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Amendments to CAPTA have been made to strengthen research efforts and to expand the clearinghouse's data collection function to include information on substantiated, unsubstantiated, and false reports of child abuse and neglect.

This legislation also seeks to encourage State and local innovation through demonstration grants in the areas of training and education, reporting and investigation of abuse and neglect, and encouraging parent mutual support and self-help programs.

The reauthorization of CAPTA also includes a prevention component that involves networks of local community-based organizations whose primary purpose is to assist families at risk of child abuse and neglect. Title II of this legislation consolidates several programs, the Temporary Child Care for Children with Disabilities and Crisis Nurseries Act and the Family Support Centers under the Stewart B. McKinney Homeless Assistance Act, into the Community-Based Family Resource Grants program. The programs being consolidated provide a range of services to families, from respite care and support services to families with disabled children to assisting families in finding affordable housing. The grants are awarded to States that demonstrate a commitment to establishing a network of resources designed to assist families and prevent child abuse and neglect and to providing leadership in coordinating various programs and activities at the State and local levels.

The Child Abuse and Prevention Treatment Act Amendments of 1995 has been reauthorized at \$100 million for fiscal year 1996 and such sums as necessary through fiscal year 2000.

The legislation also includes several minor technical amendments to the Family Violence Prevention and Services Act to reconcile differences between this and the Victims of Crime Act. In addition, Title IV and Title V reauthorize the Adoption Opportunities Act and the Abandoned Infants Assistance Act. Several technical changes have been made to the Adoption Opportunities Act to improve this program. Also, a provision has been included to require the Secretary of Health and Human Services to study and report on the efficacy of requiring States to contract with public, private nonprofit, and sectarian institutions for recruitment of prospective foster care and adoptive parents and for assistance with the placement of children with special needs. The Adoption Opportunities Act has been reauthorized at \$20 million for fiscal year 1996 and such sums as may be necessary through fiscal year 2000. The Abandoned Infants Assistance Act has been reauthorized at \$5 million for fiscal year 1996 and such sums as may be necessary through fiscal year 2000.

Finally, in conjunction with Senator HATCH, several programs under the Senate Committee on the Judiciary's jurisdiction that were included in Title

II of the House welfare reform proposal, have been reauthorized under Title VI of CAPTA. They are the Missing Children's Assistance Act and the Victims of Child Abuse Act of 1990. Both programs have been reauthorized through 1997.

I believe this legislation will make significant improvements to the reporting, prevention, and treatment of child abuse and neglect. I would like to thank Senator COATS for his strong commitment to children and his leadership on this very important issue. I hope that this legislation will receive bipartisan support from my colleagues in the Senate and that many of you will join with Senator COATS and me in ensuring its passage on the Senate floor. ♦

#### ADDITIONAL COSPONSORS

S. 254

At the request of Mr. SPECTER, his name was added as a cosponsor of S. 254, a bill to amend title 10, United States Code, to establish procedures for determining the status of certain missing members of the Armed Forces and certain civilians, and for other purposes.

S. 304

At the request of Mr. SANTORUM, the name of the Senator from Mississippi [Mr. LOTT] was added as a cosponsor of S. 304, a bill to amend the Internal Revenue Code of 1986 to repeal the transportation fuels tax applicable to commercial aviation.

S. 472

At the request of Mr. DODD, the names of the Senator from Maryland [Ms. MIKULSKI] and the Senator from Minnesota [Mr. WELLSTONE] were added as cosponsors of S. 472, a bill to consolidate and expand Federal child care services to promote self sufficiency and support working families, and for other purposes.

S. 622

At the request of Mr. GREGG, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of S. 622, a bill to amend the Internal Revenue Code of 1986 to preserve family-held forest lands, and for other purposes.

S. 758

At the request of Mr. HATCH, the name of the Senator from Oregon [Mr. HATFIELD] was added as a cosponsor of S. 758, a bill to amend the Internal Revenue Code of 1986 to provide for S corporation reform, and for other purposes.

S. 770

At the request of Mr. DOLE, the name of the Senator from Texas [Mrs. HUTCHISON] was added as a cosponsor of S. 770, a bill to provide for the relocation of the United States Embassy in Israel to Jerusalem, and for other purposes.

S. 791

At the request of Mr. FRYOR, the name of the Senator from South Da-

kota [Mr. PRESSLER] was added as a cosponsor of S. 771, a bill to provide that certain Federal property shall be made available to States for State use before being made available to other entities, and for other purposes.

S. 830

At the request of Mr. SPECTER, the name of the Senator from Maine [Mr. COHEN] was added as a cosponsor of S. 830, a bill to amend title 18, United States Code, with respect to fraud and false statements.

S. 867

At the request of Mr. COCHRAN, the name of the Senator from Mississippi [Mr. LOTT] was added as a cosponsor of S. 867, a bill to amend the Internal Revenue Code of 1986 to revise the estate and gift tax in order to preserve American family enterprises, and for other purposes.

S. 915

At the request of Mr. D'AMATO, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of S. 915, a bill to govern relations between the United States and the Palestine Liberation Organization [PLO], to enforce compliance with standards of international conduct, and for other purposes.

#### SENATE RESOLUTION 103

At the request of Mr. DOMENICI, the names of the Senator from Missouri [Mr. BOND] the Senator from Texas [Mrs. HUTCHISON], and the Senator from Florida [Mr. MACK] were added as cosponsors of Senate Resolution 103, a resolution to proclaim the week of October 15 through October 21, 1995, as National Character Counts Week, and for other purposes.

#### AMENDMENT NO. 1265

At the request of Mr. DORGAN, the name of the Senator from Wisconsin [Mr. FEINGOLD] was added as a cosponsor of Amendment No. 1265 proposed to S. 652, an original bill to provide for a procompetitive, de-regulatory national policy framework designed to accelerate rapidly private sector deployment of advanced telecommunications and information technologies and services to all Americans by opening all telecommunications markets to competition, and for other purposes.

#### AMENDMENTS SUBMITTED

THE TELECOMMUNICATIONS COMPETITION AND DEREGULATION ACT OF 1995 COMMUNICATIONS DECENCY ACT OF 1995

DORGAN AMENDMENTS NOS. 1272-1273

(Ordered to lie on the table.)

Mr. DORGAN submitted two amendments intended to be proposed by him to the bill (S. 652) to provide for a procompetitive, de-regulatory national policy framework designed to accelerate rapidly private sector deployment of

advanced telecommunications and information technologies and services to all Americans by opening all telecommunications markets to competition, and for other purposes; as follows:

AMENDMENT NO. 1272

On page 82, between lines 4 and 5, insert the following:

(3) This section shall operate only if the Commission shall amend its "Application for renewal of License for AM, FM, TV, Translator or LPTV Station" (FCC Form 303-S) to require that, for commercial TV applicants only, the applicant attach as an exhibit to the application a summary of written comments and suggestions received from the public and maintained by the licensee in accordance with 47 C.F.R. sec. 73.1202 that comment on the applicant's programming, if any, characterized by the commentator as constituting violent programming.

AMENDMENT NO. 1273

On page 77, line 2, strike the word "and" and all that follows through line 4 on the same page and insert the following:

(B) it shall apply similar rules to use of existing television spectrum; and

(C) it shall adopt regulations that would require broadcast stations to transmit, by way of line 21 of the vertical blanking interval, signals which enable viewers to block the display of programs with common ratings based on violent content determined by such stations.

DORGAN (AND HELMS)  
AMENDMENT NO. 1274

(Ordered to lie on the table.)

Mr. DORGAN (for himself and Mr. HELMS) submitted an amendment intended to be proposed by them to the bill S. 652, supra; as follows:

Strike paragraph (1) of subsection (b) of Section 307 and insert in lieu thereof the following:

"(b) REVIEW AND MODIFICATION OF BROADCAST RULES.—The Commission shall:

"(1) modify or remove such national and local ownership rules on radio and television broadcasters as are necessary to ensure that broadcasters are able to compete fairly with other media providers while ensuring that the public receives information from a diversity of media sources and localism and service in the public interest in protected, taking into consideration the economic dominance of providers in a market and

"(2) review the ownership restriction in section 613(a)(1)."

CONRAD (AND OTHERS)  
AMENDMENT NO. 1275

Mr. CONRAD (for himself, Ms. MIKULSKI, and Mr. GRAHAM) proposed an amendment to the bill, S. 652, supra; as follows:

On page 146, below line 14, add the following:

TITLE V—MISCELLANEOUS  
SEC. 501. SHORT TITLE.

This title may be cited as the "Parental Choice in Television Act of 1995".

SEC. 502. FINDINGS.

Congress makes the following findings:

(1) On average, a child in the United States is exposed to 27 hours of television each week and some children are exposed to as much as 11 hours of television each day.

(2) The average American child watches 8,000 murders and 100,000 acts of other violence on television by the time the child completes elementary school.

(3) By the age of 18 years, the average American teenager has watched 200,000 acts of violence on television, including 40,000 murders.

(4) On several occasions since 1975, The Journal of the American Medical Association has alerted the medical community to the adverse effects of televised violence on child development, including an increase in the level of aggressive behavior and violent behavior among children who view it.

(5) The National Commission on Children recommended in 1991 that producers of television programs exercise greater restraint in the content of programming for children.

(6) A report of the Harry Frank Guggenheim Foundation, dated May 1993, indicates that there is an irrefutable connection between the amount of violence depicted in the television programs watched by children and increased aggressive behavior among children.

(7) It is a compelling National interest that parents be empowered with the technology to block the viewing by their children of television programs whose content is overly violent or objectionable for other reasons.

(8) Technology currently exists to permit the manufacture of television receivers that are capable of permitting parents to block television programs having violent or otherwise objectionable content.

SEC. 303. ESTABLISHMENT OF TELEVISION VIOLENCE RATING CODE.

(a) IN GENERAL.—Section 303 (47 U.S.C. 303) is amended by adding at the end the following:

"(v) Prescribe, in consultation with television broadcasters, cable operators, appropriate public interest groups, and interested individuals from the private sector, rules for rating the level of violence or other objectionable content in television programming, including rules for the transmission by television broadcast stations and cable systems of—

"(1) signals containing ratings of the level of violence or objectionable content in such programming; and

"(2) signals containing specifications for blocking such programming."

(b) APPLICABILITY.—The amendment made by subsection (a) shall take effect 1 year after the date of the enactment of this Act, but only if the Commission determines, in consultation with appropriate public interest groups and interested individuals from the private sector, on that date that television broadcast stations and cable systems have not—

"(1) established voluntarily rules for rating the level of violence or other objectionable content in television programming which rules are acceptable to the Commission; and

"(2) agreed voluntarily to broadcast signals that contain ratings of the level of violence or objectionable content in such programming.

SEC. 504. REQUIREMENT FOR MANUFACTURE OF TELEVISIONS THAT BLOCK PROGRAMS.

(a) REQUIREMENT.—Section 303 (47 U.S.C. 303), as amended by this Act, is further amended by adding at the end the following:

"(w) Require, in the case of apparatus designed to receive television signals that are manufactured in the United States or imported for use in the United States and that have a picture screen 13 inches or greater in size (measured diagonally), that such apparatus—

"(1) be equipped with circuitry designed to enable viewers to block the display of channels during particular time slots; and

"(2) enable viewers to block display of all programs with a common rating."

(b) IMPLEMENTATION.—In adopting the requirement set forth in section 303(w) of the

Communications Act of 1934, as added by subsection (a), the Federal Communications Commission, in consultation with the television receiver manufacturing industry, shall determine a date for the applicability of the requirement to the apparatus covered by that section.

SEC. 505. SHIPPING OR IMPORTING OF TELEVISIONS THAT BLOCK PROGRAMS.

(a) REGULATIONS.—Section 303 (47 U.S.C. 303) is amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by adding after subsection (b) the following new subsection (c):

"(c)(1) Except as provided in paragraph (2), no person shall ship in interstate commerce, manufacture, assemble, or import from any foreign country into the United States any apparatus described in section 303(w) of this Act except in accordance with rules prescribed by the Commission pursuant to the authority granted by that section.

"(2) This subsection shall not apply to carriers transporting apparatus referred to in paragraph (1) without trading it.

"(3) The rules prescribed by the Commission under this subsection shall provide performance standards for blocking technology. Such rules shall require that all such apparatus be able to receive transmitted rating signals which conform to the signal and blocking specifications established by the Commission.

"(4) As new video technology is developed, the Commission shall take such action as the Commission determines appropriate to ensure that blocking service continues to be available to consumers."

CONFORMING AMENDMENT.—Section 303(d), as redesignated by subsection (a)(1), is amended by striking "section 303(s), and section 303(u)" and inserting in lieu thereof "and sections 303(a), 303(u), and 303(w)".

MCCAIN AMENDMENT NO. 1276

Mr. MCCAIN proposed an amendment to the bill S. 652, supra; as follows:

On page 43, strike out line 2 and insert in lieu thereof the following:

Act.

"(k) TRANSITION TO ALTERNATIVE SUPPORT SYSTEM.—Notwithstanding any other provision of this Act, beginning 2 years after the date of the enactment of the Telecommunications Act of 1995, support payments for universal service under this Act shall occur in accordance with the provisions of subsection (l) rather than any other provisions of this Act.

"(l) VOUCHER SYSTEM.—

"(1) IN GENERAL.—Not later than 2 years after the date of the enactment of the Telecommunications Act of 1995, the Commission shall prescribe regulations to provide for the payment of support payments for universal service through a voucher system under this subsection.

"(2) INDIVIDUALS ELIGIBLE TO MAKE PAYMENTS BY VOUCHER.—Payment of support payments for universal service by voucher under this subsection may be made only by individuals—

"(A) who are customers of telecommunications carriers described in paragraph (3); and

"(B) whose income in the preceding year was an amount equal to or less than the amount equal to 200 percent of the poverty level for that year.

"(3) CARRIERS ELIGIBLE TO RECEIVE VOUCHERS.—Telecommunications carriers eligible to receive support payments for universal service by voucher under this subsection are telecommunications carriers designated as essential telecommunications carriers in accordance with subsection (f).

"(4) VOUCHERS.—  
 "(A) IN GENERAL.—The Commission shall provide in the regulations under this subsection for the distribution to individuals described in paragraph (3) of vouchers that may be used by such individuals as payment for telecommunications services received by such individuals from telecommunications carriers described in paragraph (3).  
 "(B) VALUE OF VOUCHERS.—The Commission shall determine the value of vouchers distributed under this paragraph.  
 "(C) USE OF VOUCHERS.—Individuals to whom vouchers are distributed under this paragraph may utilize such vouchers as payment for the charges for telecommunications services that are imposed on such persons by telecommunications carriers referred to in subparagraph (A).  
 "(D) ACCEPTANCE OF VOUCHERS.—Each telecommunications carrier referred to in subparagraph (A) shall accept vouchers under this paragraph as payment for charges for telecommunications services that are imposed by the telecommunications carrier on individuals described in paragraph (3).  
 "(E) REIMBURSEMENT.—The Commission shall, upon submittal of vouchers by a telecommunications carrier, reimburse the telecommunications carrier in an amount equal to the value of the vouchers submitted. Amounts necessary for reimbursements under this subparagraph shall be derived from contributions for universal support under subsection (c)."

**GORTON AMENDMENT NO. 1277**

Mr. GORTON proposed an amendment to amendment No. 1270 proposed by Mrs. FEINSTEIN to the bill, S. 652, supra; as follows:

In the matter proposed to be stricken, strike "or is inconsistent with this section, the Commission shall promptly" and insert "subsection (a) or (b), the Commission shall".

**DORGAN (AND OTHERS) AMENDMENT NO. 1278**

Mr. DORGAN (for himself, Mr. HELMS, and Mr. KRERRY) proposed an amendment to the bill, S. 652, supra; as follows:

Strike paragraph (1) of subsection (b) of Section (207) and insert in lieu thereof the following:

"(b) REVIEW AND MODIFICATION OF BROADCAST RULES.—The Commission shall:  
 "(1) modify or remove such national and local ownership rules on radio and television broadcasters as are necessary to ensure that broadcasters are able to compete fairly with other media providers while ensuring that the public receives information from a diversity of media sources and localism and service in the public interest is protected, taking into consideration the economic dominance of providers in a market and  
 "(2) review the ownership restriction in section 613(a)(1)."

**THURMOND AMENDMENT NO. 1279**

(Ordered to lie on the table.)  
 Mr. THURMOND submitted an amendment intended to be proposed by him to the bill S. 652, supra; as follows:  
 On page 82, line 23, strike all after the word "service" through page 91, line 2, and insert the following:  
 "To the extent approved by the Commission and the Attorney General of the United States in accordance with the provisions of subsection (c);

"(2) InterLATA telecommunications services originating in any area where that company is not the dominant provider of wireline telephone exchange service or exchange access service in accordance with the provisions of subsection (d); and  
 "(3) InterLATA services that are incidental services in accordance with the provisions of subsection (e)."

"(b) SPECIFIC INTERLATA INTERCONNECTION REQUIREMENTS.—  
 "(1) IN GENERAL.—A Bell operating company may provide InterLATA services in accordance with this section only if that company has reached an interconnection agreement under section 251 and that agreement provides, at a minimum, for interconnection that meets the competitive checklist requirements of paragraph (2).  
 "(2) COMPETITIVE CHECKLIST.—Interconnection provided by a Bell operating company to other telecommunications carriers under section 251 shall include:

"(A) Nondiscriminatory access on an unbundled basis to the network functions and services of the Bell operating company's telecommunications network that is at least equal in type, quality, and price to the access the Bell operating company affords to itself or any other entity.  
 "(B) The capability to exchange telecommunications between customers of the Bell operating company and the telecommunications carrier seeking interconnection.  
 "(C) Nondiscriminatory access to the poles, ducts, conduits, and rights-of-way owned or controlled by the Bell operating company at just and reasonable rates where it has the legal authority to permit such access.  
 "(D) Local loop transmission from the central office to the customer's premises, unbundled from local switching or other services.  
 "(E) Local transport from the trunk side of a wireline local exchange carrier switch unbundled from switching or other services.  
 "(F) Local switching unbundled from transport, local loop transmission, or other services.  
 "(G) Nondiscriminatory access to—  
 "(i) 911 and E911 services;  
 "(ii) directory assistance services to allow the other carrier's customers to obtain telephone numbers; and  
 "(iii) operator call completion services.  
 "(H) White pages directory listings for customers of the other carrier's telephone exchange service.  
 "(I) Until the date by which neutral telephone number administration guidelines, plan, or rules are established, nondiscriminatory access to telephone numbers for assignment to the other carrier's telephone exchange service customers. After that date, compliance with such guidelines, plan, or rules.  
 "(J) Nondiscriminatory access to databases and associated signaling, including signaling links, signaling service control points, and signaling service transfer points, necessary for call routing and completion.  
 "(K) Until the date by which the Commission determines that final telecommunications number portability is technically feasible and must be made available, interim telecommunications number portability through remote call forwarding, direct inward dialing trunks, or other comparable arrangements, with as little impairment of functioning, quality, reliability, and convenience as possible. After that date, full compliance with final telecommunications number portability.  
 "(L) Nondiscriminatory access to whatever services or information may be necessary to allow the requesting carrier to implement

local dialing parity in a manner that permits consumers to be able to dial the same number of digits when using any telecommunications carrier providing telephone exchange service or exchange access service.

"(M) Reciprocal compensation arrangements on a nondiscriminatory basis for the origination and termination of telecommunications.

"(N) Telecommunications services and network functions provided on an unbundled basis without any conditions or restrictions on the resale or sharing of those services or functions, including both origination and termination of telecommunications services, other than reasonable conditions required by the Commission or a State. For purposes of this subparagraph, it is not an unreasonable condition for the Commission or a State to limit the resale—  
 "(1) of services included in the definition of universal service to a telecommunications carrier who intends to resell that service to a category of customers different from the category of customers being offered that universal service by such carrier if the Commission or State orders a carrier to provide the same service to different categories of customers at different prices necessary to promote universal service; or  
 "(ii) of subsidized universal service in a manner that allows companies to charge another carrier rates which reflect the actual cost of providing those services to that carrier, exclusive of any universal service support received for providing such services in accordance with section 214(d)(5).

"(3) JOINT MARKETING OF LOCAL AND LONG DISTANCE SERVICES.—Until a Bell operating company is authorized to provide InterLATA services in a telephone exchange where that company is the dominant provider of wireline telephone exchange service or exchange access service, a telecommunications carrier may not jointly market in such telephone exchange area telephone exchange service purchased from such company with InterLATA services offered by that telecommunications carrier.

