we learn.

I'm committed to maintaining and enhancing the ingenuity and innovation of our high technology and communications industries.

That's why I offered an amendment during full Commerce Committee consideration of this bill, adopted unanimously, that ensures that the FCC does not mandate standards which limit technology or consumer choices.

The language is supported by American business alliances including the Telecommunications Industry Association, the Alliance to Promote Software Innovation, the Coalition to Preserve Competition and Open Markets, and the National Cable Television Association.

On the other hand, foreign TV manufacturers are pushing the Federal Government to impose standards that will establish television sets as the gatekeeper to home automation systems.

These interests have spent hundreds of thousands of dollars in advertising calling for the elimination of this language. They've done this because the amendment is the only obstacle in their path to monopolizing consumers.

Mr. Chairman, my provision is not simply about TV wiring and cable signals. It's about shedding the past. It's about embracing the future. It's about allowing American technology to unleash their genius and create a new world of possibilities—new ways to communicate with each other, new ways to improve our lives, new ways to

make technology work better for all of us.

I urge Members to support deregulation of our telecommunications markets. Our nation's leadership in the information age depends on it.

Mr. HYDE. Mr. Chairman, I yield 3 minutes to the gentleman from Virginia [Mr. GOODLATTE].

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

Mr. GOODLATTE. Mr. Chairman, I thank the gentleman from Illinois [Mr. HYDE] for yielding this time to me, and I rise in strong support of this legislation which will help to move the telecommunications policies of this country into the second half of the 20th century just in time to see this exploding technology move into the 21st century.

Make no mistake about it. It was Government policy that has restrained what is clearly the greatest opportunity for the creation of jobs and new technology that exists in this country, and it is about time that we enact this new policy to afford the opportunity to create the competition in all sectors of telecommunication that is going to bring about an explosion of opportunity for all Americans to have greater access to information, to have greater access to employment, and to have greater opportunities for new investment in all kinds of creative ideas.

So I strongly support this legislation. I do have concerns about some aspects of it. I will support the Burton-Markey v-chip amendment, and I would urge others to do so as well. This is not Government censorship, this is not getting Government involved in reviewing and screening these programs, the thousands of programs that are going to come across hundreds of cable channels. This is the empowerment of the parents of this country to be able to exercise the same responsibility in their own living rooms that they are now able to do with every movie that is offered in every movie theater in this country. It is simply an advanced technology for allowing parents to do the same thing with thousands of programs that are offered every week in their home that they do with the dozens of movies that are offered to their children in movie theaters. They will do it with technology, with the v-chip. That is the only feasible way that I know of, and anyone else that I have talked to knows of to accomplish this goal when we are talking about this massive amount of information.

I am also disappointed that the amendment which I offered, the Goodlatte-Moran amendment, was not made in order by the committee to guarantee protection for local governments that they will continue to be able to provide the kind of decisions on the placement of telecommunications equipment in their local communities, but we have received assurance from my good friend, the chairman of the Committee on Commerce and fellow Virginian, that this matter will be

fully addressed in conference, and I have every confidence that that will take place, that we will make it clear that on local zoning decisions local governments will make those decisions, and we will also make it clear that in advancing this telecommunication policy we will not have restraints on the ability to make sure this is a national policy by insuring that every community will allow this telecommunications into the community, however we will not have a problem with the fact that local governments need to have that opportunity.

I urge support for this bill.

Mr. CONYERS. Mr. Chairman, I yield 3 minutes to the able gentleman from Virginia [Mr. SCOTT].

Mr. SCOTT. Mr. Chairman, I rise in support of the Conyers amendment to H.R. 1555. This amendment would require prior approval by the Attorney General before a Bell operating company may enter into long distance or manufacturing. Both the Justice Department and the FCC would review the State certification of "checklist" compliance.

Under the manager's amendment to H.R. 1555, the FCC must consult with the Department of Justice ["DOJ"] before it makes a decision on a BOC's request to offer long distance services—but DOJ has no independent role in evaluating the request.

Mr. Chairman, by depriving DOJ of an independent voice in the review process, this bill creates unnecessary risks for consumers and threatens the development of a competitive local and long distance telecommunications marketplace. The aim of deregulation was to spur phone and cable companies to enter into each other's markets and create competition. That in turn would lower prices and improve service.

Just the opposite would happen under H.R. 1555 in its current form. H.R. 1555 encourages local cable—phone monopolies. Cable and phone firms could merge in communities of less than 50,000. Therefore, nearly 40 percent of the nation's homes could end up with monopolies providing them both services and the public would not be protected from unreasonable rate increases.

Mr. Chairman, the Department of Justice is the best protector of competition by utilizing the antitrust laws of this country. The Conyers amendment will ensure that the Department of Justice has a meaningful role in the telecommunications reform, and, if it passes, consumers of America will benefit.

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

I would like to announce for the benefit of the Members on the floor or in their offices that it is my intention to move that the Committee rise after general debate. There will be no debate or votes tonight on amendments.

Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. BARTON].

(Mr. BARTON of Texas asked and was given permission to revise and extend his remarks.)

Mr. BARTON of Texas. Mr. Chairman and members, I rise in support of the bill. I think this is a very far-reaching telecommunications bill, the most far-reaching in the last 50 years. It will provide more competition for more industries for more consumers around this country. It will allow local telephone companies to get in long distance service. It will allow long distance telephone companies to get into local service. It will allow cable television providers to get into long distance and local service and vice versa. We will not have telephone companies, cable companies. We will have communications providers. The consumers will be the ultimate driver. They will have more choice.

□ 0130

I think it is a good bill. I think we should move it out of this body this week, move it to conference with the Senate so that we can have a modified version early this fall to pass and put on the President's desk.

Mr. Chairman, I want to speak specifically on the Stupak-Barton amendment that deals with local access for cities and counties to guarantee that they control the access in their streets and in their communities. The bill, as written, did not provide that guarantee. The Chairman's amendment does provide, I think, probably 75 percent, maybe 80 percent of that guarantee.

We are in negotiations this evening and will continue in the morning with the gentleman from Michigan [Mr. STUPAK] and the gentleman from Colorado [Mr. SCHAEFER] and myself, so that we should have an agreement that solves the issue to all parties' satisfaction, but we simply must give the cities and the counties the right to control the access, to control right-of-way, to receive fair compensation for that right-of-way, while not allowing them to prohibit the telecommunications revolution on their doorstep.

Mr. Chairman, the Stupak-Barton amendment will do that, and I am confident that we can reach an agreement with the gentleman from Virginia [Mr. BLILEY], the gentleman from Texas [Mr. FIELDS], and the gentleman from Colorado [Mr. SCHAEFER] tomorrow so that we can present a unanimous-consent agreement to the Members of the body later tomorrow afternoon.

I would support the amendment and support the bill and ask that the Members do likewise.

Mr. DINGELL. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Oregon [Mr. WYDEN].

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

Mr. WYDEN. Mr. Chairman, I want to thank the gentleman from Michigan [Mr. DINGELL] and the gentleman from Massachusetts [Mr. MARKEY] for their many courtesies shown to me with re-

spect to the provisions I am going to discuss, and also the gentleman from Texas [Mr. FIELDS] and the gentleman from Virginia [Mr. BLILEY], who have been exceptionally patient.

I take this floor first to talk as the father of two young computer literate children who use the Internet. As a parent, I and other parents want to make sure that our youngsters do not get access to the kind of smut and pornography and offensive material that we now see so often on the Internet.

Tomorrow, the gentleman from California [Mr. COX] and I, who have worked together in a bipartisan way, will offer an amendment based on a very simple premise. Our view is that the private sector is in the best position to guard the portals of cyberspace and to protect our children. In the U.S. Senate, they have somehow come up with the idea that our country should have a Federal Internet censorship army designed to try to police what comes over the Internet.

