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PROPOSED SIMON AMENDMENT TO S. 652

Mr. SIMON. Mr. President, today I submit an amendment that I plan to offer to S. 652, the telecommunications bill next week. The amendment will ensure that when the Regional Bell Operating Companies enter the business of manufacturing, the consumer will be protected against possible price increases as a result of cross-subsidization and self-dealing. While some of us may disagree on the wisdom of allowing the Bell companies into manufacturing, no one should disagree on the need to ensure the consumer is protected against possible rate increases.

I applaud the authors of the legislation for including certain safeguards already in the legislation. My amendment would take these protections one step further by requiring an audit conducted at the direction of the State. The language, which is based on last year's telecommunications bill, is simple and straightforward.

I hope that my colleagues will agree and adopt this important amendment. I ask unanimous consent that my amendment be printed in the RECORD.

On page 31, between lines 18 and 19, insert the following:

"(d) **BIENNIAL AUDIT.**—  
 "(1) **GENERAL REQUIREMENT.**—A company required to operate a separate subsidiary under this section shall obtain and pay for an audit every 2 years conducted by an independent auditor selected by, and working at the direction of, the State commission of each State in which such company provides service, to determine whether such company has complied with this section and the regulations promulgated under this section, and particularly whether such company has complied with the separate accounting requirements under subsection (b).  
 "(2) **RESULTS SUBMITTED TO COMMISSION; STATE COMMISSIONS.**—The auditor described in paragraph (1) shall submit the results of the audit to the Commission and to the State commission of each State in which the company audited provides service, which shall make such results available for public inspection. Any party may submit comments on the final audit report.  
 "(3) **REGULATIONS.**—The audit required under paragraph (1) shall be conducted in accordance with procedures established by regulation by the State commission of the State in which such company provides service. The regulations shall include requirements that—  
 "(A) each audit submitted to the Commission and to the State commission is certified by the auditor responsible for conducting the audit; and  
 "(B) each audit shall be certified by the person who conducted the audit and shall identify with particularity any qualifications or limitations on such certification and any other information relevant to the enforcement of the requirements of this section.  
 "(4) **COMMISSION REVIEW.**—The Commission shall periodically review and analyze the audits submitted to it under this subsection.  
 "(5) **ACCESS TO DOCUMENTS.**—For purposes of conducting audits and reviews under this subsection—  
 "(A) the independent auditor, the Commission, and the State commission shall have access to the financial accounts and records of each company and of its subsidiaries necessary to verify transactions conducted with that company that are relevant to the spe-

cific activities permitted under this section and that are necessary for the regulation of rates;

"(B) the Commission and the State commission shall have access to the working papers and supporting materials of any auditor who performs an audit under this section; and  
 "(C) the State commission shall implement appropriate procedures to ensure the protection of any proprietary information submitted to it under this section.

On page 31, line 19, strike out "(d)" and insert in lieu thereof "(e)".  
 On page 32, line 10, strike out "(e)" and insert in lieu thereof "(f)".  
 On page 33, line 12, strike out "(f)" and insert in lieu thereof "(g)".  
 On page 34, line 20, strike out "(g)" and insert in lieu thereof "(h)".  
 On page 34, line 25, strike out "(h)" and insert in lieu thereof "(i)".  
 On page 38, line 1, strike out "(i)" and insert in lieu thereof "(j)".

THE TELECOMMUNICATIONS COMPETITION AND DEREGULATION ACT

Mr. DOLE. Mr. President, we are still in a period for morning business. I wanted to indicate that the chairman of the Commerce Committee, Senator PRESSLER, is standing by. He is prepared to do business. He is sincere about finishing the telecommunications bill, and he is prepared to stay here for the rest of the afternoon and on into the night. But in order for him to do business, somebody has to offer an amendment.

Now, it is my hope that we can finish this bill by next Tuesday evening. Senators PRESSLER and HOLLNOS think that may be possible. I understand that there are some who wanted to debate and said they were not getting time to debate, and they are not here at the present time—Senator DORNOAN and Senator KERREY. Senator PRESSLER is on the floor. If you want to debate your amendment, this is a good opportunity. We want to finish this bill and move on to either welfare reform or regulatory reform next week.

So, hopefully, we will finish the bill no later than Tuesday evening. We will not file cloture today. This is an important bill. We should have a lengthy debate. A lot of people have different ideas on this bill. Certainly, we should be able to complete action on the bill by Tuesday. That would give us the better part of about 4½ to 5 days, which seems to be a considerable length of time, considering the importance of the bill.

But I just say that Senator PRESSLER is here and ready to do business. If the Senator from Iowa has an amendment, we would be happy to engage in a debate.

I suggest the absence of a quorum. The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CHAFEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHAFEE. Mr. President, I thank the Chair.

(The remarks of Mr. CHAFEE pertaining to the introduction of S. 910 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. CHAFEE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WELLSTONE. Mr. President, since I have to catch a flight back to Minnesota, and I understand the majority leader is going to be coming out in a moment, I just wanted to say to all who have been involved in these negotiations I am very pleased. I know that Senator LEVIN, Senator FEINGOLD, and Senator LAUTENBERG join me.

I thank Senator FORD from Kentucky and my colleagues on the other side of the aisle. It seems as if what we are going to have is an announcement that will make it clear that in July, and certainly no later than the end of the month, we will have an opportunity to have both lobby disclosure and the gift ban in this Chamber, and we will have the debate and we will have votes.

I think that is the way it should be. I am very pleased with what I understand is certainly going to be an agreement. The majority leader will go into this in more detail, and he will read the terms of the agreement, but this is what we have all been working for. It is what we have all been negotiating about. And from my own point of view, I think the most important thing is that this will be an opportunity for the Senate to go on record, this will be an opportunity for the Senate to, I think, really lead the way on a measure that has everything to do with openness in the political process, with accountability, with changing matters for the better.

People in the country really believe in public service, want to believe in public service. All of us do, Democrats and Republicans alike. I think this moment in July and this debate, this discussion and the final action by the Senate will be a very strong and positive reform.

So I am very pleased that finally these negotiations have borne fruit, and I am pleased that the majority leader will be out here to announce this. I thank the Chair.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.



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