"(4) COMMISSION MAY NOT EXPAND COMPETITIVE CHECKLIST.—The Commission may not, by rule or otherwise, limit or extend the terms used in the competitive checklist.  
 "(c) IN-REGION SERVICES.—  
 "(1) APPLICATION.—Upon the enactment of the Telecommunications Act of 1996, a Bell operating company or its affiliate may apply to the Commission and the Attorney General for authorization notwithstanding the Modification of Final Judgment to provide InterLATA telecommunications services originating in any area where such Bell operating company is the dominant provider of wireline telephone exchange service or exchange access service. The application shall describe with particularity the nature and scope of the activity and of each product market or service market, and each geographic market for which authorization is sought.

"(2) DETERMINATION BY COMMISSION AND ATTORNEY GENERAL.—  
 "(A) DETERMINATION.—Not later than 90 days after receiving an application under paragraph (1), the Commission and the Attorney General shall each issue a written determination, on the record after a hearing and opportunity for comment, granting or denying the application in whole or in part.  
 "(B) APPROVAL BY COMMISSION.—The Commission may only approve the authorization requested in an application submitted under paragraph (1) if—  
 "(i) finds that the petitioning Bell operating company has fully implemented the competitive checklist found in subsection (b)(2);

"(ii) finds that the petitioning Bell operating company has fully implemented the competitive checklist found in subsection (b)(2);

"(iii) finds that the petitioning Bell operating company has fully implemented the competitive checklist found in subsection (b)(2);

"(iv) finds that the petitioning Bell operating company has fully implemented the competitive checklist found in subsection (b)(2);

"(v) finds that the petitioning Bell operating company has fully implemented the competitive checklist found in subsection (b)(2);

"(vi) finds that the petitioning Bell operating company has fully implemented the competitive checklist found in subsection (b)(2);

"(vii) finds that the petitioning Bell operating company has fully implemented the competitive checklist found in subsection (b)(2);

"(viii) finds that the petitioning Bell operating company has fully implemented the competitive checklist found in subsection (b)(2);

"(ix) finds that the petitioning Bell operating company has fully implemented the competitive checklist found in subsection (b)(2);

"(H) finds that the requested authority will be carried out in accordance with the requirements of section 252; and "(III) determines that the requested authorization is consistent with the public interest, convenience, and necessity, in making its determination whether the requested authorization is consistent with the public interest, convenience, and necessity, the Commission shall not consider the antitrust effects of such authorization in any market for which authorization is sought. Nothing in this subsection shall limit the authority of the Commission under any other section. If the Commission does not approve an application under this subparagraph it shall state the basis for its denial of the application.

(C) APPROVAL BY ATTORNEY GENERAL.—The Attorney General may only approve the authorization requested in an application submitted under paragraph (1) if the Attorney General finds that the effect of such authorization will not substantially lessen competition, or tend to create a monopoly in any line of commerce in any section of the country. The Attorney General may approve all or part of the request. If the Attorney General does not approve an application under this subparagraph, the Attorney General shall state the basis for the denial of the application. These provisions shall become effective one day after date of enactment.

"(3) PUBLICATION.—Not later than 10 days after issuing a determination under paragraph (2), the Commission and the Attorney General shall each publish in the Federal Register a brief description of the determination.

"(4) JUDICIAL REVIEW.—

"(A) COMMENCEMENT OF ACTION.—Not later than 45 days after a determination by the Commission or the Attorney General is published under paragraph (3), the Bell operating company or its subsidiary or affiliate that applied to the Commission and the Attorney General under paragraph (1), or any person who would be threatened with loss or damage as a result of the determination regarding such company's engaging in the activity described in its application, may commence an action in any United States Court of Appeals against the Commission or the Attorney General for judicial review of the determination regarding the application."

#### ROBB AMENDMENT NO. 1280

(Ordered to lie on the table.)

Mr. ROBB submitted an amendment intended to be proposed by him to the bill, S. 652, supra; as follows:

On page 146, below line 14, add the following:

**SEC. 409. RESTRICTIONS ON ACCESS BY CHILDREN TO OBSCENE AND INDECENT MATERIAL ON ELECTRONIC INFORMATION NETWORKS OPEN TO THE PUBLIC.**

In order,

(1) to encourage the voluntary use of tags in the names, addresses, or text of electronic files containing obscene, indecent, or mature text or graphics that are made available to the public through public information networks in order to ensure the ready identification of files containing such text or graphics;

(2) to encourage developers of computer software that provides access to or interface with a public information network to develop software that permits users of such software to block access to or interface with text or graphics identified by such tags; and

(3) to encourage the telecommunications industry and the providers and users of public information networks to take practical actions (including the establishment of a

board consisting of appropriate members of such industry, providers, and users) to develop a highly effective means of preventing the access of children through public information networks to electronic files that contain such text or graphics.

The Secretary of Commerce shall take appropriate steps to make information on the tags established and utilized in voluntary compliance with subsection (a) available to the public through public information networks.

(c) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Comptroller General shall submit to Congress a report on the tags established and utilized in voluntary compliance with this section. The report shall—

(1) describe the tags so established and utilized;

(2) assess the effectiveness of such tags in preventing the access of children to electronic files that contain obscene, indecent, or mature text or graphics through public information networks; and

(3) provide recommendations for additional means of preventing such access.

(d) DEFINITIONS.—In this section: (1) The term "public information network" means the Internet, electronic bulletin boards, and other electronic information networks that are open to the public.

(2) The term "tag" means a part or segment of the name, address, or text of an electronic file.

#### EXON (AND COATS) AMENDMENT NO. 1281

(Ordered to lie on the table.)

Mr. EXON (for himself and Mr. COATS) submitted an amendment intended to be proposed by them to the bill S. 652, supra; as follows:

On page 137 beginning with line 12 strike through line 10 on page 143 and insert the following:

(1) by striking subsection (a) and inserting in lieu thereof:

"(a) Whoever—  
"(1) in the District of Columbia or in interstate or foreign communications—

"(A) by means of telecommunications device knowingly—

"(i) makes, creates, or solicits, and

"(ii) initiates the transmission of,

any comment, request, suggestion, proposal, image, or other communication which is obscene, lewd, lascivious, filthy, or indecent, with intent to annoy, abuse, threaten, or harass another person;

"(B) makes a telephone call or utilizes a telecommunications device, whether or not conversation or communication ensues, without disclosing his identity and with intent to annoy, abuse, threaten, or harass any person at the called number or who receives the communication;

"(C) makes or causes the telephone of another repeatedly or continuously to ring, with intent to harass any person at the called number; or

"(D) makes repeated telephone calls or repeatedly initiates communication with a telecommunications device, during which conversation or communication ensues, solely to harass any person at the called number or who receives the communication; or

"(2) knowingly permits any telecommunications facility under his control to be used for any activity prohibited by paragraph (1) with the intent that it be used for such activity.

shall be fined not more than \$100,000 or imprisoned not more than two years, or both; and

(2) by adding at the end the following new subsections:

"(d) Whoever—

"(1) knowingly within the United States or in foreign communications with the United States by means of telecommunications device makes or makes available any obscene communications in any form including any comment, request, suggestion, proposal, or image regardless of whether the maker of such communication placed the call or initiated the communications; or

"(2) knowingly permits any telecommunications facility under such person's control to be used for an activity prohibited by subsection (d)(1) with the intent that it be used for such activity;

shall be fined not more than \$100,000 or imprisoned not more than two years or both.

"(e) Whoever—

"(1) knowingly within the United States or in foreign communications with the United States by means of telecommunications device makes or makes available any indecent communications in any form including any comment, request, suggestion, proposal, or image to any person under 18 years of age regardless of whether the maker of such communication placed the call or initiated the communications; or

"(2) knowingly permits any telecommunications facility under such person's control to be used for an activity prohibited by subsection (1) with the intent that it be used for such activity;

shall be fined not more than \$100,000 or imprisoned not more than two years or both.

"(f) Defenses to the subsections (a), (d), and (e), restrictions on access, judicial remedies respecting restrictions for persons providing information services and access to information services—

"(1) No person shall be held to have violated subsections (a), (d), or (e) solely for providing access or connection to or from a facility, system, or network over which that person has no control, including related capabilities which are incidental to providing access or connection. This subsection shall not be applicable to an individual who is owned or controlled by, or a conspirator with, an entity actively involved in the creation, editing or knowing distribution of communications which violate this section.

"(2) No employer shall be held liable under this section for the actions of an employee or agent unless the employee's or agent's conduct is within the scope of his employment or agency and the employer has knowledge of, authorizes, or ratifies the employee's or agent's conduct.

"(3) It is a defense to prosecution under subsection (a), (d)(2), or (e) that a person has taken reasonable, effective and appropriate actions in good faith to restrict or prevent the transmission of, or access to a communication specified in such subsections, or complied with procedures as the Commission may prescribe in furtherance of this section. Until such regulations become effective, it is a defense to prosecution that the person has complied with the procedures prescribed by regulation pursuant to subsection (b)(3). Nothing in this subsection shall be construed to treat enhanced information services as common carriage.

"(4) No cause of action may be brought in any court or administrative agency against any person on account of any activity which is not in violation of any law punishable by criminal or civil penalty, which activity the person has taken in good faith to implement a defense authorized under this section or otherwise to restrict or prevent the transmission of, or access to, a communication specified in this section.

"(g) No State or local government may impose any liability for commercial activities

or actions by commercial entities in connection with an activity or action which constitutes a violation described in subsection (a)(2), (d)(2), or (e)(2) that is inconsistent with the treatment of those activities or actions under this section provided, however, that nothing herein shall preclude any State or local government from enacting and enforcing complementary oversight, liability, and regulatory systems, procedures, and requirements, so long as such systems, procedures, and requirements govern only intrastate services and do not result in the imposition of inconsistent rights, duties or obligations on the provision of interstate services. Nothing in this subsection shall preclude any State or local government from governing conduct not covered by this section.

"(h) Nothing in subsection (a), (d), (e), or (f) or in the defenses to prosecution under (a), (d), or (e) shall be construed to affect or limit the application or enforcement of any other Federal law.

"(i) The use of the term 'telecommunications device' in this section shall not impose new obligations on (one-way) broadcast radio or (one-way) broadcast television operators licensed by the Commission or (one-way) cable service registered with the Federal Communications Commission and covered by obscenity and indecency provisions elsewhere in this Act.

"(j) Within two years from the date of enactment and every two years thereafter, the Commission shall report on the effectiveness of this section."

On page 144, strike lines 1 through 17, and in lieu thereof insert the following:

**SEC. 404. DISSEMINATION OF INDECENT MATERIAL ON CABLE TELEVISION SERVICE.**

(a) IN GENERAL.—Chapter 71 of title 18, United States Code, is amended by inserting after section 1464 the following:

**"1464A. Dissemination of indecent material on cable television**

"(a) Whoever knowingly disseminates any indecent material on any channel provided to all subscribers as part of a basic cable television package shall be imprisoned not more than two years or fined under this title, or both.

"(b) As used in this section, the term 'basic cable television package' means those channels provided by any means for a basic cable subscription fee to all cable subscribers, including 'basic cable service' and 'other programming services' as those terms are defined in section 622 of the Communications Act of 1934 but does not include separate channels that are provided to subscribers upon specific request, whether or not a separate or additional fee is charged."

"(c) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 71 of title 18, United States Code, is amended by inserting after the item relating to section 1464 the following new item:

**"1464A. Dissemination of indecent material on cable television."**

At the end of bill add:

**SEC. 405. SEPARABILITY.**

If any provision of this title, including amendments to this title or the application thereof to any person or circumstance is held invalid, the remainder of this title and the application of such provision to other persons or circumstances shall not be affected thereby.

**MOSELEY-BRAUN AMENDMENT NO. 1282**

(Ordered to lie on the table)  
Ms. MOSELEY-BRAUN submitted an amendment intended to be proposed by her to the bill S. 652, supra; as follows:

At the end of the bill, insert the following:

**TITLE —NATIONAL EDUCATION TECHNOLOGY FUNDING CORPORATION**  
**SEC. 01. SHORT TITLE.**

This title may be cited as the "National Education Technology Funding Corporation Act of 1995".

**SEC. 02. FINDINGS; PURPOSE.**

(a) FINDINGS.—The Congress finds as follows:

(1) CORPORATION.—There has been established in the District of Columbia a private, nonprofit corporation known as the National Education Technology Funding Corporation which is not an agency or independent establishment of the Federal Government.

(2) BOARD OF DIRECTORS.—The Corporation is governed by a Board of Directors, as prescribed in the Corporation's articles of incorporation, consisting of 15 members, of which—

(A) five members are representative of public agencies representative of schools and public libraries;

(B) five members are representative of State government, including persons knowledgeable about State finance, technology and education; and

(C) five members are representative of the private sector, with expertise in network technology, finance and management.

(3) CORPORATE PURPOSES.—The purposes of the Corporation, as set forth in its articles of incorporation, are—

(A) to leverage resources and stimulate private investment in education technology infrastructure;

(B) to designate State education technology agencies to receive loans, grants or other forms of assistance from the Corporation;

(C) to establish criteria for encouraging States to—

(i) create, maintain, utilize and upgrade interactive high capacity networks capable of providing audio, visual and data communications for elementary schools, secondary schools and public libraries;

(ii) distribute resources to assure equitable aid to all elementary schools and secondary schools in the State and achieve universal access to network technology; and

(iii) upgrade the delivery and development of learning through innovative technology-based instructional tools and applications;

(D) to provide loans, grants and other forms of assistance to State education technology agencies, with due regard for providing a fair balance among types of school districts and public libraries assisted and the disparate needs of such districts and libraries;

(E) to leverage resources to provide maximum aid to elementary schools, secondary schools and public libraries; and

(F) to encourage the development of education telecommunications and information technologies through public-private ventures, by serving as a clearinghouse for information on new education technologies, and by providing technical assistance, including assistance to States, if needed, to establish State education technology agencies.

(b) PURPOSE.—The purpose of this title is to recognize the Corporation as a nonprofit corporation operating under the laws of the District of Columbia, and to provide authority for Federal departments and agencies to provide assistance to the Corporation.

**SEC. 03. DEFINITIONS.**

For the purpose of this title—

(1) the term "Corporation" means the National Education Technology Funding Corporation described in section 02(a)(1);

(2) the terms "elementary school" and "secondary school" have the same meanings given such terms in section 14101 of the Ele-

mentary and Secondary Education Act of 1965; and

(3) the term "public library" has the same meaning given such term in section 3 of the Library Services and Construction Act.

**SEC. 04. ASSISTANCE FOR EDUCATION TECHNOLOGY PURPOSES.**

(a) AUTHORIZATION OF ASSISTANCE.—Each Federal department or agency is authorized to award grants or contracts, or provide gifts, contributions, or technical assistance, to the Corporation to enable the Corporation to carry out the corporate purposes described in section 02(a)(3).

(b) AGREEMENT.—In order to receive any assistance described in subsection (a) the Corporation shall enter into an agreement with the Federal department or agency providing such assistance, under which the Corporation agrees—

(1) to use such assistance to provide funding and technical assistance only for activities which the Board of Directors of the Corporation determines are consistent with the corporate purposes described in section 02(a)(3);

(2) to review the activities of State education technology agencies and other entities receiving assistance from the Corporation to assure that the corporate purposes described in section 02(a)(3) are carried out;

(3) that no part of the assets of the Corporation shall accrue to the benefit of any member of the Board of Directors of the Corporation, any officer or employee of the Corporation, or any other individual, except as salary or reasonable compensation for services;

(4) that the Board of Directors of the Corporation will adopt policies and procedures to prevent conflicts of interest;

(5) to maintain a Board of Directors of the Corporation consistent with section 02(a)(2);

(6) that the Corporation, and any entity receiving the assistance from the Corporation, are subject to the appropriate oversight procedures of the Congress; and

(7) to comply with—

(A) the audit requirements described in section 05; and

(B) the reporting and testimony requirements described in section 06.

(c) CONSTRUCTION.—Nothing in this title shall be construed to establish the Corporation as an agency or independent establishment of the Federal Government, or to establish the members of the Board of Directors of the Corporation, or the officers and employees of the Corporation, as officers or employees of the Federal Government.

**SEC. 05. AUDITS**

(a) AUDITS BY INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS.—

(1) IN GENERAL.—The Corporation's financial statements shall be audited annual in accordance with generally accepted auditing standards by independent certified public accountants who are members of a nationally recognized accounting firm and who are certified by a regulatory authority of a State or other political subdivision of the United States. The audits shall be conducted at the place or places where the accounts of the Corporation are normally kept. All books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the Corporation and necessary to facilitate the audit shall be made available to the person or persons conducting the audits, and full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians shall be afforded to such person or persons.

(2) REPORTING REQUIREMENTS.—The report of each annual audit described in paragraph

(1) shall be included in the annual report required by section 66(a).

(b) AUDITS BY THE COMPTROLLER GENERAL OF THE UNITED STATES.—

(1) AUDITS.—The programs, activities and financial transactions of the Corporation shall be subject to audit by the Comptroller General of the United States under such rules and regulations as may be prescribed by the Comptroller General. The representatives of the Comptroller General shall have access to such books, accounts, financial records, reports, files and such other papers, things, or property belonging to or in use by the Corporation and necessary to facilitate the audit, and the representatives shall be afforded full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians. The representatives of the Comptroller General shall have access, upon request to the Corporation or any auditor for an audit of the Corporation under this section, to any books, financial records, reports, files, other papers, things, or property belonging to or in use by the Corporation and used in any such audit and to papers, records, files, and reports of the auditor used in such an audit.

(2) REPORT.—A report on each audit described in paragraph (1) shall be made by the Comptroller General to the Congress. The report to the Congress shall contain such comments and information as the Comptroller General may deem necessary to inform the Congress of the financial operations and condition of the Corporation, together with such recommendations as the Comptroller General may deem advisable. The report shall also show specifically any program, expenditure, or other financial transaction or undertaking observed or reviewed in the course of the audit, which, in the opinion of the Comptroller General, has been carried on or made contrary to the requirements of this title. A copy of each such report shall be furnished to the President and to the Corporation at the time such report is submitted to the Congress.

(c) AUDIT BY INSPECTOR GENERAL OF THE DEPARTMENT OF COMMERCE.—The financial transactions of the Corporation may also be audited by the Inspector General of the Department of Commerce under the same conditions set forth in subsection (b) for audits by the Comptroller General of the United States.

(d) RECORDKEEPING REQUIREMENTS; AUDIT AND EXAMINATION OF BOOKS.—

(1) RECORDKEEPING REQUIREMENTS.—The Corporation shall ensure that each recipient of assistance from the Corporation keeps—

(A) separate accounts with respect to such assistance;

(B) such records as may be reasonably necessary to fully disclose—

(i) the amount and the disposition by such recipient of the proceeds of such assistance;

(ii) the total cost of the project or undertaking in connection with which such assistance is given or used; and

(iii) the amount and nature of that portion of the cost of the project or undertaking supplied by other sources; and

(C) such other records as will facilitate an effective audit.

(2) AUDIT AND EXAMINATION OF BOOKS.—The Corporation shall ensure that the Corporation, or any of the Corporation's duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of any recipient of assistance from the Corporation that are pertinent to such assistance. Representatives of the Comptroller General shall also have such access for such purpose.

#### SEC. 66. ANNUAL REPORT; TESTIMONY TO THE CONGRESS.

(a) ANNUAL REPORT.—Not later than April 30 of each year, the Corporation shall publish an annual report for the preceding fiscal year and submit that report to the President and the Congress. The report shall include a comprehensive and detailed evaluation of the Corporation's operations, activities, financial condition, and accomplishments under this title and may include such recommendations as the Corporation deems appropriate.

(b) TESTIMONY BEFORE CONGRESS.—The members of the Board of Directors, and officers, of the Corporation shall be available to testify before appropriate committees of the Congress with respect to the report described in subsection (a), the report of any audit made by the Comptroller General pursuant to this title, or any other matter which any such committee may determine appropriate.

#### SIMON AMENDMENTS NOS. 1283-1284

(Ordered to lie on the table.)

Mr. SIMON submitted an amendment intended to be proposed by him to the bill S. 652, supra, as follows:

##### AMENDMENT NO. 1283

On page 82, between lines 4 and 5, insert the following:

(e) SUPERSEDING RULE ON RADIO OWNERSHIP.—In lieu of making the modification required by the first sentence of subsection (b)(2), the Commission shall modify its rules set forth in 47 CFR 73.3555 by limiting to 50 AM or 50 FM broadcast stations the number of such stations which may be owned or controlled by one entity nationally.