I would say to our colleagues, and, again, the gentleman from California [Mr. COX] and I have worked very closely together, that this idea of a Federal Internet censorship army would make the keystone cops look like Cracker Jack crime fighters. I look forward, along with Mr. COX, to discussing this more in detail with our colleagues tomorrow.

Second, Mr. Chairman, and very briefly, I would like to discuss an issue of enormous importance to westerners, and that is the problem with service in the U S West service territory. We learned today, for example, that there has been a 47 percent increase in delayed new service orders in the west. These are problems with waits for phone repairs, busy signals at the business offices, inaccurate information provided by company customer representatives.

An amendment I was able to offer, with again the help of the gentleman from Michigan [Mr. DINGELL], the gentleman from Texas [Mr. FIELDS], and the gentleman from Virginia [Mr. BLILEY], stipulates that local telephone companies have to meet certain service conditions as a factor prior to entering the long-distance market. This is a measure that will be of enormous benefit in the fastest growing part of our country, the U S West service territory.

Mr. Chairman, I want to thank our colleagues and the leadership on both sides for their patience.

Mr. Chairman, as telecommunications companies enter new fields, we must ensure current customers are not discarded and left without basic phone needs. The drive to streamline and downsize has subjected local telephone customers in my region of the country to poor customer service.

During Commerce Committee consideration of this legislation, I added a provision dealing with customer service standards. My amendment is in section 244 of the bill which outlines the conditions that local telephone companies must meet prior to entering the long distance

market. My amendment will give state utility commissions additional leverage to pressure the local phone companies to meet established customer service standards and requirements.

Local telephone customers complain vociferously about long waits for telephone repairs, busy signals at business offices, and inaccurate information provided by company customer representatives.

Just today, the Associated Press ran a story detailing customer service woes in the Pacific Northwest. According to the story, delayed new-service orders have increased 47 percent just this year. Across the West, more than 3,500 orders for new telephone service have been delayed in excess of 30 days. I ask that several articles addressing this situation be printed in the RECORD. Additionally, I submit a letter from Oregon Public Utilities Commissioner Joan Smith be included for the RECORD.

[From the Associated Press, Aug. 2, 1995]

UTILITY REGULATORS QUESTION HELD
ORDERS—CONSOLIDATION LINK
(By Sandy Shore)

DENVER.— U S West Communications Inc.'s delayed new-service orders have increased 47 percent this year, and utility regulators blame it partially on the company's consolidated engineering operations.

Joan H. Smith, chairwoman of the utility Regional Oversight Committee, said her panel identified two common problems contributing to the delays.

"The committee speculates that it is the removal of engineers from each state and the current centralization of engineering services in Denver that are causing the problems," she said in a June 9 letter to Scott McClellan of U S West.

U S West spokesman Dave Banks said the consolidation did not cause the problems.

"The intent of going through the re-engineering effort is to do just the opposite of what regulators might be saying," he said. "I think the problem is more of a result of the fact that we haven't been able to complete our re-engineering process in total yet."

For more than a year, U S West has battled customer-service problems, ranging from persistent busy signals at business offices to delays of months and, in some cases years, in filing new-service orders.

The company has said the problems were caused by unprecedented growth in the Rockies, which occurred as it launched a re-engineering program to consolidate work centers, cut jobs and upgrade equipment.

As part of that re-engineering, U S West last month opened the Network Reliability Center in Littleton, which houses employees and equipment needed to monitor the 14-state telephone network.

In a June 30 letter to Smith, Mary E. Olson, a U S West vice president in network infrastructure, said the major cause of engineering delays has been the company's inability to readily access updated records on the network plant.

The company hopes to complete mechanization of that information by year-end, she said.

When the consolidation occurred, Olson said many engineers declined to transfer, which caused some delays, but the center is 95 percent staffed.

At the end of June, U S West had 3,588 held orders new-service requests delayed more than 30 days. That compared with 4,406 at the end of June 1994; 1,797 in January and 2,443 in March.

The largest increase occurred in Utah, where held orders reached 422 at the end of

June, up from 197 in June 1994. Increases also were reported in Idaho, Minnesota, Nebraska, Utah and Washington.

Held orders decreased in Arizona, Colorado, Iowa, Montana, New Mexico, North Dakota, Oregon, South Dakota and Wyoming.

U S West exceeded its company goal of answering within 20 seconds at least 80 percent of the calls to residential telephone service office. It answered within 20 seconds 75.5 percent of the calls for residential repairs; 79.9 percent of for business repairs; and 72 percent to business service offices.

The regulators also have seen an increase in delayed repair orders and an increase in consumer complaints across U S West's 14-state region.

"Held orders are the biggest problems," said Montana regulator Bob Rowe. "Some of the problems concerning access to the customer-service centers have seen some real improvements."

Banks of U S West said, "We're not exactly where we want to be, but again, June is a much busier season for us." The numbers "are basically going to be higher in the summer months because we have much more demand for service," he said.

U S West spokesman Duane Cooke the company has scheduled 250 major construction projects in Utah this year and increased its capital improvement project to nearly \$100 million to offset the problems.

It is kind of ironic because the re-engineering process designed to improve customer service in the short-term has aggravated the situation," he said. "But, now we're starting to see the benefits of re-engineering."

For example, the consolidated engineering group can complete work on a major construction project in three months to four months, compared with a year to 18 months previously.

OREGON PUBLIC UTILITY COMMISSION,
Salem, OR, July 19, 1995.

Hon. RON WYDEN,
U.S. House of Representatives, Longworth Office Building, Washington, DC.

Re H.R. 1555 [Quality of Service].

I write to you about H.R. 1555, the telecommunications deregulation bill, as a member of the Regional Oversight Committee (ROC) for U S WEST. Representing a state served by U S WEST, you should be aware of the effect H.R. 1555 may have on the quality of Oregon's phone service. I urge your support for stronger service quality protections, as suggested below.

The ROC was formed as a result of state regulatory concerns about affiliated interest transactions and cross-subsidy issues arising out of the Modification of Final Judgment (MFJ) that divided the nationwide telecommunications monopoly into separate regional companies. The ROC assists state commissions to perform their duties through positive, open relationships in a cooperative process. Since its creation, the ROC has identified other regulatory issues of mutual interest to state regulators, including privacy, competition, and service quality.

The prolonged deterioration in U S WEST's service quality and the opportunity to strengthen the language in H.R. 1555 related to service quality prompted me to write to you. Declines in service quality have occurred because U S WEST (and other RBOCs) have reduced and reassigned staff. Technical staff needed to maintain service quality were centralized. Total staffing was reduced. The result has been a marked increase in consumer complaints and unacceptable delays for consumers trying to obtain service.

Currently, H.R. 1555 specifically allows states to consider compliance with state service quality standards or requirements

when reviewing statements from local exchange carriers (LEC) that they are in compliance with requirements set forth in Section 242 of the bill. State Commissions appreciate the inclusion of service quality considerations in the bill. However, the particular section in which service quality considerations currently reside lacks enforcement mechanisms. Disapproval of a statement submitted by a LEC, whether the disapproval is issued by a state or by the FCC, carries with it no penalty.

In contrast, enforcement authority with respect to many of the same conditions under Section 245 (Bell operating company entry into interLATA services), allows for three enforcement mechanisms that can be used by the FCC: an order to correct the deficiency, a penalty that may be imposed, or possible revocation of the company's authority to offer interLATA services.

From our work, we know that service quality is especially important to customers. States need clear authority, with a means of enforcement, over service quality issues in order to be effective.

The Senate bill (S. 652) allows states to require improvements in service quality of Tier 1 carriers (which would include RBOCs) as part of a plan for an alternative form of regulation, when rate of return regulation is eliminated. The Senate bill lists many possible features of a state "alternative form of regulation" plan that would provide ongoing consumer protection from potential adverse effects of the change in the way companies are regulated. The language of the Senate bill could easily be included in H.R. 1555 by changing the existing Section 3 to Section 4, and including the Senate language as a new Section 3. (See attachment.) I support this modification.

I urge your support for such an amendment.

We sent this to the House delegation.

JOAN H. SMITH,
Chairman.

PROPOSED AMENDMENT TO H.R. 1555

Including the attached language in H.R. 1555 would make it clear that states have the authority to respond to local conditions and take action to protect consumers when necessary. The plan for an alternative form of regulation could include penalties for failure to meet service quality standards. While the transition to a full competitive marketplace for telecommunications services is a goal that we all share, consumer protection in the present is an important consideration that should not be ignored in our enthusiasm for the future.

(3) THE NEW REGULATORY ENVIRONMENT

(A) In instituting the price flexibility required in this section the Commission and the States shall establish alternative forms of regulation that do not include regulation of the rate of return earned by such carrier as part of a plan that provides for any or all of the following—

- (i) the advancement of competition in the provision of telecommunications services;
- (ii) improvement in productivity;
- (iii) improvements in service quality;
- (iv) measures to ensure customers of non-competitive services do not bear the risks associated with the provision of competitive services;

(v) enhanced telecommunications services for educational institutions; or

(vi) any other measures Commission or a State, as appropriate, determines to be in the public interest.

(B) The Commission or a State, as appropriate, may apply such alternative forms of regulation to any telecommunications carrier that is subject to rate of return regulation under this Act.

(C) Any such alternative form of regulation—

(i) shall be consistent with the objectives of preserving and advancing universal service, guaranteeing high quality service, ensuring just, reasonable, and affordable rates, and encouraging economic efficiency; and

(ii) shall meet such other criteria as the Commission or a State, as appropriate, finds to be consistent with the public interest, convenience, and necessity.

(D) Nothing in this section shall prohibit the Commission, for interstate services, and the States, for intrastate services, from considering the profitability of telecommunications carriers when using alternative forms of regulation other than rate of return regulation (including price regulation and incentive regulation) to ensure that regulated rates are just and reasonable.

Mr. HYDE. Mr. Chairman, everybody has been thanking everybody around here, and I have kind of missed out, so I want to take this time to thank the staff: Alan Coffey, Joseph Gibson, Diana Schocht, Patrick Murray, and Dan Freeman on our side, and if I knew the names of the staff on the other side, maybe next round I will include them.

Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. HOUGHTON].

Mr. HOUGHTON. Mr. Chairman, I thank the gentleman for yielding time to me.

Ladies and gentlemen, in general, I think that this is a magnificent step forward, but I would like to concentrate on the Achilles heel of this bill, and that is the manager's amendment. The whole point, to me, of this telecommunications bill is that it will encourage investment. If it does not encourage investment, I do not think it opens up the opportunities for this country, and, frankly, has this tremendous job creating potential which is there.

Originally, Mr. Chairman, the wording was that the RBOCs were forced to have actual competition in their local areas before they reached out for the long-distance. Now that no longer is there, and that worries me. I think that is a mistake. I think it is counter-productive.

To prove my point, here is the report from Merrill Lynch, which talks about the wonderful opportunities for investing in some of the RBOCs, because the cash will be up, the earnings per share will be up, the dividend potential is up, and, therefore, it is a good opportunity. And why? Because investors should know that, quite positively, capital expenditures could decrease by as much as around 25 percent. That is not the point of this bill.

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

I would like to just speak very directly to the problem of seven Bells going into long-distance, because there is a serious problem with the Bell entry into long-distance. The core rationale for the massive antitrust lawsuit by the Justice Department that began in the 1970's and settled in 1984 was that the Bell system was using its

local exchange monopoly to impede competition in the long-distance business.

Basically, the Bell system was cross-subsidizing and discriminating in favor of their long-distance business. This is the biggest antitrust suit that has ever been brought. We are now dismissing the courts from it and deregulating at the same time; and, now, we suggest further that we defang the one regulator, the antitrust division of Justice, which, I think, is moving us in exactly the wrong direction to create business, to encourage diversity and to stimulate competition.

Because of the concern that the seven baby Bells would continue the same anti-competitive behavior, Mr. Chairman, the consent decree barred them from entering the long-distance business unless they could prove that there was "No substantial possibility" they could use their monopoly position to impede competition.

The truth is, Mr. Chairman, very little has changed since 1984. The Bells still have a firm monopoly over the local exchange market, and if they were allowed in long-distance without any antitrust review, they could use their monopoly control to impede competition and harm consumers. If we are to prevent this from occurring, we need to make sure that there is a Department of Justice antitrust review role, more of which will come on our amendment.

Now, Mr. Chairman, the administration has already sent an advisory that this bill will sustain a veto in its present form because of, principally, the manager's amendment, some 20 to 30 changes strewn throughout the commerce product that came to the floor in the form that it is in now.

What are we going to do, Mr. Chairman? Is there any way that we can get together? Does this have to be a train wreck? The President is going to veto the bill. Unless we make some sensible adjustments, I think that this is going to end up for naught, and we are going to be sent back to the drawing board. We did this once in the last Congress and now here we are doing it again.

I urge, Mr. Chairman, that some consideration to these important amendments by given by the Members of the other side.

I would like to thank, Mr. Chairman, my staff. They have played a very important role in this matter. My staff director, Julian Epstein, Perry Apelbaum, Melanie Sloan, and I do know the names of the other staff Members on the other side, and I salute them for their good work as well.

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

The CHAIRMAN. Before recognizing the gentleman from Virginia [Mr. BLILEY], let me, just for the edification of the Members, announce the time remaining.

The gentleman from Virginia [Mr. BLILEY] has 10 minutes remaining, the gentleman from Michigan [Mr. DIN-

GELL] has 9½ minutes remaining, the gentleman from Illinois [Mr. HYDE] and the gentleman from Michigan [Mr. CONYERS] have 6½ minutes remaining.

Mr. BLILEY. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. HASTERT], a member of the committee.

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

Mr. HASTERT. Mr. Chairman, I thank the gentleman for yielding me time. I urge my colleagues to support the Communications Act of 1995.

It is time to move forward with the most deregulatory and progressive communications legislation Congress has considered in over a decade. The Communications Act of 1934 is a dinosaur that just can't keep pace with the exploding information and communication revolution.

Communications industries represent nearly a seventh of the economy and will foster the creation of 3.4 million jobs over the next 10 years. Thus, every day we delay passage of H.R. 1555, we stifle competition and prevent the creation of these new jobs. If we do not act, the cost to our Nation's economy will be \$30 to \$50 million this year alone.

As a member of the Commerce Committee, I have been closely involved with drafting this legislation.

This bill provides the formula for removing the monopoly powers of local telephone exchange providers to allow real competition in the local loop. The long distance companies came to us early on with a list of areas (such as number portability, dialing parity, interconnection, equal access, resale, and unbundling) that give monopolies their bottleneck in the local loop. We agreed to remove the monopoly power in each and every one of those areas in our bill.

What's more, we included a facilities based competitor requirement. This means there must be a competing company actually providing service over his or her own telephone exchange facilities. Just meeting the checklist isn't enough—there must be some proof that it works. We've got that in this bill.

Bringing competition to the local loop is the best thing we can do for consumers. They will receive the twin benefits of lower prices and exposure to new and advanced services. Every day we delay consideration of this bill is a day telephone customer are denied choice of service providers and the benefits that go along with it.