##### AMENDMENT NO. 1284

On page 31, insert at the appropriate place 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 specific 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.

#### MCCAIN (AND OTHERS)

##### AMENDMENT NO. 1285

(Ordered to lie on the table.)

Mr. MCCAIN (for himself, Ms. SNOWE, Mr. ROCKEFELLER, Mr. EXON, Mr. KERREY, and Mr. CRAIG) submitted an amendment intended to be proposed by him to the bill, S. 652, supra, as follows:

At the end of section 310 of the Act, add the following:

( ) No entity listed in this section shall be entitled for preferential rates or treatment as required by this section, if such entity operates as a for-profit business, is a school as defined in sec. 264(d)(1) with an endowment of more than \$50 million dollars, or is a library not eligible for participation in state-based plans for Library Services and Construction Act Title III funds.

#### SIMON AMENDMENT NO. 1286

(Ordered to lie on the table.)

Mr. SIMON submitted an amendment intended to be proposed by him to the bill, S. 652, supra, as follows:

On page 79, line 11, in the language added by the Dole amendment #1255 (as modified), insert the following:

(3) SUPERSEDING RULE ON RADIO OWNERSHIP.—In lieu of making the modification required by the first sentence of subsection (b)(2), the Commission shall modify its rules set forth in 47 CFR 73.3555 by limiting to 50 AM or 50 FM broadcast stations the number of such stations which may be owned or controlled by one entity nationally.

#### BUMPERS AMENDMENT NO. 1287

(Ordered to lie on the table.)

Mr. BUMPERS submitted an amendment intended to be proposed by him to the bill, S. 652, supra, as follows:

In section 206(b) of the bill, strike "described in subsection (a)(1)".

#### LEAHY (AND OTHERS)

##### AMENDMENT NO. 1288

(Ordered to lie on the table.)

Mr. LEAHY (for himself, Ms. MOSELEY-BRAUN, Mr. FEINGOLD, and Mr. KERREY) submitted an amendment intended to be proposed by him to the bill, S. 652, supra, as follows:

On page 137, strike out line 7 and all that follows through page 144, line 19, and insert in lieu thereof the following:

**SEC. 402. OBSCENE PROGRAMMING ON CABLE TELEVISION.**

Section 629 (47 U.S.C. 559) is amended by striking "\$10,000" and inserting "\$100,000".

**SEC. 403. BROADCASTING OBSCENE LANGUAGE ON RADIO.**

Section 1464 of title 18, United States Code, is amended by striking out "\$10,000" and inserting "\$100,000".

**SEC. 404. REPORT ON MEANS OF RESTRICTING ACCESS TO UNWANTED MATERIAL IN INTERACTIVE TELECOMMUNICATIONS SYSTEMS.**

(a) REPORT.—Not later than 150 days after the date of the enactment of this Act, the Attorney General shall submit to the Committees on the Judiciary of the Senate and the House of Representatives a report containing—

- (1) an evaluation of the enforceability with respect to interactive media of current criminal laws governing the distribution of obscenity over computer networks and the creation and distribution of child pornography by means of computers;
- (2) an assessment of the Federal, State, and local law enforcement resources that are currently available to enforce such laws;
- (3) an evaluation of the technical means available—

(A) to enable parents to exercise control over the information that their children receive by interactive telecommunications systems so that children may avoid violent, sexually explicit, harassing, offensive, and other unwanted material on such systems;

(B) to enable other users of such systems to exercise control over the commercial and noncommercial information that they receive by such systems so that such users may avoid violent, sexually explicit, harassing, offensive, and other unwanted material on such systems; and

(C) to promote the free flow of information, consistent with the values expressed in the Constitution, in interactive media; and

(4) recommendations on means of encouraging the development and deployment of technology, including computer hardware and software, to enable parents and other users of interactive telecommunications systems to exercise the control described in subparagraphs (A) and (B) of paragraph (3).

(b) CONSULTATION.—In preparing the report under subsection (a), the Attorney General shall consult with the Assistant Secretary of Commerce for Communications and Information.

**SEC. 405. ADDITIONAL PROHIBITION ON BILLING FOR TOLL-FREE TELEPHONE CALLS.**

**LEAHY (AND OTHERS)  
AMENDMENT NO. 1289**

(Ordered to lie on the table.)  
Mr. LEAHY (for himself, Mr. FEINGOLD, Mr. SIMPSON, Mr. SIMON, and Mr. KERREY) submitted an amendment intended to be proposed by them to the bill, S. 652, supra, as follows:

On page 83, strike out line 7 and all that follows through line 12 and insert in lieu thereof the following:

"(1) Nothing in this subsection shall prevent a State from ordering the implementation of toll dialing parity in an intra-LATA area by a Bell operating company before the Bell operating company has been granted authority under this subsection to provide interLATA services in that area."

**LEAHY AMENDMENTS NOS. 1290-1291**

(Ordered to lie on the table.)  
Mr. LEAHY submitted two amendments intended to be proposed by him to the bill, S. 652, supra, as follows:

**AMENDMENT NO. 1290**

On page 116, between lines 2 and 6, insert the following:

"(D) Notwithstanding any other provision this Act, the Commission and the States may, in establishing any such alternative form of regulation, take into account the earnings of a telecommunications carrier in order to ensure that the rates for the services of such carrier which are not subject to effective competition are just, reasonable, and affordable."

**AMENDMENT NO. 1291**

On page 24, beginning on line 20, strike out "no State court" and all that follows through "under this section".

**ROCKEFELLER AMENDMENT NO. 1292**

(Ordered to lie on the table.)  
Mr. ROCKEFELLER submitted an amendment intended to be proposed by him to the bill, S. 652, supra, as follows:

In section 264 of the Communications Act of 1934, as added by section 310 of the bill beginning on page 132, strike subsections (a) and (b) and insert the following:

"(a) IN GENERAL.—

"(1) HEALTH CARE PROVIDERS FOR RURAL AREAS.—A telecommunications carrier shall, upon receiving a bona fide request, provide telecommunications services which are necessary for the provision of health care services, including instruction relating to such services, at rates that are reasonably comparable to rates charged for similar services in urban areas to any public or nonprofit health care provider that serves persons who reside in rural areas. A telecommunications carrier providing service pursuant to this paragraph shall be entitled to have an amount equal to the difference, if any, between the price for services provided to health care providers for rural areas and the price for similar services provided to other customers in comparable urban areas treated as a service obligation as part of its obligation to participate in the mechanisms to preserve and advance universal service under section 253(c).

"(2) EDUCATIONAL PROVIDERS AND LIBRARIES.—All telecommunications carriers serving a geographic area shall, upon a bona fide request, provide to elementary schools, secondary schools, and libraries universal services (as defined in section 253) that permit such schools and libraries to provide or receive telecommunications services for educational purposes at rates less than the amounts charged for similar services to other parties. The discount shall be an amount that the Commission and the States determine is appropriate and necessary to ensure affordable access to and use of such telecommunications by such entities. A telecommunications carrier providing service pursuant to this paragraph shall be entitled to have an amount equal to the amount of the discount treated as a service obligation as part of its obligation to participate in the mechanisms to preserve and advance universal service under section 253(c).

"(b) UNIVERSAL SERVICE MECHANISMS.—The Commission shall include consideration of the universal service provided to public institutional telecommunications users in any universal service mechanism it may establish under section 253.

**MCCAIN (AND OTHERS)  
AMENDMENT NO. 1293**

(Ordered to lie on the table.)

Mr. MCCAIN (for himself, Mr. PACKWOOD, and Mr. CRAIG) submitted an amendment intended to be proposed by them to the bill, S. 652, supra, as follows:

On page 119, strike out line 3 and all that follows through page 120, line 4, and insert in lieu thereof the following:

"(a) REGULATORY FORBEARANCE.—The Commission shall forbear from applying any regulation or any provision of this Act to a telecommunications carrier or service, or class of carriers or services, in any or some of its or their geographic markets, if the Commission determines that—

"(1) enforcement of such regulation or provision is not necessary for the protection of consumers; and

"(2) the absence of such regulation or provision will not constitute a barrier to competition.

"(b) ELIMINATION OF REGULATION OF COMMON CARRIERS OTHER THAN LOCAL EXCHANGE CARRIERS.—The Commission shall not apply any provision of part I of title II (except sections 201, 202, 206, and 223 through 229) to any carrier other than a local exchange carrier in any market.

"(c) ELIMINATION OF REGULATION OF LOCAL EXCHANGE CARRIERS.—The Commission shall not apply any provision of part I of title II (except sections 201, 202, 206, and 223 through 229) to any service of a local exchange carrier in any market that is open for competition as a result of—

"(1) the elimination of the barriers to entry pursuant to section 254;

"(2) compliance by the carrier providing such service with section 251; and

"(3) compliance by a Bell operating company with section 252, except to the extent granted an exception from such compliance pursuant to subsection (g) of that section.

"(d) DETERMINATIONS.—A carrier may apply to the Commission for a determination that the provisions of subsection (a) or (c) apply to the carrier. The Commission shall determine whether or not such provisions apply to the carrier not later than 180 days after the date of its submission. If the Commission does not make a determination on an application within the time required for the determination in the preceding sentence, such provisions shall be deemed to apply to the carrier.

"(e) RATES.—A carrier to which section 203 does not apply by reason of subsection (b) or (c) shall, upon request, make available for public inspection the rates such carrier charges for telecommunications services.

"(f) LIMITATION.—Except as provided in section

**SPECTER AMENDMENT NO. 1294**

(Ordered to lie on the table.)  
Mr. SPECTER submitted an amendment intended to be proposed by him to the bill, S. 652, supra, as follows:

At the appropriate place in the bill, insert the following:

**SEC. . TELECOMMUTING PUBLIC INFORMATION PROGRAM.**

(a) FINDINGS.—Congress makes the following findings—

(1) Telecommuting is the practice of allowing people to work either at home or in nearby centers located closer to home during their normal working hours, substituting telecommunications services, either partially or completely, for transportation to a more traditional workplace;

(2) Telecommuting is now practiced by an estimated two to seven million Americans, including individuals with impaired mobility, who are taking advantage of computer



and telecommunications advances in recent years:

(3) Telecommuting has the potential to dramatically reduce fuel consumption, mobile source air pollution, vehicle miles traveled, and time spent commuting, thus contributing to an improvement in the quality of life for millions of Americans; and

(4) It is in the public interest for the Federal Government to collect and disseminate information encouraging the increased use of telecommuting and identifying the potential benefits and costs of telecommuting.

(b) TELECOMMUTING RESEARCH AND PUBLIC INFORMATION DISSEMINATION PROGRAM.—The Secretary of Transportation, in consultation with the Secretary of Labor and the Administrator of the Environmental Protection Agency, shall, in accordance with this section and within three months of the date of enactment of this Act, establish a comprehensive program to—

(1) Carry out research to identify successful telecommuting programs in the public and private sectors; and

(2) Provide for the dissemination of information described in paragraph (b)(1) to the public.

(c) REPORT.—Within one year of the establishment of the program described in subsection (b), the Secretary of Transportation shall report to Congress the findings and conclusions reached under this program.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Transportation such sums as may be necessary to carry out the program established by this section.

#### LIEBERMAN AMENDMENTS NOS. 1295-1298

(Ordered to lie on the table.)

Mr. LIEBERMAN submitted four amendments intended to be proposed by him to the bill, S. 652, supra; as follows:

##### AMENDMENT No. 1295

At the appropriate place, insert the following new section:

#### SEC. . DETERMINATION OF REASONABLENESS OF CABLE RATES.

(a) COMMISSION CONSIDERATION.—Notwithstanding any other provision of this Act or section 623(c), as amended by this Act, for purposes of section 623(c), the Commission may only consider a rate for cable programming services to be unreasonable if it substantially exceeds the average rate for comparable programming services in cable systems subject to effective competition.

(b) RATES OF SMALL CABLE COMPANIES.—

(1) IN GENERAL.—Notwithstanding any other provision of this Act or the amendments made by this Act, the regulations prescribed under section 623(c) shall not apply to the rates charged by small cable companies for the cable programming services provided by such companies.

(2) DEFINITION.—As used in this subsection, the term 'small cable company' means the following:

(A) A cable operator whose number of subscribers is less than 35,000.

(B) A cable operator that operates multiple cable systems, but only if the total number of subscribers of such operator is less than 400,000 and only with respect to each system of the operator that has less than 35,000 subscribers.

##### AMENDMENT No. 1296

At the appropriate place, insert the following new section:

#### SEC. . DETERMINATION OF REASONABLENESS OF CABLE RATES.

(a) COMMISSION CONSIDERATION.—Notwithstanding any other provision of this Act or

section 623(c), as amended by this Act, for purposes of section 623(c), the Commission may only consider a rate for cable programming services to be unreasonable if it exceeds the national average rate for comparable programming services in cable systems subject to effective competition.

##### (b) RATES OF SMALL CABLE COMPANIES.—

(1) IN GENERAL.—Notwithstanding any other provision of this Act or the amendments made by this Act, the regulations prescribed under section 623(c) shall not apply to the rates charged by small cable companies for the cable programming services provided by such companies.

(2) DEFINITION.—As used in this subsection, the term 'small cable company' means the following:

(A) A cable operator whose number of subscribers is less than 35,000.

(B) A cable operator that operates multiple cable systems, but only if the total number of subscribers of such operator is less than 400,000 and only with respect to each system of the operator that has less than 35,000 subscribers.

##### AMENDMENT No. 1297

On page 71, between lines 5 and 6, insert the following:

(4) LIMITATION ON INCREASE IN CABLE RATES.—(1) Notwithstanding any other provision of this Act, the rate charged by a cable system for cable programming services in a calendar year may not exceed the rate charged by the system for such services in the calendar year preceding such calendar year by an amount whose percentage of the rate charged in such preceding calendar year is greater than the percentage by which—

(A) the Consumer Price Index (all items, United States city average) for the 12-month period ending on January 1 of the year concerned, exceeds

(B) such Consumer Price Index for the 12-month period preceding the 12-month period referred to in subparagraph (A).

(2) For purposes of this subsection:

(A) The term "cable programming services" has the meaning given such term in section 634(1)(3) of the Communications Act of 1934 (47 U.S.C. 543(1)(3)).

(B) The term "cable system" has the meaning given such term in section 602(7) of such Act (47 U.S.C. 522(7)).

##### AMENDMENT No. 1298

At the appropriate place, insert the following new section:

#### SEC. . DETERMINATION OF REASONABLENESS OF CABLE RATES.

(a) COMMISSION CONSIDERATION.—Notwithstanding any other provision of this Act or section 623(c), as amended by this Act, for purposes of section 623(c), the Commission may only consider a rate for cable programming services to be unreasonable if it substantially exceeds the national average rate for comparable programming services in cable systems subject to effective competition.

##### (b) RATES OF SMALL CABLE COMPANIES.—

(1) IN GENERAL.—Notwithstanding any other provision of this Act or the amendments made by this Act, the regulations prescribed under section 623(c) shall not apply to the rates charged by small cable companies for the cable programming services provided by such companies.

(2) DEFINITION.—As used in this subsection, the term 'small cable company' means the following:

(A) A cable operator whose number of subscribers is less than 35,000.

(B) A cable operator that operates multiple cable systems, but only if the total number of subscribers of such operator is less than

400,000 and only with respect to each system of the operator that has less than 35,000 subscribers.

#### BREAUX AMENDMENT NO. 1299

(Ordered to lie on the table.)

Mr. BREAUX submitted an amendment intended to be proposed by him to the bill, S. 652, supra; as follows:

On page 123, line 10, add the following new sentence:

"This section shall take effect upon a determination by the United States Coast Guard that at least 80% of vessels required to implement the Global Maritime Distress and Safety System have the equipment required by such System installed and operating in good working condition."

#### STEVENS AMENDMENTS NOS. 1300-1302

(Ordered to lie on the table.)

Mr. STEVENS submitted three amendments intended to be proposed by him to the bill, S. 652, supra; as follows:

##### AMENDMENT No. 1300

On page 38, between lines 23 and 24, insert the following new subsection and renumber the remaining subsections accordingly:

(a) FINDINGS.—The Congress finds that—

(1) the existing system of universal service has evolved since 1900 through an ongoing dialogue between industry, various Federal-State Joint Boards, the Commission, and the courts;

(2) this system has been predicated on rates established by the Commission and the States that require implicit cost shifting by monopoly providers of telephone exchange service through both local rates and access charges to interexchange carriers;

(3) the advent of competition for the provision of telephone exchange service has led to industry requests that the existing system be modified to make support for universal service explicit and to require that all telecommunications carriers participate in the modified system on a competitively neutral basis; and

(4) modification of the existing system is necessary to promote competition in the provision of telecommunications services and to allow competition and new technologies to reduce the need for universal service support mechanisms.

On page 38, beginning on line 15, strike all through page 43, line 2, and insert the following:

#### "SEC. 251. UNIVERSAL SERVICE.

"(a) UNIVERSAL SERVICE PRINCIPLES.—The Joint Board and the Commission shall base policies for the preservation and advancement of universal service on the following principles:

"(1) Quality services are to be provided at just, reasonable, and affordable rates.

"(2) Access to advanced telecommunications and information services should be provided in all regions of the Nation.

"(3) Consumers in rural and high cost areas should have access to telecommunications and information services, including interexchange services, that are reasonably comparable to those services provided in urban areas.

"(4) Consumers in rural and high cost areas should have access to telecommunications and information services at rates that are reasonably comparable to rates charged for similar services in urban areas.

"(5) Consumers in rural and high cost areas should have access to the benefits of advanced telecommunications and information

services for health care, education, economic development, and other public purposes.

"(6) There should be a coordinated Federal-State universal service system to preserve and advance universal service using specific and predictable Federal and State mechanisms administered by an independent, non-governmental entity or entities.

"(7) Elementary and secondary schools and classrooms should have access to advanced telecommunications services.

"(B) DEFINITION.—

"(1) IN GENERAL.—Universal service is an evolving level of intrastate and interstate telecommunications services that the Commission, based on recommendations from the public, Congress, and the Federal-State Joint Board periodically convened under section 103 of the Telecommunications Act of 1995, and taking into account advances in telecommunications and information technologies and services, determines—

"(A) should be provided at just, reasonable, and affordable rates to all Americans, including those in rural and high cost areas and those with disabilities;

"(B) are essential in order for Americans to participate effectively in the economic, academic, medical, and democratic processes of the Nation; and

"(C) are, through the operation of market choices, subscribed to by a substantial majority of residential customers.

"(2) DIFFERENT DEFINITION FOR CERTAIN PURPOSES.—The Commission may establish a different definition of universal service for schools, libraries, and health care providers for the purposes of section 264.

"(C) ALL TELECOMMUNICATIONS CARRIERS MUST PARTICIPATE.—Every telecommunications carrier engaged in intrastate, interstate, or foreign communication shall participate, on an equitable and nondiscriminatory basis, in the specific and predictable mechanisms established by the Commission and the States to preserve and advance universal service. Such participation shall be in the manner determined by the Commission and the States to be reasonably necessary to preserve and advance universal service. Any other provider of telecommunications may be required to participate in the preservation and advancement of universal service, if the public interest so requires.

"(d) STATE AUTHORITY.—A State may adopt regulations to carry out its responsibilities under this section, or to provide for additional definitions, mechanisms, and standards to preserve and advance universal service within that State, to the extent that such regulations do not conflict with the Commission's rules to implement this section. A State may only enforce additional definitions or standards to the extent that it adopts additional specific and predictable mechanisms to support such definitions or standards.

"(e) ELIGIBILITY FOR UNIVERSAL SERVICE SUPPORT.—To the extent necessary to provide for specific and predictable mechanisms to achieve the purposes of this section, the Commission shall modify its existing rules for the preservation and advancement of universal service. Only essential telecommunications carriers designated under section 214(d) shall be eligible to receive support for the provision of universal service. Such support, if any, shall accurately reflect what is necessary to preserve and advance universal service in accordance with this section and the other requirements of this Act.

"(f) UNIVERSAL SERVICE SUPPORT.—The Commission and the States shall have as their goal the need to make any support for universal service explicit, and to target that support to those essential telecommunications carriers that serve areas for which such support is necessary. The specific and

predictable mechanisms adopted by the Commission and the States shall ensure that essential telecommunications carriers are able to provide universal service at just, reasonable, and affordable rates. A carrier that receives universal service support shall use that support only for the provision, maintenance, and upgrading of facilities and services for which the support is intended.