The bill is much larger than the Bell operating company/long distance company fight. The bill is supported by the cable, broadcast, newspaper, and cellular industries. Taxpayer and consumer interest groups such as Citizens for a Sound Economy also support the bill. This is broad based support that we should not ignore. Therefore, I urge my colleagues to vote for H.R. 1555.

□ 0145

Mr. TAUZIN. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. KLINK].

Mr. KLINK. Mr. Chairman, I thank my good friend, the gentleman from Louisiana, for yielding this time to me. I also want to echo the comments of some of the other speakers made in thanking Chairman BLILEY and Chairman FIELDS. They have been two very accommodating chairmen in trying to reach some commonality on many of the issues that this massive bill deals with. Unfortunately, I have been unable at any level to support this bill, and continue my opposition of the bill.

Let me just say I have a little different perspective I think. As many of the Members who were talking on the rule and who also have been speaking during general debate have talked about, we have already seen the massive amounts of merging that has been going on in anticipation of this bill. We have seen the Disney buyout of Cap Cities-ABC for \$19 billion. We have seen Westinghouse Broadcasting \$5 billion buyout of CBS.

I worked for Westinghouse Broadcasting for 14 years before coming here, so I know a little bit about the company. I do not have any belief that Westinghouse is an evil corporation or that they have any bad plans. In fact, I have fed my children and paid my rent for many years from the fruits of my labor with that company.

But what really concerns me is the fact that we are beginning to see the formation of what I would call information cartels. Only the largest corporations are going to be able to own these media outlets. In fact, when you start to talk about the fact that you can own the newspapers, as so many speakers have talked about, and the radio and TV stations and the cable, my question is this: Who in this House among us, if we live in a market where that takes place, will be free to cast a vote of conscience on a matter in which the person who controls that information cartel in our district has a fiduciary interest? How will we be free to do that?

How can we look each other in the eye and say, "Well, I will cast my vote the way I want to"? What is your recourse? How do you get the information out back there? That person controls all the media. You are certainly not going to use frank mailing, because we have cut all that out.

I just simply think there are so many things wrong with this, and hope, as the debate goes on, we can bring more of the problems out, because we have many problems. I urge Members not to support the bill.

Mr. HYDE. Mr. Chairman, I am very pleased to yield 2 minutes to the gentleman from New Jersey [Mr. FRELINGHUYSEN].

Mr. FRELINGHUYSEN. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise to speak on the manager's amendment which will be offered by the gentleman from Virginia sometime later. And I do so regretfully, because I rise in strong opposition to it. But first, I want to commend the gentleman from Virginia [Mr. BLILEY] and the gentleman from Texas [Mr. FIELDS] on the enormous effort they have put forward in bringing this bill to the floor.

Mr. Chairman, I represent nearly 20,000 people who are employed in the telecommunications industry. This bill will directly impact their lives, professions, and the local economies which they support.

And I thought the bill that was reported by the Committee by a vote of 38 to 5 was a balanced bill. But the changes in the 66-page manager's amendment would dilute the competitive provisions in the original bill and would tilt the playing field in favor of the local exchange companies. So I will be opposing the manager's amendment.

However, this bill impacts more than just the people who work in the telecommunications industry. As many have said here tonight, our actions will impact every American citizen and we must remember them—our constituents—in this debate.

Yes, this is an historic bill which will guide this multibillion dollar industry into the next century. But we need to understand that the results of this profound debate will enter into every facet of our personal and professional lives financial and otherwise.

And that is precisely why I oppose the manager's amendment. We should debate these substantial changes for longer than a half hour because they do represent a clear departure from the original bill. I would urge a no vote on the manager's amendment.

Mr. CONYERS. Mr. Chairman, I am pleased to yield 3 minutes to the gentlewoman from Ohio [Ms. KAPTUR], a very able Member of the House.

Ms. KAPTUR. Mr. Chairman, I thank the gentleman for yielding, and I rise in opposition to H.R. 1555. Here we are in the middle of the night considering the most sweeping rewrite of communications legislation in the last half century. I have to say to all the gentleman that have been complimented this evening for their marvelous footwork in conducting this debate at 2 a.m., I, as one Member, not serving on the committees of jurisdiction, am appalled that those people who would raise questions, like myself, would have 30 minutes, 30 minutes, to try to deal with legislation of this magnitude.

Mr. Chairman, there are times in my career when I have been very proud of this House. One of those times was when we debated the Persian Gulf War. I think our estimation went up in the minds of the American people.

There have been times when I have been very ashamed of this House, certainly during the S&L debate, brought up on Christmas Eve at midnight when it was snowing outside, or the Mexican

peso bailout, where we did not fulfill our constitutional obligation.

I feel the same way this evening on this particular bill. I feel muzzled as a Member of this body, and I am ashamed of this institution. There has been enough lobbying money spread around on this bill, over \$20 million, to sink a battleship, and it has been spread on both sides of the aisle.

This bill is not going to result in full competition. Are we kidding ourselves? It is going to result in full concentration, and the only question I have in my mind is how fast a pace that will occur at.

In my district, what will happen is the single newspaper, that is owned by a very wealthy and well-meaning family, will soon buy out the television stations, because they already own the cable stations anyway. They will probably go after all the radio stations. I really do believe in free press in this country and I really do believe in competition. This bill will not result in that.

I would say with all due respect to the gentleman from Virginia [Mr. BLILEY] and the gentleman from Texas [Mr. FIELDS] and the gentleman from Illinois [Mr. HYDE] and the gentleman from Michigan [Mr. CONYERS] I guess Mr. CONYERS. I guess I have to kind of leave him out of this equation, because his committee was absolutely resolved of all responsibilities in this, and that is the reason I am here at 2 a.m. in the morning.

Mr. HYDE. Mr. Chairman, if the gentlewoman will yield, if you are leaving the gentleman from Michigan [Mr. CONYERS] out, could you leave me out too?

Ms. KAPTUR. Mr. Chairman, I would say to the gentleman from Illinois [Mr. HYDE], I was hoping the gentleman would have a little more influence, because I think he is a man of very good intentions. But I wanted an opportunity on this floor to have time to debate on the foreign ownership provisions. I will not be given that opportunity. There will not be an opportunity to offer amendments. I think the neutering of the Justice Department is an absolute abomination, when we see the possibilities for concentration in this bill.

So as I leave this evening to drive home in my car, I find it a complete abomination, and I am ashamed of this House this evening. With a \$1 trillion industry, with the rights of free press at stake, and competition in every one of our communities hanging in the balance, to be forced into this girdle, where we are only allowed 30 minutes during general debate, and then we will be put off on three little amendments tomorrow, maybe we will devote an hour or less to each of those, this is not the best that is in us.

I feel tonight as I did during the savings and loan debate, during the Mexican peso bailout, and probably during GATT as well, that we are truly being

muzzled, and that is not what representative democracy is all about. I feel sorry for America tonight.

Mr. Chairman, here we are in the middle of the night, considering the most sweeping rewrite of communications laws in 60 years. The telecommunications industry represents 1/7 of our economy and is a trillion dollar industry. At stake is control of the airwaves and the information pathway into every American home. Not even the many appropriations bills that we have been debating for the past month before this Congress, will have a larger effect on consumer's pocketbooks. Consumers are promised choice and lower prices. Choice at what cost? Instead of creating competition by lowering prices and improving service, this bill allows the three monopolies to become one giant concentrated monopoly. It allows the 3 major players (cable, long distance, & local telephone) to partner or swallow potential competitors in each others business. The concentration could result in one company controlling the program's content, your local television stations, your cable company, your local telephone company, your long distance company, your local radio station, and your newspaper. Thus, controlling every aspect of access to information a consumer has and obliterate the likelihood of true competition.

This bill also promises job creation. I doubt it. Last time I checked, we do not even produce a single television or telephone in our country. In addition, I have very serious concerns about the foreign ownership provisions. Currently, foreign ownership in common carriers (such as telephone, cellular, broadcast television and radio) cannot exceed 25%, except in cable where there is no restriction. At a time when our trade deficits are at record levels, we are throwing open media markets to foreign ownership.

This bill would directly repeal foreign ownership restrictions on everything except broadcast television, which remains at 25%, thus allowing foreigners to control what America sees and should think and what America does not see. The bill leaves up to USTR crucial determinations regarding the rights of foreign interests to gain even more control. Why trust the USTR? That area of our government that has brought us record trade deficits for over a decade and can't even get our rice into Japan.

I also find it very disturbing that the telecommunications industry has spent \$20 million to lobby for this bill. To find out the real winners in this bill one only has to follow the money. This bill is just another reason we need real campaign finance reform in our political process.

Moreover, this bill neuters the ability of our Justice Department to enforce the anti-trust laws against these giants who want to control every aspect of what you see, hear, and know. The bill basically turns our Justice Department Anti-Trust Division into paper pushers with no real enforcement power.

I welcome some deregulation to create competition and diversity in these monopolistic industries. However, deregulation is fine. No regulation is anti-competitive and anti-democratic.

Mr. BLILEY. Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. STERNS], a member of the committee.

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

Mr. STEARNS. Mr. Chairman, I rise in strong support of H.R. 1555, the Communications Act of 1995.

By the early 21st century, analysts predict the global information industry will be a \$3 trillion market. That's an amazing figure when you consider the entire U.S. economy today is about \$6 trillion. Make no mistake: If we fail to pass this bill, we will have forfeited a golden opportunity for the U.S. economy to catch the wave of this revolution.

It makes no sense to keep U.S. communications companies penned up in the starting gate as the global telecommunications race is set to begin. My colleagues, the Communications Act of 1995 is, quite simply, the most sweeping reform of communications law in history. And it should be. I direct your attention to the timeline. When the first Communications Act passed in 1934, we had the telegraph, the telephone and the radio. That's it. We didn't even have the black and white television set yet. Do you really want the communications industry to be governed by communications law that was enacted when we had this radio?

The communications world as it existed in 1934 is barely recognizable today. Again, I direct your attention to the timeline. We have experienced an explosion of technology. In the last 50 years, television, AM and FM radios, computers, faxes, satellites, pagers, cable TV, cellular phones, VCRs and other wireless communications have all joined the communications mix. And that's just the beginning. Video dial-tone and high definition television are poised at the entrance of the telecommunications arena, while countless other new technologies are waiting just over the horizon.

At this moment in history, when the communications revolution is racing forward, we still have not revamped communications laws written 60 years ago. To say our communications laws are out of sync with the technological revolution underway in America is an understatement.

The question we face today is not whether we can afford to deregulate the telecommunications industry, it is whether we can afford not to. I know of no sector of our economy so shackled by needless regulations as the communications industry. But if we pass this bill, the economic boom it will spark will amaze even its supporters.

My colleagues, it is not the business of Government to preordain winners and losers in the communications industry. Rather, at the starting line of the communications race, Government should step aside and allow the most dynamic sector of our economy to enjoy what most other segments of our economy take for granted, the freedom to compete. I urge all of my colleagues to support it.

Mr. DINGELL. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Arkansas [Mrs. LINCOLN].

(Mrs. LINCOLN asked and was given permission to revise and extend her remarks.)

Mrs. LINCOLN. Mr. Chairman, I thank the gentleman for yielding me time.

I too would like to add my thanks to Chairman BLILEY and Chairman FIELDS, as well as to the ranking members, Mr. DINGELL and Mr. MARKEY, for their diligence and persistence in moving ahead on this issue. This is a very critical issue to rural America. As we move ahead in this age of information and technology, moving into a world-wide economy, it is absolutely critical for rural America to be able to have the capabilities to compete. Supporting this bill is important to preserve the quality of life in rural America, while bringing improved health care, educational opportunities and jobs.

Early in the debate of this issue, I went to Chairman FIELDS and asked him very honestly to let me be a part of the discussion in terms of rural issues. He was very willing and interested in obliging to that. We worked hard to make sure that rural America saw a fair shake in this.

In terms of educational opportunities, I am delighted to hear from Chairman BLILEY that he is willing to work with the gentlewoman from California, Ms. LOFGREN, in terms of educational opportunities for schools.

I recently spoke with a teacher from my district who is a part of an important program sponsored by National Geographic to bring geography into the lives of children in areas where they are not capable or do not have the opportunities otherwise to be a part of that. They were shocked to find that in rural America very few of the schools and some of the other learning institutions, as well as many of the teachers, did not have the technology or equipment to be able to bring the importance of geography into the classroom through the Internet.

This bill will help us bring that reality to rural America. It encourages new technologies like fiber optics, which will allow two-way voice and video communication. The information highway is critical to all of us, but for those of us in rural America, the entrance ramp is absolutely mandatory. Doctors at the Mayo Clinic can read x rays from Evening Shade, AR. Children in Evening Shade can dial the Library of Congress for information for a term paper. Parents can work from their home in Cloverbend with folks in New York.

I urge my colleagues to support this. Opponents may want to stay in the past and may be afraid of competition, but we must move ahead.

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

Mr. Chairman, I want to say Aloha Oahu. It is 9 o'clock in the beautiful Hawaiian Islands where America's day almost begins, and I just wanted those lucky folks in that beautiful climate to know that we are here thinking of

them. To my good friend from Michigan who did know the names of his staff, for which I should not be surprised because he would know those details, I just thought he missed George Slover, who has returned to the staff, having been away for a little while, and we welcome him, even though he serves the minority.

Mr. Chairman, I rise in support of H.R. 1555, the Communications Act of 1995. This legislation represents the most sweeping communications reform legislation to be considered in this House in 60 years. It will establish the ground rules for telecommunications policy in our Nation as we proceed into the 21st century. If enacted, this measure will have much to say about the future health of the American economy, America's international competitiveness, and expanded job opportunities for American workers.

However, it should be pointed out that H.R. 1555 does not take the approach I would have preferred, and I would like to take a few moments to discuss the role of the Judiciary Committee in the development of this legislation. The Judiciary Committee took a fundamentally different approach from that of the Commerce Committee. I believe that the entry of the regional Bell operating companies into the long distance and manufacturing businesses is an antitrust question. After all, it is an antitrust consent decree, commonly known as the modification of final judgment or MFJ, that now prevents them from entering those businesses, and it is that decree that we are now superseding. Based on this fundamental belief, I introduced H.R. 1528, the Antitrust Consent Decree Reform Act of 1995 on May 2, 1995. H.R. 1528 proposed to supersede the MFJ and replace it with a quick and deregulatory antitrust review of Bell entry by the Department of Justice.

On the other hand, the Commerce Committee understandably took a Communications Act approach. H.R. 1555 requires the Bell operating companies to meet various federal and state regulatory requirements to open their local exchanges to competition before they are allowed into the long distance and manufacturing businesses. For example, the Bell companies are required to provide interconnection to their local loops on a nondiscriminatory basis. They must unbundle the services and features of the network and offer them for resale. They must also provide number portability, dialing parity, access to rights of way, and network functionality and accessibility. Both the FCC and the state commissions will review the Bell companies' verifications to determine that they have met these regulatory requirements. In particular, there must be an actual facilities-based competitor in place before the Bell companies can get into long distance and manufacturing.