"(g) INTEREXCHANGE SERVICE.—The rates charged by any provider of interexchange telecommunications service to customers in rural and high cost areas shall be no higher than those charged by such provider to its customers in urban areas.

"(h) SUBSIDY OF COMPETITIVE SERVICES PROHIBITED.—A telecommunications carrier may not use services that are not competitive to subsidize competitive services. The Commission, with respect to interstate services, and the States, with respect to intrastate services, shall establish any necessary cost allocation rules, accounting safeguards, and guidelines to ensure that services included in the definition of universal service bear no more than a reasonable share of the joint and common costs of facilities used to provide those services.

"(i) CONGRESSIONAL NOTIFICATION REQUIRED.—

"(1) IN GENERAL.—The Commission may not take action to require participation by telecommunications carriers or other providers of telecommunications under subsection (c), or to modify its rules to increase support for the preservation and advancement of universal service, until—

"(A) the Commission submits to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Commerce of the House of Representatives a report on the participation required, or the increase in support proposed, as appropriate; and

"(B) a period of 120 days has elapsed since the date the report required under paragraph (1) was submitted.

"(2) NOT APPLICABLE TO REDUCTIONS.—This subsection shall not apply to any action taken to reduce costs to carriers or consumers.

"(j) EFFECT ON COMMISSION'S AUTHORITY.—Nothing in this section shall be construed to expand or limit the authority of the Commission to preserve and advance universal service under this Act. Further, nothing in this section shall be construed to require or prohibit the adoption of any specific type of mechanism for the preservation and advancement of universal service.

"(k) EFFECTIVE DATE.—This section takes effect on the date of enactment of the Telecommunications Act of 1995, except for subsections (c), (d), (e), (f), and (i) which take effect one year after the date of enactment of that Act."

The language on page 43, beginning with "receive" on line 25, through "253," on page 44, line 1, is deemed to read "receive universal service support under section 253."

In section 264 of the Communications Act of 1994, as added by section 310 of the bill beginning on page 132, strike subsections (a) and (b) and insert the following:

"(a) IN GENERAL.—

"(1) HEALTH CARE PROVIDERS FOR RURAL AREAS.—A telecommunications carrier shall, upon receiving a bona fide request, provide telecommunications services which are necessary for the provision of health care services, including instruction relating to such services, at rates that are reasonably comparable to rates charged for similar services in urban areas to any public or non-profit health care provider that serves persons who reside in rural areas. A telecommunications carrier providing service pursuant to this paragraph shall be entitled to have an

amount equal to the difference, if any, between the price for services provided to health care providers for rural areas and the price for similar services provided to other customers in comparable urban areas treated as a service obligation as a part of its obligation to participate in the mechanisms to preserve and advance universal service under section 253(c).

"(2) EDUCATIONAL PROVIDERS AND LIBRARIES.—All telecommunications carriers serving a geographic area shall, upon a bona fide request, provide to elementary schools, secondary schools, and libraries universal services (as defined in section 253) that permit such schools and libraries to provide or receive telecommunications services for educational purposes at rates less than the amounts charged for similar services to other parties. The discount shall be an amount that the Commission and the States determine is appropriate and necessary to ensure affordable access to and use of such telecommunications by such entities. A telecommunications carrier providing service pursuant to this paragraph shall be entitled to have an amount equal to the amount of the discount treated as a service obligation as part of its obligation to participate in the mechanisms to preserve and advance universal service under section 253(c).

"(3) UNIVERSAL SERVICE MECHANISMS.—The Commission shall include consideration of the universal service provided to public institutional telecommunications users in any universal service mechanism it may establish under section 253.

#### AMENDMENT NO. 1301

At the appropriate place insert the following:

In section 310(t) of the Communications Act of 1994, as added by section 8(b) of the bill on page 14, strike "services," and insert the following: "provided, however, that in the case of a Bell operating company affiliate, such geographic area shall be no smaller than the LATA area for such affiliate on the date of enactment of the Telecommunications Act of 1995."

#### AMENDMENT NO. 1302

On page 28 before line 6 insert the following:

"(m) COMMERCIAL MOBILE SERVICE PROVIDERS.—The requirements of this section shall not apply to commercial mobile services provided by a wireline local exchange carrier unless the Commission determines under subsection (a)(3) that such carrier has market power in the provision of commercial mobile service."

#### STEVENS (AND OTHERS)

#### AMENDMENT NO. 1303

(Ordered to lie on the table.)

Mr. STEVENS (for himself and Mr. INOUE) submitted an amendment intended to be proposed by them to the bill, S. 652, supra, as follows:

Page 88, line 25, after "basis" insert a comma and "reflecting the actual cost of providing those services or functions to another carrier."

#### STEVENS AMENDMENT NO. 1304

(Ordered to lie on the table.)

Mr. STEVENS submitted an amendment intended to be proposed by them to the bill, S. 652, supra, as follows:

In subsection (d) of the section captioned "SPECTRUM AUCTIONS" added to the bill by amendment, strike "three frequency

bands (225-400 megahertz, 3625-3650 megahertz.) and insert "two frequency bands (3625-3650 megahertz)".

#### DASCHLE AMENDMENT NO. 1305

(Ordered to lie on the table.)

Mr. DASCHLE submitted an amendment intended to be proposed by them to the bill, S. 652, supra; as follows:

On page 83 strike line 7 and all that follows through line 12, and insert in lieu thereof the following:

"(1) During the period beginning on the date of enactment of this Act, and ending 36 months after such date, a State may not require a Bell operating company to implement toll dialing parity in an intraLATA area before a Bell operating company has been granted authority under this subsection to provide interLATA services in that area, except that a State may order the implementation of toll dialing parity in an intraLATA area during such period if the state issued an order by June 1, 1995 requiring a Bell operating company to implement toll dialing parity."

#### KERREY AMENDMENTS NOS. 1306-1316

Mr. KERREY submitted 11 amendments intended to be proposed by him to the bill, S. 652, supra; as follows:

##### AMENDMENT No. 1306

On page 107, after line 23, insert the following:

"(d) PAYMENT OF CIVIL PENALTIES.—No civil penalties assessed against a local exchange carrier as a result of a violation of this section will be charged directly or indirectly to that company's rate payers."

##### AMENDMENT No. 1307

On page 83, strike out line 12 and all that follows through line 20 and insert in lieu thereof the following:

##### "(b) SPECIFIC INTERLATA INTERCONNECTION REQUIREMENTS.—"

"(1) IN GENERAL.—A Bell operating company may provide interLATA services in accordance with this section only if that company has reached interconnection agreements under section 251 with telecommunications carriers that have requested interconnection for the purpose of providing telephone exchange service or exchange access service, including telecommunications carriers capable of providing a substantial number of business and residential customers with telephone exchange or exchange access service. Those agreements shall provide, at a minimum, for interconnection that meets the competitive checklist requirements of paragraph (2).

##### AMENDMENT No. 1308

Strike Section 204.

##### AMENDMENT No. 1309.

Strike subsection (b) of Section (207).

##### AMENDMENT No. 1310

On page 112, at the end of line 17, insert the following sentence: "Pricing flexibility implemented pursuant to this section shall be for the purpose of allowing a regulated telecommunications provider to respond fairly to competition by repricing services subject to competition but shall not have the effect of shifting revenues from competitive services to non-competitive services."

##### AMENDMENT No. 1311

On page 36, strike line 23 and insert in lieu thereof the following:

#### SEC. 103. NATIONAL POLICY GOALS.

Section 1 (47 U.S.C. 151) is amended by inserting "(a)" before "For the purpose of" and by adding at the end the following new subsection:

"(b) The primary objective of United States national and international communications policy shall be to protect the public interest. The public interest shall include the following:

"(1) To ensure that every person has access to reasonably evolving telecommunications services at just, reasonable, and affordable rates taking into account advances in telecommunications and information technology.

"(2) To promote the development and widespread availability of new technologies and advanced telecommunications and information services to all persons regardless of location or disability.

"(3) To ensure that consumers have access to diverse sources of information.

"(4) To promote learning, education, and knowledge.

"(5) To ensure reasonably comparable services at reasonably comparable rates for consumers in urban and rural areas.

"(6) To allow each individual the opportunity to contribute to the free flow of ideas and information through telecommunications and information services.

"(7) To maximize the contribution of communications and information technologies and services to economic development and quality of life.

"(8) To protect each individual's right to control the use of information concerning his or her use of telecommunications services.

"(9) To provide secure and reliable services for Federal, State, and local government emergency response.

"(10) To make available so far as possible, to all the people of the United States, regardless of race, color, national origin, income, residence in a rural or urban area, or disability, high capacity two-way communications networks capable of enabling users to originate and receive affordable and accessible high quality voice, data, graphics, video, and other types of telecommunications services."

#### SEC. 103. UNIVERSAL SERVICE PROTECTION AND ADVANCEMENT.

(a) IN GENERAL.—Title II (47 U.S.C. 201 et seq.) is amended by inserting after section 201 the following new section:

##### "SEC. 201A. UNIVERSAL SERVICE PROTECTION AND ADVANCEMENT.

"(a) UNIVERSAL SERVICE PRINCIPLES.—The Joint Board and the Commission shall base policies for the preservation and advancement of universal service on the following principles:

"(1) Quality services are to be provided at just, reasonable, and affordable rates.

"(2) Access to advanced telecommunications and information services should be provided in all regions of the Nation.

"(3) Consumers in rural and high cost areas should have access to telecommunications and information services, including interexchange services, reasonably comparable to those services provided in urban areas.

"(4) Consumers in rural and high cost areas should have access to telecommunications and information services at rates that are reasonably comparable to rates charged for similar services in urban areas.

"(5) Citizens in rural and high cost areas should have access to the benefits of advanced telecommunications and information services for health care, education, economic development, and other public purposes.

"(6) There should be a coordinated Federal-State universal service system to preserve

and advance universal service administered by an independent, non-governmental entity or person using specific and predictable Federal and State mechanisms.

"(7) Consumers should be permitted to exercise choice among telecommunications carriers offering universal service.

"(8) Consumers of universal service should have the right to control the use of information concerning their individual use of such service.

#### AMENDMENT No. 1312

Beginning on line 1 of page 117, add the following new paragraphs:

"(c) DETERMINATION OF AVERAGE UNIVERSAL SERVICE RATE.—As part of the Federal-State Joint Board proceeding required under section 103(a)(1), the Commission and the Joint Board shall determine the average rate charged to consumers nationwide for the provision of those services included in the definition of universal service. The Commission and the Joint Board may periodically revise such determination as part of any Federal-State Joint Board proceeding periodically convened under section 103(a)(2).

"(d) SUPPORT PAYMENTS FOR COSTS ABOVE AVERAGE RATE.—If the Commission adopts rules for the distribution of interstate support payments to essential telecommunications carriers for the preservation and advancement of universal service under section 253 of the Communications Act of 1934, such rules shall provide that a carrier may only receive such interstate support payments to the extent that the reasonable cost to that carrier of providing the services included in the definition of universal service exceed the amount such carrier may recover from consumers at the average rate determined under subsection (c), or the rate such carrier is allowed to charge the consumer, if such rate is higher than the average rate, whichever results in the lower amount of support payments being made to the carrier."

#### AMENDMENT No. 1313

On page 116, between lines 2 and 3 insert the following:

(D) Nothing in this section shall prohibit the Commission, for interstate services, and the States, for interstate 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.

#### AMENDMENT No. 1314

Strike Section 5 and insert in lieu thereof the following:

##### SEC. 2. FINDINGS.

The Congress makes the following findings:

(1) Congress has not passed comprehensive changes to the Communications Act of 1934 since that Act was originally passed.

(2) Congress must pass comprehensive communications legislation to promote the development and growth of the national information superhighway.

(3) Changes in the telecommunications marketplace have made some of the provisions of the Communications Act of 1934 obsolete, unnecessary, or inimical to advances in communications technologies and services.

(4) Competition has emerged in many services that were previously thought to be natural monopolies, but the Communications Act of 1934 requires all carriers to be regulated as if they were monopolies.

(5) As communications markets change, government must ensure that the public interest, convenience, and necessity are preserved.

(6) The public interest requires that universal service is protected and advanced, that new telecommunications technologies are deployed rapidly and equitably, and that access by schools, hospitals, public broadcasters, libraries, and museums to advanced telecommunications services is assisted.

(7) Access to telecommunications services is fundamental to safety of life and participation in a democratic society.

(8) Telecommunications networks make substantial use of public rights of way in real property and in spectrum frequencies, and carriers that make use of such public rights of way have an obligation to provide preferential rates to entities that provide significant public benefits.

(9) Advanced telecommunications services can enhance the quality of life and promote economic development and international competitiveness.

(10) Telecommunications infrastructure development is particularly crucial to the continued economic development of rural areas that may lack an adequate industrial or service base for continued development.

(11) Advancements in the Nation's telecommunications infrastructure will enhance the public welfare by helping to speed the delivery of new services, such as distance learning, remote medical sensing, and distribution of health information.

(12) Infrastructure advancement can be assisted by joint planning and infrastructure sharing by carriers and other providers of network facilities and services providing communications services.

(13) Increased competition in telecommunications services can, if subject to appropriate safeguards, encourage infrastructure development and have beneficial effects on the price, universal availability, variety, and quality of telecommunications services.

(14) The emergence of competition in telecommunications services has already contributed, and can be expected to continue contributing, to the modernization of the infrastructure.

(15) Competition in the long distance industry and the communications equipment market has brought about lower prices and higher quality services.

(16) Competition for local communications services has already begun to benefit the public; competitive access providers have deployed thousands of miles of optical fiber in their local networks; local exchange carriers have been prompted by competition to accelerate the installation of optical fiber in their own networks.

(17) Electric utilities, satellite carriers, and others are prepared to enter the local telephone market over the next few years.

(18) A diversity of telecommunications carriers enhances network reliability by providing redundant capacity, thereby lessening the impact of any network failure.

(19) Competition must proceed under rules that protect consumers and are fair to all telecommunications carriers.

(20) All telecommunications carriers, including competitors to the telephone companies, should contribute to universal service and should make their networks available for interconnection by others.

(21) Removal of all State and local barriers to entry into the telecommunications services market and provision of interconnection are warranted after mechanisms to protect universal service and rules are established to ensure that competition develops.

(22) Increasing the availability of interconnection and interoperability among the facilities of telecommunications carriers will help stimulate the development of fair competition among providers.

(23) The portability of telecommunications numbers will eliminate a significant advantage

held by traditional telephone companies over competitors in the provision of telecommunications services.

(24) Unreasonable restrictions on resale and sharing of telecommunications networks retard the growth of competition and restrict the diversity of services available to the public.

(25) Additional regulatory measures are needed to allow consumers in rural markets and noncompetitive markets the opportunity to benefit from high-quality telecommunications capabilities.

(26) Regulatory flexibility for existing providers of telephone exchange service is necessary to allow them to respond to competition.

(27) The Federal Communications Commission (referred to elsewhere in this Act as the "Commission") and the States must have the flexibility to adjust their regulations of each provider of telecommunications services to serve the public interest.

(28) If the efforts of the private sector fail, the Commission should take steps to ensure network reliability and the development of network standards.

(29) Access to switched, digital telecommunications services for all segments of the population promotes the core First Amendment goal of diverse information sources by enabling individuals and organizations alike to publish and otherwise make information available in electronic form.

(30) The national welfare will be enhanced if community newspapers are provided ease of entry into the operation of information services disseminated through electronic means primarily to customers in the localities served by such newspapers at rates that are not higher, on a per-unit basis, than the rates charged for such services to any other electronic publisher.

(31) A clear national mandate is needed for full participation in access to telecommunications networks and services by individuals with disabilities.

(32) The obligations of telecommunications carriers include the duty to furnish telecommunications services which are designed to be fully accessible to individuals with disabilities in accordance with such standards as the Commission may prescribe.

(33) Permitting the Bell operating companies to enter the manufacturing market will stimulate greater research and development, create more jobs, and enhance our international competitiveness.

(34) The Bell operating companies should not be permitted to enter the market for other long distance services until they have eliminated the barriers to competition and interconnection.

(35) Safeguards are necessary to ensure that the Bell operating companies do not abuse their market power over local telephone service to discriminate against competitors in the markets for electronic publishing, alarm services, and other information services.

(36) Amending the legal barriers to the provision of video programming by telephone companies in their service areas will encourage telephone companies to upgrade their telecommunications facilities to enable them to deliver video programming, as long as telephone companies and cable companies are prohibited from buying or joint venturing with each other in their service areas (except for certain rural areas).

(37) As communications technologies and services proliferate, consumers must be given the right to control information concerning their use of those technologies and services.

(38) As competition in the media increases, the Commission should re-examine the need for national and local ownership limits on

broadcast stations, consistent with the need to maintain diversity of information sources.

#### AMENDMENT NO. 1315

On page 82, beginning with "Sec. 255" on line 11, strike all that follows through line 2, page 99.

On page 82, after line 10, add the attached paragraphs, except on page 136, line 7, of attachment strike the word "there", and all that follows through line 13, and add "the effect of such authorization will not substantially lessen competition, or tend to create a monopoly in any line of commerce in any section of the country."

#### "SEC. 255. INTERLATA TELECOMMUNICATIONS SERVICES.

"(a) AUTHORITY.—Notwithstanding any restriction or obligation imposed before the date of enactment of the Communications Act of 1994 pursuant to section 11(D) of the Modification of Final Judgment, a Bell operating company may engage in the provision of interLATA telecommunications services subject to the requirements of this section and any regulations prescribed thereunder. No Bell operating company or affiliate of a Bell operating company shall engage in the provision of interLATA telecommunications services, except as authorized under this section.

"(b) CURRENTLY AUTHORIZED ACTIVITIES.—Subsection (a) shall not prohibit a Bell operating company from engaging, at any time after the date of enactment of the Communications Act of 1994, in any activity authorized by an order entered by the United States District Court for the District of Columbia pursuant to the Modification of Final Judgment if such order was entered on or before such date of enactment.

#### "(c) PETITION FOR AUTHORITY FOR INTERLATA TELECOMMUNICATIONS SERVICES.—

"(1) APPLICATION.—

"(A) IN REGION.—On or after the date of enactment of the Communications Act of 1994, a Bell operating company or affiliate may apply to the Attorney General and the Commission for authorization notwithstanding the Modification of Final Judgment to provide interLATA telecommunications service originating in any area where such Bell operating company is the dominant provider of wireline telephone exchange service. The application shall describe with particularity the nature and scope of the activity and of each product market or service market, and each geographic market for which authorization is sought.

"(B) OUT OF REGION.—On or after the date of enactment of the Communications Act of 1994, a Bell operating company or affiliate may apply to the Attorney General and the Commission for authorization, notwithstanding the Modification of Final Judgment, to provide interLATA telecommunications services not described in subparagraph (A). The application shall describe with particularity the nature and scope of the activity and of each product market or service market, and each geographic market for which authorization is sought.

#### "(2) DETERMINATION BY ATTORNEY GENERAL AND COMMISSION.—

"(A) DETERMINATION.—Not later than 180 days after receiving an application made under paragraph (1), the Attorney General and the Commission each shall issue a written determination, on the record after an opportunity for a hearing, with respect to the authorization for which a Bell operating company or affiliate has applied. In making such determinations, the Attorney General and the Commission shall review the whole record.

#### "(B) APPROVAL.—

"(1) The Attorney General shall approve the authorization requested in any application submitted under paragraph (1) only to

the extent that the Attorney General finds that there is no substantial possibility that such company or its affiliates could use monopoly power in a telephone exchange or exchange access service market to impede competition in the interLATA telecommunications services market such company or affiliate seeks to enter. The Attorney General shall deny the remainder of the requested authorization.

(I) The Commission shall approve the requested authorization only to the extent that the Commission finds that the requested authorization is consistent with the public interest, convenience and necessity. The Commission shall deny the remainder of the requested authorization. For applications submitted under paragraph (1)(A), the Commission shall only find that the requested authorization is consistent with the public interest, convenience, and necessity if the requirements of clause (III) are satisfied, and shall take into account—

“(I) the extent to which granting the requested authorization would benefit consumers;

“(II) the likely effect that granting the requested authorization would have on the rates for, and availability of, telephone exchange, interchange, and other telecommunications services;

“(III) the availability of alternative providers of telephone exchange service throughout the geographic area in which the Bell operating company or its affiliate seeks to provide service;

“(IV) the extent to which there exist barriers to entering the telephone exchange services market, including the extent to which consumers have an opportunity to select their prescribed telephone exchange service providers by means of a balloting process; and

“(V) the potential for cross-subsidization or anticompetitive activity by the Bell operating company. For applications submitted under paragraph (1)(B), the Commission shall take into account subclauses (I), (II), and (V).