In keeping with the long tradition of these committees sharing jurisdiction over the area of telecommunications,

H.R. 1528 was referred primarily to the Judiciary Committee, and secondarily to the Commerce Committee. Likewise, H.R. 1555 was referred primarily to the Commerce Committee, and secondarily to the Judiciary Committee.

I want to stress that both the antitrust approach taken in H.R. 1528 and the regulatory approach taken in H.R. 1555 are valid approaches to the problem of how to end judicial supervision of the telecommunications industry under the MFJ. My preference was the antitrust approach. Again, that is because I believe entry into new markets to be an antitrust issue, not a regulatory issue. However, despite extraordinary cooperation between the Commerce and Judiciary Committees, the two different approaches are not easily reconciled without creating precisely the kind of regulatory overkill that we are trying to eliminate in this bill. Thus, it was necessary to choose one or the other of these approaches.

Let me now describe the antitrust approach of H.R. 1528 and its consideration in the Judiciary Committee. Under H.R. 1528, the Bell companies would be able to apply to the Department of Justice for entry into the long distance and manufacturing markets immediately upon the date of enactment. The Department of Justice would then have 180 days to review the application under a substantive antitrust standard—if DOJ did not act within this tight time frame, the application would be deemed approved. Unlike the MFJ, the burden or proof would be on DOJ. Specifically, Justice would be required to approve the application unless it found by a preponderance of the evidence that there was a dangerous probability that the Bell company would use its market power to substantially impede competition in the market it was seeking to enter. DOJ's decision would then be subject to an expedited appeal to the Federal Court of Appeals in the District of Columbia. At the most, the procedure would take 11 to 13 months. H.R. 1528 also included the electronic publishing provisions that were included in last year's telecommunications bill and which passed the House by an overwhelming vote.

H.R. 1528 received broad, bipartisan support within the Judiciary Committee. The full Judiciary Committee reported H.R. 1528 by a 29 to 1 recorded vote. However, subsequently we found that there was not broad support for a substantive Department of Justice role either within the rest of the House or from interested outside groups. Thus, while I still prefer the approach taken in H.R. 1528, I have decided that it would be futile to press that approach as an alternative to H.R. 1555—there simply is not sufficient support to make such an effort worthwhile. As I have already noted, the regulatory approach taken in H.R. 1555 is also a valid approach, and it is very difficult to reconcile the two approaches. If we do not pick one or the other, then we get right

back into the interminable delays that we have faced under the MFJ.

I would emphasize that in deciding not to offer such an amendment and allowing H.R. 1555 to proceed to the floor without further Judiciary Committee proceedings, I am not in any way waiving the Judiciary Committee's traditional jurisdiction in the area of antitrust law or telecommunications policy. The Judiciary Committee expects to have conferees on this bill, to participate fully in the conference, and to retain all of its existing jurisdiction over this area in future legislation.

In this connection, I note that later in the debate, the distinguished ranking member of the Judiciary Committee, Mr. CONYERS, will offer an amendment that will include some aspects of the bill as reported by our committee. Specifically, my friend from Michigan will offer the language of the antitrust test contained in H.R. 1528. However, the Conyers amendment also differs in important respects from our committee's bill. I will speak to those differences in greater detail when the Conyers amendment is debated. For now, I will simply point out that although the Conyers amendment would utilize the antitrust standard that was in H.R. 1528, it does not include the many procedural and substantive features that were central to my bill.

Despite my preference for the antitrust approach taken in my bill, I believe that H.R. 1555 is good legislation that will move America's telecommunications industry forward into the 21st century. In the development of the manager's amendment to be offered by Chairman BLILEY, the Judiciary Committee has worked closely with the Commerce Committee to improve H.R. 1555 in areas that are of particular concern to, and under the jurisdiction of, the Judiciary Committee. Let me now briefly explain those changes which are included within the manager's amendment.

First, the manager's amendment does include a consultative role for the Department of Justice. Under this part of the amendment, DOJ will apply the antitrust standard contained in H.R. 1528 to verifications that the Bells have met the competitive checklist contained in H.R. 1555. After applying the antitrust standard, DOJ will provide its views to the FCC and they will be made a part of the public record relating to the verification. Under this approach, the FCC will at least have the benefit of a DOJ antitrust analysis before the Bell companies are allowed to enter the currently restricted lines of business.

Second, we have made improvements to the electronic publishing provisions of the bill. Under the manager's amendment, the Bell companies will be required to provide services to small electronic publishers at the same per-unit prices that they give to larger publishers. This will allow small newspapers and other electronic publishers to bring the information superhighway

to rural areas that might otherwise be passed by. Also, we have broadened to definition of basic telephone service to ensure that the Bell operating companies are not able to use the more advanced parts of their networks to skirt the intent of the electronic publishing provisions.

Third, we have made various changes to title IV of the bill. Title IV addresses the effect of the bill on other laws. Those changes that we have made to the MFJ supersession language, the GTE consent decree supersession language, and the wireless successors language are technical improvements to clarify the language and they are not intended to change the substantive meaning of these provisions.

Other changes to title IV are substantive. State tax officials have complained that section 401(c)(2) of H.R. 1555 would unintentionally preempt State tax laws. Because of their concerns, this language is being stricken in the manager's amendment. We are also adding language that expressly provides that no State tax laws are unintentionally preempted by implication or interpretation. Rather, such preemptions are limited to provisions specifically enumerated in this clause. In addition, we have also amended the local tax exemption for providers of direct broadcast satellite services to make it clear that States may tax such services and rebate that money to the localities. This change balances the need to protect State sovereignty against the need to protect the direct broadcast services from the administrative nightmare that would result from subjecting them to local taxation in numerous local jurisdictions.

Fourth, we have changed the restrictions on alarm monitoring to make it clear that those Bell companies that have already entered the alarm monitoring business will be allowed to continue in that business, and to manage and conduct their business as would any other participant in that industry. That is basic fairness to any Bell company that chose to enter the business when it was perfectly legal to do so. Their investment decision should not be undercut by a retroactive change in the law.

Fifth, law enforcement and national security agencies have expressed concern about the provisions of the bill that relate to foreign ownership of telephone companies. In particular, these agencies are rightfully concerned that there should be a national security review before a foreign national or foreign government can have access to the core infrastructure of America's telecommunications system. Cooperation among the agencies and the judiciary and Commerce Committees has led to language in the manager's amendment that addresses these concerns.

Finally, I have included language within the manager's amendment to address a burgeoning problem in the fast advancing telecommunications markets. Much to the dismay of con-

cerned parents both softcore and hardcore pornography is freely available on the Internet. Virtually anyone with a home computer hooked up to that remarkable technology can get pictures, movies—some with sound—and explicit descriptions of the most vile and base aspects of human sexuality.

Although the law currently outlaws the interstate transportation of obscenity for purposes of sale or distribution, as well as its importation, this has not stopped the corruption of one of the greatest technological advances in our modern society. Computerized depravity continues unabated, largely because of the confusion over whether the obscenity statutes include the transportation and importation of the obscene matter through the use of a computer. Furthermore, the law currently does not address the issue of sending indecent material—by contrast to obscene matter—by computer, to a child.

It is time to end this dissemination of smut that only serve to debase those depicted and to defile our children.

Consequently, my language makes it a crime to intentionally communicate, by computer, with anyone believed to be under 18 years of age, any material that is indecent. Indecency is defined in the provision as any material that, in context, depicts or describes, in terms patently offensive as measured by contemporary community standards, sexual or excretory activities or organs.