(II) The Commission shall approve a requested authorization for applications submitted under paragraph (1)(A) only if—

“(I) the Commission finds that, as prescribed by section 230(a), no State or local statute, regulations, or other State or local requirement in effect in the area in which the petitioning Bell operating company or affiliate seeks to originate interLATA telecommunications, prohibits or has the effect of prohibiting the ability of any entity to provide interstate or intrastate telecommunications services in the State and local area where the Bell operating company seeks to originate interLATA services;

“(II) either the Commission has adopted and made effective regulations to implement and enforce the requirements of section 201A, or 21 months after the date of enactment of the Communications Act of 1994, whichever is earlier; and

“(III) the Commission finds that the Bell operating company has fully implemented the requirements of subparagraphs (A) through (G) of section 230(c)(1), and finds that, at the time of consideration of its application, the Bell operating company is in full compliance with the Commission's regulations to implement and enforce the requirements of section 230(e) and (f), and any State regulations under 230(c)(2), where the Bell operating company seeks to originate interLATA services.

(IV) Any Bell operating company granted authority under paragraph (1)(A) shall provide intraLATA toll dialing party throughout the market coincident with its exercise of that authority. If the Commission finds that such a Bell operating company has pro-

vided interLATA service authorized under this clause before its implementation of intraLATA toll dialing party throughout that market, or fails to maintain intraLATA toll dialing party throughout that market, the Commission, except in cases of inadvertent interruptions or other events beyond the control of the Bell operating company, shall suspend the authority to provide interLATA service for that market until the Commission determines that intraLATA toll dialing party is implemented or reinstated.

(C) DESCRIPTION.—A determination that approves any part of a requested authorization shall describe with particularity the nature and scope of the activity, and of each product market or service market, and each geographic market, to which approval applies.

(3) PUBLICATION.—Not later than 10 days after issuing a determination under paragraph (2), the Attorney General and the Federal Communications Commission each shall publish in the Federal Register a brief description of the determination.

(4) AUTHORIZATION GRANTED.—A requested authorization is granted only to the extent that—

(A) both the Attorney General and the Federal Communications Commission approve the authorization under paragraph (2), unless either of their approvals is vacated, reversed, or remanded as a result of judicial review; or

(B) as a result of such judicial review of either or both determinations, both the Attorney General and the Federal Communications Commission approve the requested authorization.

(5) JUDICIAL REVIEW.—

(I) COMMENCEMENT OF ACTION.—Not later than 45 days after a determination by the Attorney General or the Federal Communications Commission is published under subsection (c)(3), the Bell operating company or affiliate that applied to the Attorney General and the Federal Communications Commission under subsection (c)(1), or any person who would be threatened with loss or damage as a result of the determination regarding such company's engaging in the activity described in such company's application, may commence an action in any United States Court of Appeals against the Attorney General or the Federal Communications Commission, as the case may be, for judicial review of the determination regarding the application.

(2) JUDGMENT.—

(A) The Court shall enter a judgment after reviewing the determination in accordance with section 706 of title 5 of the United States State Code.

(B) A JUDGMENT.—

(i) affirming any part of the determination that approves granting all or part of the requested authorization; or

(ii) reversing any part of the determination that denies all or part of the requested authorization, shall describe with particularity the nature and scope of the activity, and of each product market or service market, and each geographic market, to which the affirmation of reversal applies.

(e) ENFORCEMENT.—

(1) PRIVATE RIGHT OF ACTION.—Any person who is injured in its business or property by reason of a violation of this section—

(A) may bring a civil action in any district court of the United States in the district in which the defendant resides or is found or has an agent, without respect to the amount in controversy; and

(B) shall recover threefold the damages sustained, and the costs of suit (including a reasonable attorney's fee). The court may award under this section, pursuant to a motion by such person promptly made, simple

interest on actual damages for the period beginning on the date of service of such person's pleading setting forth a claim under this title and ending on the date of judgment, or for any shorter period therein. If the court finds that the award of such interest for such period is just in the circumstances.

(2) PRIVATE INJUNCTIVE RELIEF.—Any person shall be entitled to sue for and have injunctive relief, in any court of the United States having jurisdiction over the parties, against threatened loss or damage by a violation of this section, when and under the same conditions and principles as injunctive relief is available under section 16 of the Clayton Act (15 U.S.C. 26). In any action under this subsection in which the plaintiff substantially prevails, the court shall award the cost of suit, including a reasonable attorney's fee, to such plaintiff.

(f) INTERLATA TELECOMMUNICATIONS SERVICE SAFEGUARDS.—

(1) SEPARATE SUBSIDIARY.—Other than interLATA services authorized by an order entered by the United States District Court for the District of Columbia pursuant to the Modification of Final Judgment before the date of the enactment of the Communications Act of 1994, a Bell operating company providing interLATA services authorized under subsection (c) shall provide such interLATA services in that market only through a subsidiary that is separate from any Bell operating company entity that provides regulated local telephone exchange service. The subsidiary required by this section need not be separate from affiliates required in sections 231, 233, and 613 of this Act or any other affiliate that does not provide regulated local telephone exchange service.

(2) NONDISCRIMINATION SAFEGUARDS.—The Bell operating company shall—

(A) fulfill any requests from an unaffiliated entity for exchange access service within a period no longer than that in which it provides such exchange access service to itself or to its affiliates;

(B) fulfill any such requests with exchange access service of a quality that meets or exceeds the quality of exchange access services provided by the Bell operating company or its affiliates to itself or its affiliate;

(C) provide exchange access to all carriers at rates that are not unreasonably discriminatory and are based on costs and any explicit subsidy;

(D) in any transaction with the subsidiary required by this section, not prefer or discriminate in favor of such subsidiary;

(E) not provide any facilities, services, or information concerning its provision of exchange access service to the subsidiary required by this section unless such facilities, services, or information are made available to other providers of interLATA services in that market on the same terms and conditions;

(F) not enter into any joint venture or partnership with the subsidiary required by this section; and

(G) charge the subsidiary required by this section, and impute to itself or any intraLATA toll affiliate, the same rates for access to its local exchange and exchange access services that it charges other, unaffiliated, toll carriers for such services.

(3) SEPARATE SUBSIDIARY SAFEGUARDS.—The separate subsidiary required by this section shall—

(A) carry out its marketing and sales directly and separate from its affiliate Bell operating company or any affiliates of such company;

(B) maintain books, records, and accounts in the manner prescribed by the Commission which shall be separate from the books,

records, and accounts maintained by its affiliated Bell operating company or any affiliates of such company;

"(C) charge rates to consumers, and any intralATA toll affiliate shall charge rates to consumers, for intralATA service and interLATA toll service that are no less than rates the Bell operating company charges other interLATA carriers for its local exchange and exchange access services plus the other costs to the subsidiary of providing such services.

"(D) be permitted to use interLATA facilities and services provided by its affiliated Bell operating company, so long as its costs are appropriately allocated and such facilities and services are provided to its subsidiaries and other carriers on nondiscriminatory rates, terms and conditions;

"(E) comply with Commission regulations to ensure that the economic risks associated with the provision of interLATA services by such subsidiary are not borne by customers of the company's telephone exchange services; and

"(F) shall not obtain credit under any arrangement that would permit a creditor, upon default, to have recourse to the assets of the local exchange carrier.

"(4) TRIENNIAL AUDIT.—

"(A) GENERAL REQUIREMENT.—A Bell operating company that engages in interLATA services shall obtain and pay for an audit every 3 years conducted by an independent auditor selected by, and working at the direction of, the State commission of each State in which such Bell operating company provides local exchange service, to determine whether such Bell operating company has complied with this section and the regulations promulgated under this section, and particularly whether such Bell operating company has complied with the separate accounting requirements under subsection (c).

"(B) RESULTS SUBMITTED TO COMMISSION STATE COMMISSIONS.—The auditor described in clause (1) shall submit the results of the audit to the Commission and to the State commission of each State in which the Bell operating company audited provides telephone exchange service, which shall make such results available for public inspection. Any party may submit comments on the final audit report.

"(C) 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 Bell operating company provides local exchange service. The regulations shall include requirements that—

"(i) each audit submitted to the Commission and to the State commission is certified by the auditor responsible for conducting the audit; and

"(ii) 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.

"(D) COMMISSION REVIEW.—The Commission shall periodically review and analyze the audits submitted to it under this subsection.

"(E) ACCESS TO DOCUMENTS.—For purposes of conducting audits and reviews under this subsection—

"(i) the independent auditor, the Commission, and the State commission shall have access to the financial accounts and records of each Bell operating company and of its subsidiaries necessary to verify transactions conducted with that Bell operating company that are relevant to the specific activities permitted under this section and that are necessary for the regulation of rates for telephone exchange and exchange access;

"(ii) 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

"(iii) the State commission shall implement appropriate procedures to ensure the protection of any proprietary information submitted to it under this section.

"(F) COMMISSION ACTION ON COMPLAINTS.—With respect to any complaint brought under section 208 alleging a violation of this section or the regulations implementing it, the Commission shall issue a final order within 1 year after such complaint is filed.

"(G) ADDITIONAL AUTHORITY TO PROVIDE INTERLATA SERVICES RELATING TO COMMERCIAL MOBILE RADIO SERVICES.—Notwithstanding any restriction or obligation imposed pursuant to the Modification of Final Judgment before the date of enactment of the Communications Act of 1994, the Commission shall prescribe uniform equal access and long distance presubscription requirements for providers of all cellular and two-way wireless services.

"(H) Exceptions for Incidental Services.—

"(i) Subsection (a) shall not prohibit a Bell operating company at any time after the date of enactment of the Communications Act of 1994 from providing interLATA telecommunications services incidental to the purpose of—

"(A)(i) providing audio programming, video programming, or other programming services to subscribers of such company,

"(ii) providing the capability for interaction by such subscribers to select or respond to such audio programming, video programming, or other programming services, to order, or control transmission of the programming, polling or balloting, and ordering other goods or services; or

"(iii) providing to distributors audio programming or video programming that such company owns, controls, or is licensed by the copyright owner of such programming, or by an assignee of such owner, to distribute.

"(B) providing a telecommunications service, using the transmission facilities of a cable system that is an affiliate of such company, between LATAs within a cable system franchise area in which such company is not, on the date of the enactment of the Communications Act of 1994, a provider of wireline telephone exchange service.

"(C) providing a commercial mobile service except where such service is a replacement for land line telephone exchange service for a substantial portion of the telephone land line exchange service in a State in accordance with section 332(c) of the Communications Act of 1994 (47 U.S.C. 332(c)) and with the regulations prescribed by the Commission.

"(D) providing a service that permits a customer that is located in one LATA to retrieve stored information from, or file information for storage in, information storage facilities of such company that are located in another LATA area, so long as the customer acts affirmatively to initiate the storage or retrieval of information, except that—

"(i) such service shall not cover any service that establishes a direct connection between end users or any real-time voice and data transmission.

"(ii) such service shall not include voice, data, or facsimile distribution services in which the Bell operating company or affiliate forwards customer-supplied information to customer- or carrier-selected recipients.

"(iii) such service shall not include any service in which the Bell operating company or affiliate searches for and connects with the intended recipient of information, or any service in which the Bell operating company or affiliate automatically forwards stored

voicemail or other information to the intended recipient; and

"(iv) customers of such service shall not be billed a separate charge for the interLATA telecommunications furnished in conjunction with the provision of such service;

"(E) providing signaling information used in connection with the provision of exchange or exchange access services to a local exchange carrier that, together with any affiliated local exchange carriers, has aggregate annual revenues of less than \$100,000,000; or

"(F) providing network control signaling information to, and receiving such signaling information from, interexchange carriers at any location within the area in which such company provides exchange services or exchange access.

"(2) The provisions of paragraph (1) are intended to be narrowly construed. Nothing in this subsection permits a Bell operating company or any affiliate of such a company to provide interLATA telecommunications services not described in paragraph (1) without receiving the approval of the Commission and the Attorney General under subsection (c). The transmission facilities used by a Bell operating company or affiliate thereof to provide interLATA telecommunications under subparagraphs (C) and (D) of paragraph (1) shall be leased by that company from unaffiliated entities on terms and conditions (including price) no more favorable than those available to the competitors of that company until approval is obtained from the Commission and the Attorney General under subsection (c). The interLATA services provided under paragraph (1)(A) are limited to those interLATA transmissions incidental to the provision by a Bell operating company or its affiliate of video, audio, and other programming services that the company or its affiliate is engaged in providing to the public and, except as provided in paragraph (1)(A)(iii), does not include the interLATA transmission of audio, video, or other programming services provided by others.

"(3)(A) The Commission, in consultation with the Attorney General, shall prescribe regulations for the provision by a Bell operating company or any of its affiliates of the interLATA services authorized under this subsection. The regulations shall ensure that the provision of such service by a Bell operating company or its affiliate does not—

"(i) permit that company to provide telecommunications services not described in paragraph (1) without receiving the approvals required by subsection (c); or

"(ii) adversely affect telephone exchange ratepayers or competition in any telecommunications services market.

"(B) Nothing in this paragraph shall delay the ability of a Bell operating company to provide the interLATA services described in paragraph (1) immediately upon enactment of the Communications Act of 1994.

"(4) As used in this subsection—

"(A) 'audio programming services' means programming provided by, or generally considered to be comparable to programming provided by, a radio broadcast station, and

"(B) 'video programming service' and 'other programming services' have the same meanings as such terms have under section 602 of this Act.

"(1) DEFINITIONS.—As used in this section:

"(1) The term 'LATA' means the local access and transport area as defined in United States v. Western Electric Co., 569 F.Supp. 990 (United States District Court, District of Columbia) and subsequent judicial orders relating thereto.

"(2) The term 'cable service' has the meaning given that term under section 602, SEC. 44, JURISDICTION.

Section 2(b) of the Communications Act of 1934 (47 U.S.C. 153) is amended by striking

"section 332" and inserting in lieu thereof "sections 229, 230, 234, 235, 237, and 332".

On page 82, beginning with "Sec. 255 on line 11, strike all that follows through line 2, page 99.

On page 82, after line 10, add the attached paragraphs:

**"SEC. 255. INTERLATA TELECOMMUNICATIONS SERVICES.**

"(a) AUTHORITY.—Notwithstanding any restriction or obligation imposed before the date of enactment of the Communications Act of 1994 pursuant to section 111(D) of the Modification of Final Judgment, a Bell operating company may engage in the provision of interLATA telecommunications services subject to the requirements of this section and any regulations prescribed thereunder. No Bell operating company or affiliate of a Bell operating company shall engage in the provision of interLATA telecommunications services, except as authorized under this section.

"(b) CURRENTLY AUTHORIZED ACTIVITIES.—Subsection (a) shall not prohibit a Bell operating company from engaging, at any time after the date of enactment of the Communications Act of 1994, in any activity as authorized by an order entered by the United States District Court for the District of Columbia pursuant to the Modification of Final Judgment if such order was entered on or before such date of enactment.

**"(c) PRIORITY FOR AUTHORITY FOR INTERLATA TELECOMMUNICATION SERVICES—**

"(1) APPLICATION—

"(A) IN REGION.—On or after the date of enactment of the Communications Act of 1994, a Bell operating company or affiliate may apply to the Attorney General and the Commission for authorization notwithstanding the Modification of Final Judgment to provide interLATA telecommunications service originating in any area where such Bell operating company is the dominant provider of wireline telephone exchange service. The application shall describe with particularity the nature and scope of the activity and of each product market or service market, and each geographic market for which authorization is sought.

"(B) OUT OF REGION.—On or after the date of enactment of the Communications Act of 1994, a Bell operating company or affiliate may apply to the Attorney General and the Commission for authorization, notwithstanding the Modification of Final Judgment, to provide interLATA telecommunications services not described in subparagraph (A). The application shall describe with particularity the nature and scope of the activity and of each product market or service market, and each geographic market for which authorization is sought.

"(2) DETERMINATION BY ATTORNEY GENERAL AND COMMISSION.—

"(A) DETERMINATION.—Not later than 180 days after receiving an application made under paragraph (1), the Attorney General and the Commission each shall issue a written determination, on the record after an opportunity for a hearing, with respect to the authorization for which a Bell operating company or affiliate has applied. In making such determinations, the Attorney General and the Commission shall review the whole record.

"(B) APPROVAL.—

"(1) The Attorney General shall approve the authorization requested in any application submitted under paragraph (1) only to the extent that the Attorney General finds that there is no substantial possibility that such company or its affiliates could use monopoly power in a telephone exchange or exchange access service market to impede

competition in the interLATA telecommunications services market such company or affiliate seeks to enter. The Attorney General shall deny the remainder of the requested authorization.

"(II) The Commission shall approve the requested authorization only to the extent that the Commission finds that the requested authorization is consistent with the public interest, convenience and necessity. The Commission shall deny the remainder of the requested authorization. For applications submitted under paragraph (1)(A), the Commission shall only find that the requested authorization is consistent with the public interest, convenience, and necessity if the requirements of clause (III) are satisfied, and shall take into account—

"(I) the extent to which granting the requested authorization would benefit consumers;

"(II) the likely effect that granting the requested authorization would have on the rates for, and availability of, telephone exchange, interexchange, and other telecommunications services;

"(III) the availability of alternative providers of telephone exchange service throughout the geographic area in which the Bell operating company or its affiliate seeks to provide service;

"(IV) the extent to which there exist barriers to entering the telephone exchange services market, including the extent to which consumers have an opportunity to select their presubscribed telephone exchange service providers by means of a balloting process; and

"(V) the potential for cross-subsidization or anticompetitive activity by the Bell operating company.

For applications submitted under paragraph (1)(B), the Commission shall take into account subclauses (I), (II), and (V).

"(III) The Commission shall approve a requested authorization for applications submitted under paragraph (1)(A) only if—

"(I) the Commission finds that, as prescribed by section 230(a), no State or local statute, regulations, or other State or local requirement in effect in the area in which the petitioning Bell operating company or affiliate seeks to originate interLATA telecommunications, prohibits or has the effect of prohibiting the ability of any entity to provide interstate or intrastate telecommunications services in the State and local area where the Bell operating company seeks to originate interLATA services;

"(II) either the Commission has adopted and made effective regulations to implement and enforce the requirements of section 201A, or 21 months after the date of enactment of the Communications Act of 1994, whichever is earlier; and

"(III) the Commission finds that the Bell operating company has fully implemented the requirements of subparagraphs (A) through (G) of section 230(c)(1), and finds that, at the time of consideration of its application, the Bell operating company is in full compliance with the Commission's regulations to implement and enforce the requirements of section 230 (e) and (f), and any State regulations under 230(c)(2), where the Bell operating company seeks to originate interLATA services.

"(iv) Any Bell operating company granted authority under paragraph (1)(A) shall provide intraLATA toll dialing parity throughout that market coincident with its exercise of that authority. If the Commission finds that such a Bell operating company has provided interLATA service authorized under this clause before its implementation of intraLATA toll dialing parity throughout that market, or fails to maintain intraLATA

toll dialing parity throughout that market, the Commission, except in cases of inadvertent interruptions or other events beyond the control of the Bell operating company, shall suspend the authority to provide interLATA service for that market until the Commission determines that intraLATA toll dialing parity is implemented or reinstated.

"(C) DESCRIPTION.—A determination that approves any part of a requested authorization shall describe with particularity the nature and scope of the activity, and of each product market or service market, and each geographic market, to which approval applies.

"(3) PUBLICATION.—Not later than 10 days after issuing a determination under paragraph (2), the Attorney General and the Federal Communications Commission each shall publish in the Federal Register a brief description of the determination.

"(4) AUTHORIZATION GRANTED.—A requested authorization is granted only to the extent that—

"(A) both the Attorney General and the Federal Communications Commission approve the authorization under paragraph (2), unless either of their approvals is vacated, reversed, or remanded as a result of judicial review; or

"(B) as a result of such judicial review of either or both determinations, both the Attorney General and the Federal Communications Commission approved the requested authorization.

"(d) JUDICIAL REVIEW—

"(1) COMMENCEMENT OF ACTION.—Not later than 45 days after a determination by the Attorney General or the Federal Communications Commission is published under subsection (c)(3), the Bell operating company or affiliate that applied to the Attorney General and the Federal Communications Commission under subsection (c)(1), or any person who would be threatened with loss or damage as a result of the determination regarding such company's engaging in the activity described in such company's application, may commence an action in any United States Court of Appeals against the Attorney General or the Federal Communications Commission, as the case may be, for judicial review of the determination regarding the application.

"(2) JUDGMENT.—

"(A) The Court shall enter a judgment after reviewing the determination in accordance with section 706 of title 5 of the United States Code.

"(B) A JUDGMENT.—

"(i) affirming any part of the determination that approves granting all or part of the requested authorization, or

"(ii) reversing any part of the determination that denies all or part of the requested authorization, shall describe with particularity the nature and scope of the activity, and of each product market or service market, and each geographic market, to which the affirmation or reversal applies.

"(e) ENFORCEMENT.—

"(1) PRIVATE RIGHT OF ACTION.—Any person who is injured in its business or property by reason of a violation of this section—

"(A) may bring a civil action in any district court of the United States in the district in which the defendant resides or is found or has an agent, without respect to the amount in controversy, and

"(B) shall recover threefold the damages sustained, and the costs of suit (including a reasonable attorney's fee). The court may award under this action, pursuant to a motion by such person promptly made, simple interest on actual damages for the period beginning on the date of service of such person's pleading setting forth a claim under this title and ending on the date of judgment, or for any shorter period therein. If

the court finds that the award of such interest for such period is just in the circumstances.

"(2) PRIVATE INJUNCTIVE RELIEF.—Any person shall be entitled to sue for and have injunctive relief, in any court of the United States having jurisdiction over the parties, against threatened loss or damage by a violation of this section, when and under the same conditions and principles as injunctive relief is available under section 16 of the Clayton Act (15 U.S.C. 26). In any action under this subsection in which the plaintiff substantially prevails, the court shall award the cost of suit, including a reasonable attorney's fee, to such plaintiff.

"(f) INTERLATA TELECOMMUNICATIONS SERVICE SAFEGUARDS.—

"(1) SEPARATE SUBSIDIARY.—Other than interLATA services authorized by an order entered by the United States District Court for the District of Columbia pursuant to the Modification of Final Judgment before the date of the enactment of the Communications Act of 1994, a Bell operating company providing interLATA services authorized under subsection (c) shall provide such interLATA services in that market only through a subsidiary that is separate from any Bell operating company entity that provides regulated local telephone exchange service. The subsidiary required by this section need not be separate from affiliates required in sections 231, 233, and 613 of this Act or any other affiliate that does not provide regulated local telephone exchange service.

"(2) NONDISCRIMINATION SAFEGUARDS.—The Bell operating company shall—

"(A) fulfill any requests from an unaffiliated entity for exchange access service within a period no longer than that in which it provides such exchange access service to itself or to its affiliates;

"(B) fulfill any such requests with exchange access service of a quality that meets or exceeds the quality of exchange access services provided by the Bell operating company or its affiliates to itself or its affiliate;

"(C) provide exchange access to all carriers at rates that are not unreasonably discriminatory and are based on costs and any explicit subsidy;

"(D) in any transaction with the subsidiary required by this section, not prefer or discriminate in favor of such subsidiary;

"(E) not provide any facilities, services, or information concerning its provision of exchange access service to the subsidiary required by this section unless such facilities, services, or information are made available to other providers of interLATA services in that market on the same terms and conditions;

"(F) not enter into any joint venture or partnership with the subsidiary required by this section; and

"(G) charge the subsidiary required by this section, and impute to itself or any intraLATA toll affiliate, the same rates for access to its local exchange and exchange access services that it charges other, unaffiliated, toll carriers for such services.

"(3) SEPARATE SUBSIDIARY SAFEGUARDS.—The separate subsidiary required by this section shall—

"(A) carry out its marketing and sales directly and separate from its affiliated Bell operating company or any affiliates of such company;

"(B) maintain books, records, and accounts in the manner prescribed by the Commission which shall be separate from the books, records, and accounts maintained by its affiliated Bell operating company or any affiliates of such company;

"(C) charge rates to consumers, and any intraLATA toll affiliate shall charge rates to consumers, for interLATA service and

intraLATA toll service that are no less than the rates the Bell operating company charges other interLATA carriers for its local exchange and exchange access services plus the other costs to the subsidiary of providing such services;

"(D) be permitted to use interLATA facilities and services provided by its affiliated Bell operating company, so long as its costs are appropriately allocated and such facilities and services are provided to its subsidiaries and other carriers on nondiscriminatory rates, terms and conditions;

"(E) comply with Commission regulations to ensure that the economic risks associated with the provision of interLATA services by such subsidiary are not borne by customers of the company's telephone exchange services; and

"(F) shall not obtain credit under any arrangement that would permit a creditor, upon default, to have recourse to the assets of the local exchange carrier.

"(4) TRIENNIAL AUDIT.—

"(A) GENERAL REQUIREMENT.—A Bell operating company that engages in interLATA services shall obtain and pay for an audit every 3 years conducted by an independent auditor selected by, and working at the direction of, the State commission of each State in which such Bell operating company provides local exchange service, to determine whether such Bell operating company has complied with this section and the regulations promulgated under this section, and particularly whether such Bell operating company has complied with the separate accounting requirements under subsection (c).

"(B) RESULTS SUBMITTED TO COMMISSION; STATE COMMISSIONS.—The auditor described in clause (1) shall submit the results of the audit to the Commission and to the State commission of each State in which the Bell operating company audited provides telephone exchange services, which shall make such results available for public inspection. Any party may submit comments on the final audit report.

"(C) 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 Bell operating company provides local exchange service. The regulations shall include requirements that—

"(i) each audit submitted to the Commission and to the State commission is certified by the auditor responsible for conducting the audit; and

"(ii) 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.

"(D) COMMISSION REVIEW.—The Commission shall periodically review and analyze the audits submitted to it under this subsection.

"(E) ACCESS TO DOCUMENTS.—For purposes of conducting audits and reviews under this subsection—

"(i) the independent auditor, the Commission, and the State commission shall have access to the financial accounts and records of each Bell operating company and of its subsidiaries necessary to verify transactions conducted with that Bell operating company that are relevant to the specific activities permitted under this section and that are necessary for the regulation of rates for telephone exchange and exchange access;

"(ii) 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

"(iii) the State commission shall implement appropriate procedures to ensure the

protection of any proprietary information submitted to it under this section.

"(F) COMMISSION ACTION ON COMPLAINTS.—With respect to any complaint brought under section 208 alleging a violation of this section or the regulations implementing it, the Commission shall issue a final order within 1 year after such complaint is filed.

"(g) ADDITIONAL AUTHORITY TO PROVIDE INTERLATA SERVICES RELATIVE TO COMMERCIAL MOBILE RADIO SERVICES.—Notwithstanding any restriction or obligation imposed pursuant to the Modification of Final Judgment before the date of enactment of the Communications Act of 1994, the Commission shall prescribe uniform equal access and long distance presubscription requirements for providers of all cellular and two-way wireless services.

"(h) EXCEPTIONS FOR INCIDENTAL SERVICES.—

"(1) Subsection (a) shall not prohibit a Bell operating company at any time after the date of enactment of the Communications Act of 1994 from providing interLATA telecommunications services incidental to the purpose of—

"(A)(i) providing audio programming, video programming, or other programming services to subscribers of such company;

"(ii) providing the capability for interaction by such subscribers to select or respond to such audio programming, video programming, or other programming services, to order, or control transmission of the programming, polling or balloting, and ordering other goods or services; or

"(iii) providing to distributors audio programming or video programming that such company owns, controls, or is licensed by the copyright owner of such programming, or by an assignee of such owner, to distribute.

"(B) providing a telecommunications service, using the transmission facilities of a cable system that is an affiliate of such company, between LATAs within a cable system franchise area in which such company is not, on the date of the enactment of the Communications Act of 1994, a provider of wireline telephone exchange service.

"(C) providing a commercial mobile service except where such service is a replacement for land line telephone exchange service for a substantial portion of the telephone land line exchange service in a State; in accordance with section 332(c) of the Communications Act of 1994 (47 U.S.C. 332(c)) and with the regulations prescribed by the Commission.

"(D) providing a service that permits a customer that is located in one LATA to retrieve stored information from, or file information for storage in, information storage facilities of such company that are located in another LATA area, so long as the customer acts affirmatively to initiate the storage or retrieval of information, except that—

"(i) such service shall not cover any service that establishes a direct connection between end users or any real-time voice and data transmission;

"(ii) such service shall not include voice, data, or facsimile distribution services in which the Bell operating company or affiliate forwards customer-supplied information to customer- or carrier-selected recipients;

"(iii) such service shall not include any service in which the Bell operating company or affiliate searches for and connects with the intended recipient of information, or any service in which the Bell operating company or affiliate automatically forwards stored voicemail or other information to the intended recipient; and

"(iv) customers of such service shall not be billed a separate charge for the interLATA telecommunications furnished in conjunction with the provision of such service;



"(E) providing signaling information used in connection with the provision of exchange access services to a local exchange carrier that, together with any affiliated local exchange carriers, has aggregate annual revenues of less than \$100,000,000; or

"(F) providing network control signaling information to, and receiving such signaling information from, interexchange carriers at any location within the area which such company provides exchange services or exchange access.

"(2) The provisions of paragraph (1) are intended to be narrowly construed. Nothing in this subsection permits a Bell operating company or any affiliate of such a company to provide interLATA telecommunications services not described in paragraph (1) without receiving the approval of the Commission and the Attorney General under subsection (c). The transmission facilities used by a Bell operating company or affiliate thereof to provide interLATA telecommunications under subparagraphs (C) and (D) of paragraph (1) shall be leased by that company from unaffiliated entities on terms and conditions (including price) no more favorable than those available to the competitors of that company until approval is obtained from the Commission and the Attorney General under subsection (c). The interLATA services provided under paragraph (1)(A) are limited to this interLATA transmissions incidental to the provision by a Bell operating company or its affiliate of video, audio, and other programming services that the company or its affiliate is engaged in providing to the public and, except as provided in paragraph (1)(A)(iii), does not include the interLATA transmission of audio, video, or other programming services provided by others.

"(3)(A) The Commission, in consultation with the Attorney General, shall prescribe regulations for the provision by a Bell operating company or any of its affiliates of the interLATA services authorized under this subsection. The regulations shall ensure that the provision of such service by a Bell operating company or its affiliate does not—

"(i) permit that company to provide telecommunications services not described in paragraph (1) without receiving the approvals required by subsection (c), or

"(ii) adversely affect telephone exchange ratepayers or competition in any telecommunications services market.

"(B) Nothing in this paragraph shall delay the ability of a Bell operating company to provide the interLATA services described in paragraph (1) immediately upon enactment of the Communications Act of 1994.

"(4) As used in this subsection—

"(A) 'audio programming services' means programming provided by, or generally considered to be comparable to programming provided by, a radio broadcast station, and

"(B) 'video programming services' and 'other programming services' have the same meanings as such terms have under section 602 of this Act.

"(f) DEFINITIONS.—As used in this section:

"(1) The term 'LATA' means the local access and transport area as defined in United States v. Western Electric Co., 569 F.Supp. 990 (United States District Court, District of Columbia) and subsequent judicial orders relating thereto.

"(2) The term 'cable service' has the meaning given that term under section 602."

#### SEC. 445. JURISDICTION.

Section 2(b) of the Communications Act of 1934 (47 U.S.C. 153) is amended by striking "section 332" and inserting in lieu thereof "sections 229, 230, 234, 235, 237, and 332".

#### BROWN AMENDMENTS NOS. 1317-1320

(Ordered to lie on the table.)

Mr. BROWN submitted four amendments intended to be proposed by him to the bill S. 652, supra; as follows:

##### AMENDMENT No. 1317

In managers' amendment, on page 13, line 20, after "programming" insert: "by any means".

##### AMENDMENT No. 1318

On page 12, line 10 insert after "services" "or its affiliate".

##### AMENDMENT No. 1319

At the appropriate point in the bill, insert the following:

( ) DIGITAL VIDEO STANDARDS.—Section 624 of the Communications Act of 1934 (47 U.S.C. 544) is amended by adding at the end the following new subsection:

"(j) DIGITAL VIDEO STANDARDS.—The Commission may participate, in a manner consistent with its authority and practice prior to the date of enactment of this subsection, in the development by appropriate voluntary industry standards-setting organizations of technical standards for the digital transmission and reception of the signals of video programming. The Commission shall have no authority to prescribe such standards, except with respect to the over-the-air transmission and reception of the signals of broadcast television stations between such stations and members of the public directly receiving such signals."

##### AMENDMENT No. 1320

In managers' amendment, on page 15, line 1, insert the following: "(1) by inserting after 'organized' in subsection (a)(1) the following: 'any person who was a nondominant telecommunications carrier on January 1, 1995.'"

#### BYRD (AND EXON) AMENDMENT NO. 1321

(Ordered to lie on the table.)

Mr. BYRD (for himself and Mr. EXON) submitted an amendment intended to be proposed by them to the bill S. 652, supra; as follows:

On page 1 of the amendment, line 4, strike out "determination." and insert in lieu thereof the following: "determination. If the President objects to a determination, the President shall, immediately upon such objection, submit to Congress a written report (in unclassified form, but with a classified annex if necessary) that sets forth a detailed explanation of the findings made and factors considered in objecting to the determination."

On page 49, line 17, insert after the period the following: "While determining whether such opportunities are equivalent on that basis, the Commission shall also conduct an evaluation of opportunities for access to all segments of the telecommunications market of the applicant."

#### HARKIN AMENDMENTS NOS. 1322-1324

(Ordered to lie on the table.)

Mr. HARKIN submitted three amendments intended to be proposed by him to the bill S. 652, supra; as follows:

##### AMENDMENT No. 1322

On page 146, below line 14, add the following:

#### SEC. 409. PREVENTION OF UNFAIR BILLING PRACTICES FOR INFORMATION OR SERVICES PROVIDED OVER TOLL-FREE TELEPHONE CALLS.

(a) FINDINGS.—Congress makes the following findings:

(1) Reforms required by the Telephone Disclosure and Dispute Resolution Act of 1992 have improved the reputation of the pay-per-call industry and resulted in regulations that have reduced the incidence of misleading practices that are harmful to the public interest.

(2) Among the successful reforms is a restriction on charges being assessed for calls to 800 telephone numbers or other telephone numbers advertised or widely understood to be toll free.

(3) Nevertheless, certain interstate pay-per-call businesses are taking advantage of an exception in the restriction on charging for information conveyed during a call to a "toll-free" number to continue to engage in misleading practices. These practices are not in compliance with the intent of Congress in passing the Telephone Disclosure and Dispute Resolution Act.

(4) It is necessary for Congress to clarify that its intent is that charges for information provided during a call to an 800 number or other number widely advertised and understood to be toll free shall not be assessed to the calling party unless the calling party agrees to be billed according to the terms of a written subscription agreement or by other appropriate means.

(b) PREVENTION OF UNFAIR BILLING PRACTICES.—

(1) IN GENERAL.—Section 228(c) (47 U.S.C. 228(c)) is amended—

(A) by striking out subparagraph (C) of paragraph (7) and inserting in lieu thereof the following:

"(C) the calling party being charged for information conveyed during the call unless—

"(i) the calling party has a written agreement (including an agreement transmitted through electronic medium) that meets the requirements of paragraph (8); or

"(ii) the calling party is charged for the information in accordance with paragraph (9); or"; and

(B) by adding at the end the following new paragraphs:

"(8) SUBSCRIPTION AGREEMENTS FOR BILLING FOR INFORMATION PROVIDED VIA TOLL-FREE CALLS.—

"(A) IN GENERAL.—For purposes of paragraph (7)(C), a written subscription does not meet the requirements of this paragraph unless the agreement specifies the material terms and conditions under which the information is offered and includes—

"(i) the rate at which charges are assessed for the information;

"(ii) the information provider's name;

"(iii) the information provider's business address;

"(iv) the information provider's regular business telephone number;

"(v) the information provider's agreement to notify the subscriber of all future changes in the rates charged for the information; and

"(vi) the subscriber's choice of payment method, which may be by direct remit, debit, prepaid account, phone bill or credit or calling card.

"(B) BILLING ARRANGEMENTS.—If a subscriber elects, pursuant to subparagraph (A)(v), to pay by means of a phone bill—

"(i) the agreement shall clearly explain that charges for the service will appear on the subscriber's phone bill;

"(ii) the phone bill shall include, in prominent type, the following disclaimer:

"Common carriers may not disconnect local or long distance telephone service for

failure to pay disputed charges for information services; and  
 "(iii) the phone bill shall clearly list the 800 number dialed.

"(C) Use of PINS to PREVENT UNAUTHORIZED USE.—A written agreement does not meet the requirements of this paragraph unless it requires the subscriber to use a personal identification number to obtain access to the information provided, and includes instructions on its use.

"(D) EXCEPTIONS.—Notwithstanding paragraph (7)(C), a written agreement that meets the requirements of this paragraph is not required—

"(i) for calls utilizing telecommunications devices for the deaf;

"(ii) for services provided pursuant to a tariff that has been approved or permitted to take effect by the Commission or a State commission; or

"(iii) for any purchase of goods or of services that are not information services.

"(E) TERMINATION OF SERVICE.—On receipt by a common carrier of a complaint by any person that an information provider is in violation of the provisions of this section, a carrier shall—

"(i) promptly investigate the complaint; and

"(ii) if the carrier reasonably determines that the complaint is valid, it may terminate the provision of service to an information provider unless the provider supplies evidence of a written agreement that meets the requirements of this section.

"(F) TREATMENT OF REMEDIES.—The remedies provided in this paragraph are in addition to any other remedies that are available under title V of this Act.

"(G) CHARGES IN ABBRECE OF AGREEMENT.—A calling party is charged for a call in accordance with this paragraph if the provider of the information conveyed during the call—

"(A) clearly states to the calling party the total cost per minute of the information provided during the call and for any other information or service provided by the provider to which the calling party requests connection during the call; and

"(B) receives from the calling party—

"(i) an agreement to accept the charges for any information or services provided by the provider during the call; and

"(ii) a credit, calling, or charge card number or verification of a prepaid account to which such charges are to be billed.

"(10) DEFINITION.—As used in paragraphs (8) and (9), the term 'calling card' means an identifying number or code unique to the individual, that is issued to the individual by a common carrier and enables the individual to be charged by means of a phone bill for charges incurred independent of where the call originates."

"(3) REGULATIONS.—The Federal Communications Commission shall revise its regulations to comply with the amendment made by paragraph (1) not later than 180 days after the date of the enactment of this Act.

"(3) EFFECTIVE DATE.—The amendments made by paragraph (1) shall take effect on the date of the enactment of this Act.

"(c) CLARIFICATION OF "PAY-PER-CALL SERVICES" UNDER TELEPHONE DISCLOSURE AND DISPUTE RESOLUTION ACT.—Section 204(1) of the Telephone Disclosure and Dispute Resolution Act (15 U.S.C. 5714(d)) is amended to read as follows:

"(1) The term 'pay-per-call services' has the meaning provided in section 228(j)(1) of the Communications Act of 1934, except that the Commission by rule may, notwithstanding subparagraphs (B) and (C) of such section, extend such definition to other similar services providing audio information or audio entertainment if the Commission determines that such services are susceptible

to the unfair and deceptive practices that are prohibited by the rules prescribed pursuant to section 201(a)."

AMENDMENT NO. 1323

On page 109, line 4, strike out "3 years" and insert in lieu thereof "6 years".

AMENDMENT NO. 1324

On page 146, below line 14, add the following:

SEC. 408. DISCLOSURE OF CERTAIN RECORDS FOR INVESTIGATIONS OF TELEMARKETING FRAUD.

Section 2703(c)(1)(B) of title 18, United States Code, is amended—

(1) by striking out "or" at the end of clause (ii);

(2) by striking out the period at the end of clause (iii) and inserting in lieu thereof "or"; and

(3) by adding at the end the following:

"(iv) submits a formal written request for information relevant to a legitimate law enforcement investigation of the governmental entity for the name, address, and place of business of a subscriber or customer of such provider, which subscriber or customer is engaged in telemarketing (as such term is in section 2325 of this title)."