This provision is entirely consistent with Supreme Court holdings in this area of law, because it is narrowly tailored to effectuate its particular purpose of protecting minors from directed communications that involve sexually or excretorily explicit functions or organs. The first amendment, as construed by the Supreme Court, requires this much. The Court instructs that Congress must be careful not to reduce the adult population, which is guaranteed a right of access to simply indecent material, to the status of children. But, the first amendment recognizes that the Government has a compelling interest in protecting minors from both obscenity and indecent materials. The Court has carved out a slim area in which we can legislate on these matters. And, we have managed to stay within those confines through this provision. The clarification of the current obscenity statutes, simply adds to the myriad of ways in which the obscenity can travel in, or be transported, or be imported. This section includes the word computer in those provisions to make it a certainty that Congress intends to regulate and prohibit one's access to obscenity by means of computer technology.

Mr. Chairman, I want to thank Commerce Committee Chairman BLILEY and Communications Subcommittee Chairman FIELDS and their staffs for their cooperation in addressing the Judiciary Committee concerns.

Mr. Chairman, as America advances into the 21st century, this telecommunications legislation is tremendously important. It is my firm belief that this bill means more jobs for Americans and will greatly enhance American competitiveness worldwide. It is high time that we replace this overly restrictive consent decree with a statute that recognizes the telecommunications realities of the 1990's. I intend to support H.R. 1555 and the manager's amendment because it will accomplish these goals.

□ 0200

Mr. Chairman, I yield back the balance of my time.

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

The CHAIRMAN. The gentleman from Michigan [Mr. CONYERS] is recognized for 2½ minutes.

Mr. CONYERS. Mr. Chairman, I want to commend the chairman of the Committee on the Judiciary for his comments about our work product in the committee, and his candor is always refreshing, as usual.

I too believe it is a superior work product. But I would urge him not to be worried about the fact that the lobbyists may not like it and there is not a lot of reported support for it. Press on. If he is doing the right thing, more and more people will begin to recognize the inevitability of the logic and the truth and the fundamental correctness of his position. And I know my friend does not give up easily, and I cannot imagine the forces that may have overwhelmed him into the uncomfortable position that I imagine him to be in this morning.

But even if we have used our bill as the base text with the manager's amendment, I still would not be able to come to the floor tonight to tell my colleagues that they ought to support this bill because the people who use telephones are going to end up paying \$18 billion in rate increases during the first 4 years of this law's existence. That is projected by the International Communications Association. The people who subscribe to cable TV are going to find \$5 to \$7 per month average increases in their cable bill. That is according to the Consumer Federation of America. The people on fixed incomes, older Americans, will be put at particular risk by rising basic rates for phone and cable.

So I cannot support the bill, the base bill, H.R. 1555. With 30 or 40 phantom changes in the manager's amendment, I think we should be rather embarrassed by what we are doing here, no matter what time it is in Hawaii.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman from Virginia [Mr. BLILEY] has 5 minutes remaining and is entitled to close the debate.

Mr. BLILEY. Mr. Chairman, I yield 2 minutes to the gentleman from Washington [Mr. WHITE], a new member of the committee.

Mr. WHITE. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, when I think about this bill, I always think about the year 1989. If we remember reading in the newspapers in 1989, we will remember a lot of hand wringing going on about high definition television. That was the time when the Japanese were ahead of our country in developing high definition television. There are a lot of people who said that we should follow their example, that our government should decide the course that we should take, should get our industry organized, and we should all follow that course, and maybe somehow, some way we would catch up with the Japanese.

Mr. Chairman, if we had followed that advice in 1989, we would not be here today. It was in 1990 that Americans, without the help of the government, invented digital television which leapfrogged the technology that the Japanese were using and put us in the position we are in today. It is digital television and digitization of the entire telecommunications industry that led to what we are doing in this bill. It has taught us a very important lesson.

The lesson is that it is the people, not the government, who are going to make the best decisions about technology. As we like to say in my district, which is the home of Microsoft, no matter how many Rhodes scholars you have in the White House, they are never going to be smart enough to tell Bill Gates to drop out of Harvard and invent software industries.

No matter how many Rhodes scholars you have in the White House, they will never tell the next Bill Gates to drop out of whatever school he or she is in now and invent the next revolution in the telecommunication industry. What is the lesson? Under this bill, the market, not the government, is going to tell us what the next wave of technology is. We have heard some people say this bill is not perfect. I guess that may be true. But I can tell you, we have made it about as fair as we can make it.

It is close enough for government work. Although it is late at night and although I am about the last person to speak on this bill, I am proud to be here. I am happy to be here. I am proud of this bill. I urge my colleagues to support it.

Mr. DINGELL. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Louisiana [Mr. TAUZIN].

Mr. TAUZIN. Mr. Chairman, I thank the gentleman for yielding time to me.

I think it is important tonight, as we celebrate the work of Committee on Commerce and the gentleman from Virginia [Mr. BLILEY] and the gentleman from Texas [Mr. FIELDS] in particular, we also give due credit to the incredible preliminary work done over the years by the gentleman from Michigan [Mr. DINGELL], the former chairman of the Committee on Commerce. Much of the work that is in this

bill reflects efforts that were made over the years by Mr. DINGELL, and he deserves much credit for this bill tonight.

I rise in support of H.R. 1555. Recently the gentleman from Texas [Mr. FIELDS], and I had the opportunity to discuss telecommunications policy with government officials from several South American countries. During one of those discussions with the FCC counterpart in Chile, we asked that gentleman where in his country's communication infrastructure did they need the most investment, hoping to get some signal about where America and American companies could interact with that country in doing those investments.

The gentleman who represents the FCC in Chile responded astonishingly. He said, That is not my business; it is up to the consumers and our companies to make those decisions.

He reminded us of a lesson we forgot in telecommunications policy for many years, that consumers and companies making choices in a free marketplace where competition governs instead of court orders and regulations set on high here in Washington generally benefits the consumer much more than the best laid plans of mice and men here in Washington, DC.

He reminded us about our own free enterprise system, and H.R. 1555 reminds us about the values of competition. It remarkably keeps the program access provisions we adopted in 1992 that has produced the satellites that are now sending direct broadcast television signals to homes all over America in rural parts of this country where cable never reached.

It has produced for us competition in areas where people only had one provider of television, one provider of telephones and all of a sudden now there are choices coming to them. This bill will produce more of those choices. It has the possibility of several million new jobs for Americans, as we develop these new technologies and the new choices for our citizens. It will reach rural areas that we have been trying to force companies to reach. It will reach them by the sheer force of the free market, because now with multiple services, it will be profitable to serve communities as small as 12 people, when we could not serve them with a mere telephone, even under universal service.

This bill will do more to bring us together as a country by linking us together with communication, education, information, recreational programming, data services, including medicine at home and education at home for people who never saw education.

This bill is a good bill. It deserves our endorsement.

The CHAIRMAN. The gentleman from Michigan [Mr. DINGELL] has 2½ minutes remaining.

Mr. DINGELL. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I hope my colleagues were listening to the remarks of the

distinguished gentleman from Louisiana about what this bill is going to do.

I want to commend my good friend from Virginia [Mr. BLILEY] the distinguished gentleman from Texas [Mr. FIELDS] my friend, the gentleman from Michigan [Mr. CONYERS] and our good friend, the gentleman from Illinois [Mr. HYDE] who is one of the finest Members in this body.

We have had a good debate. It has been an enlightening debate, an intelligent discussion of the legislation before us. I think that is important. I was rather troubled earlier about the ill will which we saw sprinkled around in the discussion. I think that was a bad thing. This legislation is extremely important not only to all of us individually and to our people but indeed to the future of the country.

It has been a long time since the modified final judgment was adopted. These have been bad times for telecommunications and for communications and for that industry. It also has had bad consequences for the country.

I want to repeat to my colleagues that this offers a chance now to utilize a good, new regulatory system which will enable us to begin to bring on new technology and to bring into play the forces of competition, which will serve all of our people both in terms of product and in terms of quality and in terms of cost. That is important. It also will open up the process.