WARNER AMENDMENT NO. 1325

(Ordered to lie on the table.)

Mr. WARNER submitted an amendment intended to be proposed by him to the bill S. 652, supra; as follows:

At the end of section 222 of the bill, insert the following:

(c) ADDITIONAL REQUIREMENTS RELATING TO RESEARCH AND DESIGN ACTIVITIES WITH RESPECT TO MANUFACTURING.—(1) In addition to the rules required under section 256(a)(2) of the Communications Act of 1934, as added by subsection (a), a Bell operating company may not engage in the activities or enter into the agreements referred to in such section 256(a)(2) until the Commission adopts the rules required under paragraph (2).

(2) The Commission shall adopt rules that—

(A) provide for the full, ongoing disclosure by the Bell operating companies of all protocols and technical specifications required for connection with and to the telephone exchange networks of such companies, and of any proposed research and design activities or other planned revisions to the networks that might require a revision of such protocols or specifications;

(B) prevent discrimination and cross-subsidization by the Bell operating companies in their transactions [regarding what?] with third parties and with the affiliates of such companies; and

(C) ensure that the research and design activities [by the Bell operating companies?] [with respect to what?] are clearly delineated and kept separate from other manufacturing activities [of the Bell operating companies?].

GORTON AMENDMENT NO. 1326

(Ordered to lie on the table.)

Mr. GORTON submitted an amendment intended to be proposed by him to the bill S. 652, supra; as follows:

On page 144, strike out lines 13 through 17, and insert the following in lieu thereof:

(2) In paragraph 2(a)(1)—

(A) by striking "wire or electronic communication" each place it appears and inserting "wire, electronic, or digital communication" for the first occurrence and "such communication" for the second and third occurrence;

(B) by inserting a comma after "activity"; and

(C) by adding thereafter "including the investigation of fraudulent or unlawful use of wire, electronic, or digital communication services by any person."

EXON AMENDMENT NO. 1327-1329

(Ordered to lie on the table.)

Mr. EXON submitted three amendments intended to be proposed by him to the bill S. 652, supra; as follows:

AMENDMENT NO. 1327

On page 144, strike lines 1 through 17, and in lieu thereof insert the following:

SEC. 405. DISSEMINATION OF INDECENT MATERIAL ON CABLE TELEVISION SERVICE.

(a) IN GENERAL.—Chapter 71 of title 18, United States Code, is amended by inserting after section 1464 the following:

"1464A. Dissemination of indecent material on cable television

"(a) Whoever knowingly disseminates any indecent material on any channel provided to all subscribers as part of a basic cable television package shall be imprisoned not more than two years or fined under this title, or both.

"(b) As used in this section, the term 'basic cable television package' means those channels provided by any means for a basic cable subscription fee to all cable subscribers, including 'basic cable service' and 'other programming service' as those terms are defined in section 602 of the Communications Act of 1934 but does not include separate channels that are provided to subscribers upon specific request, whether or not a separate or additional fee is charged."

"(c) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 71 of title 18, United States Code, is amended by inserting after the item relating to section 1464 the following new item:

"1464A. Dissemination of indecent material on cable television."

AMENDMENT NO. 1328

On page 144, strike lines 1 through 17.

AMENDMENT NO. 1329

On page 137 beginning with line 12 strike through line 10 on page 143 and insert the following:

(1) by striking subsection (a) and inserting in lieu thereof:

"(a) Whoever—

"(i) in the District of Columbia or in interstate or foreign communications

"(A) by means of telecommunications device knowingly—

"(i) makes, creates, or solicits, and

"(ii) initiates the transmission of,

any comment, request, suggestion, proposal, image, or other communication which is obscene, lewd, lascivious, filthy, or indecent, with intent to annoy, abuse, threaten, or harass another person;

"(B) makes a telephone call or utilizes a telecommunications device, whether or not conversation or communication ensues, without disclosing his identity and with intent to annoy, abuse, threaten, or harass any person at the called number or who receives the communication;

"(C) makes or causes the telephone of another repeatedly or continuously to ring, with intent to harass any person at the called number; or

"(D) makes repeated telephone calls or repeatedly initiates communication with a telecommunications device, during which conversation or communication ensues, solely to harass any person at the called number or who receives the communication; or

"(2) knowingly permits any telecommunications facility under his control to be used for any activity prohibited by paragraph (1) with the intent that it be used for such activity.

shall be fined not more than \$100,000 or imprisoned not more than two years, or both"; and

(2) by adding at the end the following new subsections:

"(d) Whoever—

"(1) knowingly within the United States or in foreign communications with the United States by means of telecommunications device makes or makes available any obscene communication in any form including any comment, request, suggestion, proposal, or image regardless of whether the maker of such communication placed the call or initiated the communications; or

"(2) knowingly permits any telecommunications facility under such person's control to be used for an activity prohibited by subsection (d)(1) with the intent that it be used for such activity; shall be fined not more than \$100,000 or imprisoned not more than two years or both.

"(e) Whoever—

"(1) knowingly within the United States or in foreign communications with the United States by means of telecommunications device makes or makes available any indecent communication in any form including any comment, request, suggestion, proposal, image, to any person under 18 years of age regardless of whether the maker of such communication placed the call or initiated the communication; or

"(2) knowingly permits any telecommunications facility under such person's control to be used for activity prohibited by paragraph (1) with the intent that it be used for such activity.

shall be fined not more than \$100,000 or imprisoned not more than two years or both.

"(f) Defense to the subsections (a), (d), and (e), restrictions on access, judicial remedies respecting restrictions for persons providing information services and access to information services—

"(1) No person shall be held to have violated subsections (a), (d), or (e) solely for providing access or connection to or from a facility, system, or network over which that person has no control, including related capabilities which are incidental to providing access or connection. This subsection shall not be applicable to an individual who is owned or controlled by, or a conspirator with, an entity actively involved in the creation, editing or knowing distribution of communications which violate this section.

"(2) No employer shall be held liable under this section for the actions of an employee or agent unless the employee's or agent's conduct is within the scope of his employment or agency and the employer has knowledge of, authorizes, or ratifies the employee's or agent's conduct.

"(3) It is a defense to prosecution under subsection (a), (d)(2), or (e) that a person has taken reasonable, effective and appropriate actions in good faith to restrict or prevent the transmission of, or access to a communication specified in such subsections, or complied with procedures as the Commission may prescribe in furtherance of this section. Until such regulations become effective, it is a defense to prosecution that the person has complied with the procedures prescribed by regulation pursuant to subsection (b)(3). Nothing in this subsection shall be construed to treat enhanced information services as common carriage.

"(4) No cause of action may be brought in any court or administrative agency against any person on account of any activity which

is not in violation of any law punishable by criminal or civil penalty, which activity the person has taken in good faith to implement a defense authorized under this section or otherwise to restrict or prevent the transmission of, or access to, a communication specified in this section.

"(g) No State or local government may impose any liability for commercial activities or actions by commercial entities in connection with an activity or action which constitutes a violation described in subsection (a)(2), (d)(2), or (e)(2) that is inconsistent with the treatment of those activities or actions under this section provided, however, that nothing herein shall preclude any State or local government from enacting and enforcing complementary oversight, liability, and regulatory systems, procedures, and requirements, so long as such systems, procedures, and requirements govern only intrastate services and do not result in the imposition of inconsistent rights, duties or obligations on the provision of interstate services. Nothing in this subsection shall preclude any State or local government from governing conduct not covered by this section.

"(h) Nothing in subsection (a), (d), (e), or (f) or in the defenses to prosecution under (a), (d), or (e) shall be construed to affect or limit the application or enforcement of any other Federal law.

"(i) The use of the term 'telecommunications device' in this section shall not impose new obligations on (one-way) broadcast radio or (one-way) broadcast television operators licensed by the Commission or (one-way) cable service registered with the Federal Communications Commission and covered by obscenity and indecency provisions elsewhere in this Act."

"(j) Within two years from the date of enactment and every two years thereafter, the Commission shall report on the effectiveness of this section."

#### EXON (AND OTHERS) AMENDMENT NO. 1330

(Ordered to lie on the table.)

Mr. EXON (for himself, Mr. DORGAN, and Mr. BYRD) submitted an amendment intended to be proposed by them to the bill S. 652, supra; as follows:

On page 49, line 15 after "Government (or its representative)" add the following: "provided that the President does not object within 15 days of such determination" and on page 50 between lines 14 and 15 insert the following:

"(c) THE APPLICATION OF THE EXON-FLORIO LAW.—Nothing in this section (47 U.S.C. 310) shall limit in any way the application of 50 U.S.C. App. 2170 (the Exon-Florio law) to any transaction."

#### KERRY AMENDMENTS NOS. 1331- 1334

(Ordered to lie on the table.)

Mr. KERRY submitted four amendments intended to be proposed by him to the bill S. 652, supra; as follows:

##### AMENDMENT NO. 1331

Strike Section 311 (Kerry payphone amendment) in its entirety and insert the following:

#### SEC. 311. PROVISION OF PAYPHONE SERVICES AND TELEMESSAGING SERVICES.

Part II of title II (47 U.S.C. 251 et seq.), as amended by this Act, is amended by adding after section 264 the following new section:

#### SEC. 323. PROVISION OF PAYPHONE SERVICES AND TELEMESSAGING SERVICES.

"(a) NONDISCRIMINATION SAFEGUARDS.—Any Bell operating company that provides

payphone services or telemessaging services—

"(1) shall not subsidize its payphone services or telemessaging services directly or indirectly with revenue from its telephone exchange services or its exchange access services; and

"(2) shall not prefer or discriminate in favor of its payphone services or telemessaging services.

##### "(b) REGULATIONS.—

"(1) In order to promote competition among payphone service providers and promote the widespread deployment of payphone services to the benefit of the general public, not later than six months after the date of enactment of the Act the Commission shall adopt rules, with such rules to take effect concurrently no later than nine months after the date of enactment of the Act, that:

"(A) Establish a per call compensation plan to ensure that all payphone services providers are fairly compensated for each and every completed intrastate and interstate call using their payphone, except that emergency calls and telecommunications relay services calls for hearing disabled individuals shall not be subject to such compensation;

"(B) Discontinue the current intrastate carrier access charge payphone service elements and payments, and all intrastate and interstate payphone subsidies from basic exchange and exchange access revenues, in favor of a compensation plan as specified in subparagraph (A) above;

"(C) Prescribe a set of nonstructural safeguards for Bell operating company payphone service to implement the provisions of paragraphs (1) and (2) of subsection (a), which safeguards shall, at a minimum, include the nonstructural safeguards equal to those adopted in the Computer Inquiry-III, CC Docket No. 90-623 proceeding; and

"(D) Provide for Bell operating company payphone service providers to have the same right that independent payphone providers have to negotiate with the location provider on selecting and contracting with, and, subject to the terms of any agreement with the location provider, to select and contract with the carriers that carry interLATA calls from their payphones, and provide for all payphone service providers to have the right to negotiate with the location provider on selecting and contracting with, and, subject to the terms of any agreement with the location provider, to select and contract with the carriers that carry intraLATA calls from their payphones. Nothing in this section shall affect any existing contracts between location providers and payphone service providers or interLATA or intraLATA carriers that are in force and effect as of the date of enactment.

"(2) PUBLIC INTEREST TELEPHONES.—In the rulemaking conducted pursuant to Paragraph (1), the Commission shall determine whether public interest payphones, which are provided in the interest of public health, safety, and welfare, in locations where there would otherwise not be payphone, should be maintained, and if so, ensure that such public interest payphones are supported fairly and equitably.

"(c) STATE PREEMPTION.—To the extent that any State requirements are inconsistent with the Commission's regulations, the Commission's regulations on such matters shall preempt such State requirements.

"(d) RULEMAKING FOR TELEMESSAGING.—In a separate proceeding, the Commission shall determine whether, to enforce the requirements of this section, it is appropriate to require the Bell operating companies to provide telemessaging services through a separate subsidiary that meets the requirements of Section 252.

"(e) MODIFICATION OF FINAL JUDGMENT.—Notwithstanding any other provision of law, or any prior prohibition or limitation established pursuant to the Modification of Final Judgment, the Commission is directed and authorized to implement this section.

"(f) DEFINITIONS.—As used in the Act:

"(1) The term 'payphone service' means the provision of public or semi-public pay telephones, the provision of inmate telephone in correctional institutions, and any ancillary services;"

"(2) The term 'telemessaging services' means voice mail and voice storage and retrieval services provided over telephone lines, any live operator services used to record, transcribe, or relay messages (other than telecommunication relay services), and any ancillary services offered in combination with these services."

#### AMENDMENT NO. 1332

Strike Section 311 (Kerry payphone amendment) in its entirety and insert the following:

#### SEC. 311. PROVISION OF PAYPHONE SERVICES AND TELEMESSAGING SERVICES.

Part II of title II (47 U.S.C. 251 et seq.), as amended by this Act, is amended by adding after section 294 the following new section:

#### SEC. 305. PROVISION OF PAYPHONE SERVICES AND TELEMESSAGING SERVICES.

"(a) NONDISCRIMINATION SAFEGUARDS.—Any Bell operating company that provides payphone services or telemessaging services—

"(1) shall not subsidize its payphone services or telemessaging services directly or indirectly with revenue from its telephone exchange services or its exchange access services; and

"(2) shall not prefer or discriminate in favor of its payphone services or telemessaging services.

"(b) REGULATIONS.—

"(1) In order to promote competition among payphone service providers and promote the widespread deployment of payphone services to the benefit of the general public, not later than six months after the date of enactment of the Act the Commission shall—

"(A) adopt rules, with such rules to take effect concurrently no later than nine months after the date of enactment of the Act, that—

"(i) Establish a per call compensation plan to ensure that all payphone services providers are fairly compensated for each and every completed intrastate and interstate call using their payphone, except that emergency calls and telecommunications relay service calls for hearing disabled individuals shall not be subject to such compensation;

"(ii) Discontinue the current intrastate and interstate carrier access charge payphone service elements and payments, and all intrastate and interstate payphone subsidies from basic exchange and exchange access revenues, in favor of a compensation plan as specified in subparagraph (A) above;

"(iii) Prescribe a set of nonstructural safeguards for Bell operating company payphone service to implement the provisions of paragraphs (1) and (2) of subsection (a), which safeguards shall, at a minimum, include the nonstructural safeguards equal to those adopted in the Computer Inquiry-III, CC Docket No. 90-623 proceeding; and

"(B) In the rulemaking conducted pursuant to subparagraph (A), determine whether to provide for Bell operating company payphone service providers to have the same right that independent payphone providers have to negotiate with the location provider on selecting and contracting with, and, subject to the terms of any agreement with the location provider, to select and contract

with the carriers that carry InterLATA calls from their payphones, and provide for all payphone service providers to have the right to negotiate with the location provider on selecting and contracting with, and, subject to the terms of any agreement with the location provider, to select and contract with the carriers that carry intraLATA calls from their payphones, provided that nothing in this section or in any regulations adopted by the Commission shall affect any existing contracts between location providers and payphone service providers or interLATA or intraLATA carriers that are in force and effect as of the date of enactment.

"(2) PUBLIC INTEREST PAYPHONES.—In the rulemaking conducted pursuant to Paragraph (1), the Commission shall determine whether public interest payphones, which are provided in the interest of public health, safety, and welfare, in locations where there would otherwise not be a payphone, should be maintained, and if so, ensure that such public interest payphones are supported fairly and equitably.

"(c) STATE PREEMPTION.—To the extent that any State requirements are inconsistent with the Commission's regulations, adopted in the rulemaking conducted pursuant to subsection (b) the Commission's regulations on such matters shall preempt such State requirements.

"(d) RULEMAKING FOR TELEMESSAGING.—In a separate proceeding, the Commission shall determine whether, to enforce the requirements of this section, it is appropriate to require the Bell operating companies to provide telemessaging services through a separate subsidiary that meets the requirements of Section 252.

"(e) MODIFICATION OF FINAL JUDGMENT.—Notwithstanding any other provision of law, or any prior prohibition or limitation established pursuant to the Modification of Final Judgment, the Commission is directed and authorized to implement this section.

"(f) DEFINITIONS.—As used in the Act:

"(1) The term 'payphone service' means the provision of public or semi-public pay telephones, the provision of inmate telephone in correctional institutions, and any ancillary services;

"(2) The term 'telemessaging services' means voice mail and voice storage and retrieval services provided over telephone lines, any live operator services used to record, transcribe, or relay messages (other than telecommunication relay services), and any ancillary services offered in combination with these services."

#### AMENDMENT NO. 1333

Strike Section 311 (Kerry payphone amendment) in its entirety and insert the following:

#### SEC. 311. PROVISION OF PAYPHONE SERVICES AND TELEMESSAGING SERVICES.

Part II of title II (47 U.S.C. 251 et seq.), as amended by this Act, is amended by adding after section 294 the following new section:

#### SEC. 305. PROVISION OF PAYPHONE SERVICES AND TELEMESSAGING SERVICES.

"(a) NONDISCRIMINATION SAFEGUARDS.—On the date that the regulations issued pursuant to subsection (b) take effect, any Bell operating company that provides payphone services or telemessaging services—

"(1) shall not subsidize its payphone services or telemessaging services directly or indirectly with revenue from its telephone exchange services or its exchange access services; and

"(2) shall not prefer or discriminate in favor of its payphone services or its telemessaging services.

"(b) REGULATIONS.—

"(1) In order to promote competition among payphone service providers and promote the

widespread deployment of payphone services to the benefit of the general public, the Commission shall conduct a rulemaking, with such rulemaking to be concluded not later than six months after the date of enactment of the Act and with such rules as the Commission may adopt in such rulemaking to take effect concurrently no later than nine months after the date of enactment of the Act, in which the Commission shall determine whether:

"(A) To establish a compensation plan to ensure that all payphone services providers are fairly compensated for each and every completed intrastate and interstate call using their payphone, which plan shall take into consideration the payphone provider's demonstrated costs or some other means of determining the value of providing payphone access service, except that emergency calls and telecommunications relay service calls for hearing disabled individuals shall not be subject to such compensation;

"(B) To discontinue the current intrastate and interstate carrier access charge payphone service elements and payments, and all intrastate and interstate payphone subsidies from basic exchange and exchange access revenues;

"(C) To prescribe a set of nonstructural safeguards for Bell operating company payphone service to implement the provisions of paragraphs (1) and (2) of subsection (a), which safeguards shall, at a minimum, include the nonstructural safeguards equal to those adopted in the Computer Inquiry-III, CC Docket No. 90-623 proceeding; and

"(D) To provide for Bell operating company payphone service providers to have the same right that independent payphone providers have to negotiate with the location provider on selecting and contracting with, and, subject to the terms of any agreement with the location provider, to select and contract with the carriers that carry InterLATA calls from their payphones, and provide for all payphone service providers to have the right to negotiate with the location provider on selecting and contracting with, and, subject to the terms of any agreement with the location provider, to select and contract with the carriers that carry intraLATA calls from their payphones, provided that nothing in this section or in any regulation adopted by the Commission shall affect any existing contracts between location providers and payphone service providers or interLATA or intraLATA carriers that are in force and effect as of the date of enactment.

"(2) PUBLIC INTEREST TELEPHONES.—In the rulemaking conducted pursuant to Paragraph (1), the Commission shall determine whether public interest payphones, which are provided in the interest of public health, safety, and welfare, in locations where there would otherwise not be a payphone, should be maintained, and if so, ensure that such public interest payphones are supported fairly and equitably.

"(c) STATE PREEMPTION.—To the extent that any State requirements are inconsistent with the Commission's regulations adopted in the rulemaking conducted pursuant to subsection (b), the Commission's regulations on such matters shall preempt such State requirements.

"(d) RULEMAKING FOR TELEMESSAGING.—In a separate proceeding, the Commission shall determine whether, to enforce the requirements of this section, it is appropriate to require the Bell operating companies to provide telemessaging services through a separate subsidiary that meets the requirements of Section 252.

"(e) MODIFICATION OF FINAL JUDGMENT.—Notwithstanding any other provision of law, or any prior prohibition or limitation established pursuant to the Modification of Final Judgment, the Commission is directed and authorized to implement this section.

"(f) DEFINITIONS.—As used in the Act:  
 "(1) the term 'payphone service' means the provision of public or semi-public pay telephones, the provision of inmate telephone in correctional institutions, and ancillary services;  
 "(2) the term 'telemessaging services' means voice mail and voice storage retrieval services provided over telephone lines, any live operator services used to record, transcribe, or relay messages (other than telecommunication relay services), and ancillary services offered in combination with these services."