I had been bitterly critical of the curious process which has gone on under the modified final judgment. It has been inadequate. It has been unfair, and it has been a closed process. The business of regulation of the telecommunications industry has gone on in a closed courtroom where no one could find out what was going on, no one could participate in the pleadings. No one could appear without the leave of the court and the people who were the principal beneficiaries of that particular modified final judgment. It is important that we get rid of that. And even if this were a bad bill, I would say that almost any price is worth paying to get rid of a system which is so basically unfair.

□ 0215

It is so basically unseemly and so inconsistent with the system that this country has, so closed to innovation, and so closed to the participation by the people whose interests are affected by it, and so controlled by the beneficiaries of it. This is one of the curious examples where government has been controlled for the benefit of the people who did in fact do the governing, AT&T, the Justice Department, working with the judge. He was a good judge, but a bad process.

Mr. Chairman, I would urge my colleagues to support the amendment. I want to commend the staff which has worked, Mr. Regan, Ms. Reid, Mr. Ulman, and Mr. Michael O'Rielly, as well as my dear friend and colleague, Mr. David Leach, who have all worked

so effectively to put together the packages before us.

Mr. CHAIRMAN. The gentleman from Virginia [Mr. BLILEY] is recognized to close debate.

Mr. BLILEY. Mr. Chairman, it is late. I want to commend our colleagues, particularly the ranking member, for his fine statement that he has just concluded. I also commend the ranking member of the Committee on the Judiciary, though we disagree on the policy. I want to commend the chairman of our subcommittee who has put in numerous hours to make this bill as balanced as we possibly can make it.

Mr. Chairman, I say to the White House who have not been involved with us that we welcome you to join us now as we prepare to go to conference. Bring us your concerns, sit down with us, and we will certainly consider any changes that you would suggest. Whether we will adopt them all, that is another matter. But we will certainly consider them, and I invite them to come forward.

Mr. Chairman, it has been an interesting debate, as the gentleman said, and I look forward to tomorrow when we will consider amendments to further perfect this bill, and then we will pass it and we will go to conference some time later this year. This is the way this process works. It is not a sprint, it is a marathon. We have had subcommittee, we have had full committee. We now are on the floor, and ultimately we will go to conference and we will come back with a conference report. That is the way it should be, Mr. Chairman, and I urge my colleagues to support his legislation and to help us craft it, make it even better as we go on with the process.

Mr. BILIRAKIS. I rise in strong support of the landmark legislation which we are considering today, and I want to commend my colleagues on the committees of jurisdiction for their hard work on this bill. H.R. 1555 is the culmination of years of work to overhaul Federal telecommunications policy and position America as a world leader in the dawning information age.

While this bill contains many important provisions, I want to address one area in particular—the issue of telemedicine. As Chairman of the Commerce Health Subcommittee, I have a special interest in this subject.

Although it is subject to different interpretations, the term “telemedicine” generally refers to live, interactive audiovisual communication between physician and patient or between two physicians. Telemedicine can facilitate consultation between physicians and serve as a method of health care delivery in which physicians examine patients through the use of advanced telecommunications technology.

One of the most important uses of telemedicine is to allow rural communities and other medically under-served areas to obtain access to highly trained medical specialists. It also provides a access to medical care in circumstances when possibilities for travel are limited or unavailable.

Despite widespread support for telemedicine in concept, many critical policy questions remain unresolved. At the same time, the Federal Government is currently spending millions

of dollars on telemedicine demonstration projects with little or no congressional oversight. In particular, the Departments of Commerce and Health and Human Services have provided sizable grants for projects in a number of States.

Therefore, I drafted a provision which is included in the manager's amendment to require the Department of Commerce, in consultation with other appropriate agencies, to report annually to congress on the findings of any studies and Demonstrations on telemedicine which are funded by the Federal Government.

My amendment is designed to provide greater information for federal policymakers in the areas of patient safety, quality of services, and other legal, medical and economic issues related to telemedicine. Through adoption of this provision, I am hopeful that we can shed light on the potential benefits of telemedicine, as well as existing roadblocks to its use.

Mrs. FOWLER. Mr. Chairman, I rise in opposition to H.R. 1555, the Communications Act of 1995. Although I believe that our telecommunications laws are in need of reform, I have serious concerns about certain sections of this bill, and about the manner in which it has been brought to the floor.

This is an important bill, because it will affect every time he or she picks up a phone or turns on the TV. It is incumbent upon us to consider it carefully and thoughtfully. I am concerned that this bill has been brought to the floor in a rush, following a process which was none-too-open.

My primary concern revolves around provisions in the manager's amendment regarding entry of local telephone service providers into the long distance market and vice versa. I never expected that the long distance companies and the local telephone companies would ever completely agree on any bill. But to formulate a manager's amendment that is vehemently opposed by one of the parties forces Members to choose between the two. It is the responsibility of the leadership to do everything possible to reconcile the differences between those affected by this bill, and I do not believe this has been done.

I have other concerns, including the potential of the bill to concentrate media ownership in a few hands and the bill's effects on radio and television broadcasting audience reach limits.

I am also concerned about the effect of the bill on State authority to regulate the costs of certain long distance calls within States. Many States have already taken steps to liberate such rates, and the bill would negatively affect these efforts. I share the concerns of the Governor of Florida and several other governors about this issue.

Mr. Chairman, we need to reform our telecommunications laws so that we can enter the 21st century governed by laws appropriate to the technology and services available to us. But this bill is not the vehicle that will best accomplish those goals. I say let's go back to the drawing board and try again.

Mr. LAZIO of New York. Mr. Chairman, the House shortly will consider H.R. 1555, the Communications Act of 1995. Among other things, this bill and its Senate-passed companion, S. 652, aims to ensure competition in the cable television industry as it expands into interactive voice, data and video services.

I wanted to bring to the attention of my colleagues in both bodies a serious and poten-

tially dangerous situation that merits further study by Congress in the future, as it was not addressed by the legislation we are about to take up.

Currently, telephone systems provide a different sort of lightning or surge protection than is provided by the cable industry. Telephone companies have provided such protection through devices that instantaneously detect dangerous surges and direct them to ground. Cable companies do not have these devices and now only are required to ground their systems. As telephone companies branch out into broadband transmission services, they will continue to be required to protect the public from power surge and lightning hazards.

The National Electric Code does not require the cable industry to provide the same kind of surge protection to current and future cable users, even if cable companies will be providing the same kind of telephone service in the future that telephone companies now provide. I am told that the cable industry has made a commitment to do so if it does offer such telephone service, but it is an issue Congress should review.

I would urge my colleagues, particularly those in the Commerce Committee, to closely examine this potential problem and to hold hearings to make sure public safety will be adequately protected as our telecommunications industry goes through a period of unprecedented change.

Mr. BLILEY. Mr. Chairman, with that, I yield back the balance of my time, and I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. HASTART) having assumed the chair, Mr. KOLBE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1555), to promote competition and reduce regulation in order to lower prices and higher quality services for American telecommunications consumers and encourage the rapid deployment of new telecommunications technologies, had come to no resolution thereon.

PRINTING OF OMISSIONS FROM RECORD OF JULY 31, 1995

(Consideration of the following 3 bills, H.R. 714, H.R. 701 and H.R. 1874 are reprinted as follows containing omissions from the RECORD of Monday, July 31, 1995, beginning at page H7996.)

ILLINOIS LAND CONSERVATION ACT OF 1995

Mr. EMERSON. Mr. Speaker, I ask unanimous consent that the Committee on National Security and the Committee on Commerce be discharged from further consideration of the bill (H.R. 714), to establish the Midewin National Tallgrass Prairie in the State of Illinois, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.