## AMENDMENT NO. 1034

## SEC. 311. PROVISION OF PAYPHONE SERVICE AND TELEMESSAGING SERVICE

Part II of title II (47 U.S.C. 251 et seq.), as added by this Act, is amended by adding after section 264 the following new section:

## "SEC. 265. PROVISION OF PAYPHONE SERVICE AND TELEMESSAGING SERVICE.

"(a) NONDISCRIMINATION SAFEGUARDS.—Any Bell operating company that provides payphone service or telemessaging service—

"(1) shall not subsidize its payphone service or telemessaging service directly or indirectly with revenue from its telephone exchange service or its exchange access service; and  
 "(2) shall not prefer or discriminate in favor of its payphone service or telemessaging service.

"(b) DEFINITIONS.—As used in this section—  
 "(1) The term 'payphone service' means the provision of telecommunications service through public or semi-public pay telephones, and includes the provision of service to inmates in correctional institutions.

"(2) The term 'telemessaging service' means voice mail and voice storage and retrieval services, any live operator services used to record, transcribe, or relay messages (other than telecommunications relay services), and any ancillary services offered in combination with these services.  
 "(c) REGULATIONS.—Not later than 9 months after the date of enactment of the Telecommunications Act of 1995, the Commission shall complete a rulemaking proceeding to prescribe regulations to carry out this section and (determine whether to) adopt a per call compensation system to provide fair compensation for all payphone providers that applies to local exchange carriers once payphone service is removed from the regulated accounts of local exchange carriers. In that rulemaking proceeding, the Commission shall determine whether, in order to enforce the requirements of this section, it is appropriate to adopt regulations to require the Bell operating companies to provide payphone service or telemessaging service through a separate subsidiary that meets the requirements of section 252, allow the Bell operating companies to choose the interLATA carrier from Bell operating company payphones, and adopt other regulations to carry out the purposes of this Section. The rules adopted pursuant to this subsection shall take effect concurrently."

"(1) shall not subsidize its payphone service or telemessaging service directly or indirectly with revenue from its telephone exchange service or its exchange access service; and  
 "(2) shall not prefer or discriminate in favor of its payphone service or telemessaging service.  
 "(b) DEFINITIONS.—As used in this section—  
 "(1) The term 'payphone service' means the provision of telecommunications service through public or semi-public pay telephones, and includes the provision of service to inmates in correctional institutions.  
 "(2) The term 'telemessaging service' means voice mail and voice storage and retrieval services, any live operator services used to record, transcribe, or relay messages (other than telecommunications relay services), and any ancillary services offered in combination with these services.  
 "(c) REGULATIONS.—Not later than 9 months after the date of enactment of the Telecommunications Act of 1995, the Commission shall complete a rulemaking proceeding to prescribe regulations to carry out this section and (determine whether to) adopt a per call compensation system to provide fair compensation for all payphone providers that applies to local exchange carriers once payphone service is removed from the regulated accounts of local exchange carriers. In that rulemaking proceeding, the Commission shall determine whether, in order to enforce the requirements of this section, it is appropriate to adopt regulations to require the Bell operating companies to provide payphone service or telemessaging service through a separate subsidiary that meets the requirements of section 252, allow the interLATA carrier from Bell operating company payphones, and adopt other regulations to carry out the purposes of this Section. The rules adopted pursuant to this subsection shall take effect concurrently."

## KERREY AMENDMENT NO. 1335

Mr. KERREY proposed an amendment to the bill S. 652, supra; as follows:

On page 94, strike out line 16 and all that follows page 94, line 23, and insert in lieu thereof the following:

"(B) providing—  
 "(1) a telecommunications service, using the transmission facilities of a cable system that is an affiliate of such company, between LATAs within a cable system franchise area in which such company is not, on the date of

enactment of the Telecommunications Act of 1995, a provider of wireline telephone exchange service, or

"(II) two-way interactive video services or Internet services over dedicated facilities to or for elementary and secondary schools as defined in section 264(d)."

## FEINSTEIN AMENDMENT NO. 1036

(Ordered to lie on the table.)

Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 652, supra; as follows:

On page 136, below line 21, add the following:

## SEC. 312. CABLE EQUIPMENT COMPATIBILITY.

(a) FINDINGS.—Subsection (a) of section 624A (47 U.S.C. 544A) is amended—

(1) by striking "and" at the end of paragraph (2);

(2) by striking the period at the end of paragraph (3) and inserting in lieu thereof "and"; and

(3) by adding at the end the following:

"(4) compatibility among televisions, video cassette recorders, and cable systems can be assured with narrow technical standards that mandate a minimum degree of common design and operation, leaving all features, functions, protocols, and other product and service options for selection through open competition in the market."

(b) RULEMAKING REQUIREMENTS.—Subsection (c) of such section is amended—

(1) in paragraph (1)—  
 (A) by redesignating subparagraphs (A) and (B) as subparagraphs (B) and (C), respectively; and

(B) by inserting before subparagraph (B), as so redesignated, the following new subparagraph (A):

"(A) the need to maximize open competition in the market for all features, functions, protocols, and other products and service options of converter boxes and other cable converters unrelated to the descrambling or decryption of cable television signals"; and

(A) by redesignating subparagraphs (D) and (E) as subparagraphs (E) and (F), respectively; and

(B) by inserting after subparagraph (C) the following new subparagraph (D):

"(D) to ensure that any standards or regulations developed under the authority of this section to ensure compatibility between television, video cassette recorders, and cable systems do not affect features, functions, protocols, and other product and service options (including telecommunications interface equipment, home automation communications, and computer network services) other than those specified in paragraph (1)(B)";

## LIEBERMAN AMENDMENT NO. 1337

(Ordered to lie on the table.)

Mr. LIEBERMAN submitted an amendment intended to be proposed by him to the bill S. 652, supra; as follows:

On page 3, strike out line 12 and all that follows through page 4, line 16, and insert in lieu thereof the following:

## SEC. 303. RATING CODE FOR VIOLENCE AND OTHER OBJECTIONABLE CONTENT ON TELEVISION.

(a) SENSE OF CONGRESS ON VOLUNTARY ESTABLISHMENT OF RATING CODE.—It is the sense of Congress—

(1) to encourage appropriate representatives of the broadcast television industry and the cable television industry to establish in a voluntary manner rules for rating the

level of violence or other objectionable content in television programming, including rules for the transmission by television broadcast stations and cable systems of—

(A) signals containing ratings of the level of violence or objectionable content in such programming; and

(B) signals containing specifications for blocking such programming;

(2) to encourage such representatives to establish such rules in consultation with appropriate public interest groups and interested individuals from the private sector; and

(3) to encourage television broadcasters and cable operators to comply voluntarily with such rules upon the establishment of such rules.

(b) REQUIREMENT FOR ESTABLISHMENT OF RATING CODE.—

(1) IN GENERAL.—If the representatives of the broadcast television industry and the cable television industry do not establish the rules referred to in subsection (a)(1) by the end of the 1-year period beginning on the date of the enactment of this Act, there shall be established on the day following the end of that period a commission to be known as the Television Rating Commission (hereafter in this section referred to as the "Television Commission"). The Television Commission shall be an independent establishment in the executive branch as defined under section 104 of title 5, United States Code.

(2) MEMBERS.—

(A) IN GENERAL.—The Television Commission shall be composed of 5 members, of whom—

(i) three shall be appointed by the President, by and with the advice and consent of the Senate; and

(ii) two shall be representatives of the broadcast television industry and the cable television industry.

(B) NOMINATION.—Individuals shall be nominated for appointment under subparagraph (A)(1) not later than 60 days after the date of the establishment of the Television Commission.

(C) TERMS.—Each member of the Television Commission shall serve until the termination of the commission.

(D) VACANCIES.—A vacancy on the Television Commission shall be filled in the same manner as the original appointment.

(3) DUTIES OF TELEVISION COMMISSION.—The Television Commission shall establish rules

for rating the level of violence or other objectionable content in television programming, including rules for the transmission by television broadcast stations and cable systems of—

(A) signals containing ratings of the level of violence or objectionable content in such programming; and

(B) signals containing specifications for blocking such programming.

(3) COMPENSATION OF MEMBERS.—

(A) CHAIRMAN.—The Chairman of the Television Commission shall be paid at a rate equal to the daily equivalent of the minimum annual rate of basic pay payable for level IV of the Executive Schedule under section 5314 of title 5, United States Code, for each day (including traveltime) during which the Chairman is engaged in the performance of duties vested in the commission.

(B) OTHER MEMBERS.—Except for the Chairman who shall be paid as provided under subparagraph (A), each member of the Television Commission shall be paid at a rate equal to the daily equivalent of the minimum annual rate of basic pay payable for level V of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including traveltime) during which the member is engaged in the performance of duties vested in the commission.

## (4) STAFF.—

(A) IN GENERAL.—The Chairman of the Television Commission may, without regard to the civil service laws and regulations, appoint and terminate an executive director and such other additional personnel as may be necessary to enable the commission to perform its duties. The employment of an executive director shall be subject to confirmation by the commission.

(B) COMPENSATION.—The Chairman of the Television Commission may fix the compensation of the executive director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director and other personnel may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

(5) CONSULTANTS.—The Television Commission may procure by contract, to the extent funds are available, the temporary or intermittent services of experts or consultants under section 3109 of title 5, United States Code. The commission shall give public notice of any such contract before entering into such contract.

(6) FUNDING.—Funds for the activities of the Television Commission shall be derived from fees imposed upon and collected from television broadcast stations and cable systems by the Federal Communications Commission. The Federal Communications Commission shall determine the amount of such fees in order to ensure that sufficient funds are available to the Television Commission to support the activities of the Television Commission under this subsection.

**BROWN AMENDMENT NO. 1338**

(Ordered to lie on the table.)

Mr. BROWN submitted an amendment intended to be proposed by him to the bill S. 652, supra; as follows:

On page 62, line 23, beginning with the word "after", delete all that follows through the word "services" on line 2, page 83 and insert therein the following: "to the extent approved by the Commission and the Attorney General".

On page 68, line 17, after the word "Commission", add the words "and Attorney General".

On page 69, beginning with the word "before" on line 9, strike all that follows through line 15.

On page 90, line 10, replace "(3)" with "(C)"; after the word "Commission" on line 17, add the words "or Attorney General"; and after the word "Commission" on line 19, add the words "and Attorney General". On page 90, after line 13, add the following paragraphs:

(4) DETERMINATION BY ATTORNEY GENERAL.—

(A) REVISED STANDARD.—Notwithstanding the standard of approval set forth in subparagraph (C) of section 255(c)(2) of the Communications Act of 1934, as added by section 211(a) of this Act, the Attorney General shall approve an authorization requested in an application referred to in that subparagraph unless the Attorney General finds that there is a dangerous probability that the Bell operating company covered by the application or its affiliates would successfully use market power to impede competition in the market such company seeks to enter.

(B) DEADLINE FOR APPROVAL.—Notwithstanding any provision of section 225(c) of the Communications Act of 1934, as so added, if the Attorney General does not approve or deny an application referred to in paragraph

(1) of that section within 90 days of its submission to the Attorney General, the application shall be deemed approved by the Attorney General.

(C) PUBLICATION.—Not later than 10 days after issuing a determination under paragraph (4), the Attorney General shall publish the determination in the Federal Register." On page 91, line 1, after the word "Commission" add the words "or the Attorney General".

**GRAMM AMENDMENT NO. 1339**

(Ordered to lie on the table.)

Mr. GRAMM submitted an amendment intended to be proposed by him to the bill S. 652, supra; as follows:

Strike section 206(f)(3), and insert in lieu thereof the following:

(3) AVAILABILITY OF AUDITOR'S REPORT.—The auditor's report shall be provided to the State commission within 180 days after the selection of the auditor, and provided to the public utility company 60 days thereafter."

**BOXER (AND LEVIN) AMENDMENT NO. 1340**

(Ordered to lie on the table.)

Mrs. BOXER (for herself and Mr. LEVIN) submitted an amendment intended to be proposed by them to the bill S. 652, supra; as follows:

On page 71, between lines 2 and 3, insert the following:

(d) PRESERVATION OF BASIC TIER SERVICE.—Section 623 (47 U.S.C. 543) is further amended by adding at the end the following:

"(d) PRESERVATION OF BASIC TIER SERVICE.—A cable operator may not cease to furnish as part of its basic service tier any programming that is part of such basic service tier on January 1, 1995, unless the franchising authority for the franchise area concerned approves the action."

**DOLE AMENDMENT NO. 1341**

(Ordered to lie on the table.)

Mr. DOLE submitted an amendment intended to be proposed by him to the bill S. 652, supra; as follows:

On page 70, beginning with line 22, strike through line 2 on page 71.

**KERRY AMENDMENT NO. 1342**

(Ordered to lie on the table.)

Mr. KERRY submitted an amendment intended to be proposed by him to the bill S. 652, supra; as follows:

On page 148, strike line 14 and insert in lieu thereof the following: "agency, or nudity".

This section shall not become effective unless the Commission shall prohibit any telecommunications carrier from excluding from any of such carrier's services any high-cost area, or any area on the basis of the rural location or the income of the residents of such area; provided that a carrier may exclude an area in which the carrier can demonstrate that—

(1) providing a service to such area will be less profitable for the carrier than providing the service in areas to which the carrier is already providing or has proposed to provide the service; and—

(2) there will be insufficient consumer demand for the carrier to earn some return over the long term on the capital invested to provide such service to such area.

The Commission shall provide for public comment on the adequacy of the carrier's proposed service area on the basis of the requirements of this section.

**DORGAN AMENDMENT NO. 1343**

(Ordered to lie on the table.)

Mr. DORGAN submitted an amendment intended to be proposed by him to the bill S. 652, supra; as follows:

On page 93, after line 12, insert the following:

"(6) NOTIFICATION OF ATTORNEY GENERAL.—

"(A) NOTIFICATION.—The Commission shall immediately notify the Attorney General of any approval of an application under paragraph (1).

"(B) ACTION BY ATTORNEY GENERAL.—Upon notification of an approval of an application under paragraph (1), the Attorney may commence an action in any United States District Court if—

"(i) the Attorney General determines that the authorization granted by the Commission may substantially lessen competition or tend to create a monopoly; or

"(ii) the Attorney General determines that the authorization granted by the Commission is inconsistent with any recommendation of the Attorney General provided to the Commission pursuant to paragraph (2) of this section.

"The commencement of such an action shall stay the effectiveness of the Commission's approval unless the court shall otherwise specifically order.

"(C) STANDARD OF REVIEW.—In any such action, the court shall review de novo the issues presented. The court may only uphold the Commission's authorization if the court finds that the effect of such authorization will not be substantially to lessen competition or to tend to create a monopoly in any line of commerce in any section of the country. The court may uphold all or part of the authorization."

**KERREY AMENDMENTS NOS. 1344–1345**

(Ordered to lie on the table.)

Mr. KERREY submitted two amendments intended to be proposed by him to the bill S. 652, supra; as follows:

**AMENDMENT NO. 1344**

On page 37, line 7, insert after "service," the following: "In addition to the members of the Joint Board required under such section 410(c), one member of the Joint Board shall be an appointed utility consumer advocate of a State who is nominated by a national organization of State utility consumer advocates."

**AMENDMENT NO. 1345**

On page 37, on line 7, after "service," insert: "In addition to the members required under section 410(c) of the Communications Act of 1934, one member of the Joint Board shall be a State-appointed utility consumer advocate nominated by a national organization of State utility consumer advocates."

**HEFLIN AMENDMENT NO. 1346**

(Ordered to lie on the table.)

Mr. HEFLIN submitted an amendment intended to be proposed by him to the bill S. 652, supra; as follows:

At the appropriate place in the bill, insert the following:

**SEC. . AUTHORITY TO ACQUIRE CABLE SYSTEMS.**

(a) IN GENERAL.—Notwithstanding the provisions of section 613(b)(6)(8) of the Communications Act of 1934, as added by section 213(a) of this Act, or any other provision of law, a local exchange carrier (or any affiliate of such carrier owned by, operated by, controlled by, or under common control with

such carrier) may obtain a controlling interest in, management interest in, or enter into a joint venture or partnership with any cable system described in subsection (b).

(b) COVERED CABLE SYSTEMS.—Subsection (a) applies to any cable system that serves incorporated or unincorporated places or territories having fewer than 50,000 inhabitants if more than—percent the subscriber base of such system serves individuals living outside an urbanized area, as defined by the Bureau of the Census.

(c) DEFINITION.—For purposes of this section, the term "local exchange carrier" has the meaning given such term in section 3(kk) of the Communications Act of 1934, as added by section 8(b) of this Act.

#### LIEBERMAN AMENDMENT NO. 1347

Mr. LIEBERMAN proposed an amendment to amendment No. 1275 proposed by Mr. CONRAD to the bill S. 652, supra; as follows:

On page 3, strike out line 12 and all that follows through page 4, line 16, and insert in lieu thereof the following:

#### SEC. 503. RATING CODE FOR VIOLENCE AND OTHER OBJECTIONABLE CONTENT ON TELEVISION.

(a) SENSE OF CONGRESS ON VOLUNTARY ESTABLISHMENT OF RATING CODE.—It is the sense of Congress—

(1) to encourage appropriate representatives of the broadcast television industry and the cable television industry to establish in a voluntary manner rules for rating the level of violence or other objectionable content in television programming, including rules for the transmission by television broadcast stations and cable systems of—

(A) signals containing ratings of the level of violence or objectionable content in such programming; and

(B) signals containing specifications for blocking such programming;

(2) to encourage such representatives to establish such rules in consultation with appropriate public interest groups and interested individuals from the private sector; and

(3) to encourage television broadcasters and cable operators to comply voluntarily with such rules upon the establishment of such rules.

(b) REQUIREMENT FOR ESTABLISHMENT OF RATING CODE.—

(1) IN GENERAL.—If the representatives of the broadcast television industry and the cable television industry do not establish the rules referred to in subsection (a)(1) by the end of the 1-year period beginning on the date of the enactment of this Act, there shall be established on the day following the end of that period a commission to be known as the Television Rating Commission (hereafter in this section referred to as the "Television Commission"). The Television Commission shall be an independent establishment in the executive branch as defined under section 104 of title 5, United States Code.

(2) MEMBERS.—

(A) IN GENERAL.—The Television Commission shall be composed of 5 members, of whom—

(i) three shall be appointed by the President, as representatives of the public by and with the advice and consent of the Senate; and

(ii) two shall be appointed by the President, as representatives of the broadcast television industry and the cable television industry, by and with the advice and consent of the Senate;

(B) NOMINATION.—Individuals shall be nominated for appointment under subparagraph (A) not later than 60 days after the date of

the establishment of the Television Commission.

(D) TERMS.—Each member of the Television Commission shall serve until the termination of the commission.

(E) VACANCIES.—A vacancy on the Television Commission shall be filled in the same manner as the original appointment.

(2) DUTIES OF TELEVISION COMMISSION.—The Television Commission shall establish rules for rating the level of violence or other objectionable content in television programming, including rules for the transmission by television broadcast stations and cable systems of—

(A) signals containing ratings of the level of violence or objectionable content in such programming; and

(B) signals containing specifications for blocking such programming.

(3) COMPENSATION OF MEMBERS.—

(A) CHAIRMAN.—The Chairman of the Television Commission shall be paid at a rate equal to the daily equivalent of the minimum annual rate of basic pay payable for level IV of the Executive Schedule under section 5314 of title 5, United States Code, for each day (including traveltime) during which the Chairman is engaged in the performance of duties vested in the commission.

(B) OTHER MEMBERS.—Except for the Chairman who shall be paid as provided under subparagraph (A), each member of the Television Commission shall be paid at a rate equal to the daily equivalent of the minimum annual rate of basic pay payable for level V of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including traveltime) during which the member is engaged in the performance of duties vested in the commission.

(4) STAFF.—

(A) IN GENERAL.—The Chairman of the Television Commission may, without regard to the civil service laws and regulations, appoint and terminate an executive director and such other additional personnel as may be necessary to enable the commission to perform its duties. The employment of an executive director shall be subject to confirmation by the commission.

(B) COMPENSATION.—The Chairman of the Television Commission may fix the compensation of the executive director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director and other personnel may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

(5) CONSULTANTS.—The Television Commission may procure by contract, to the extent funds are available, the temporary or intermittent services of experts or consultants under section 3109 of title 5, United States Code. The commission shall give public notice of any such contract before entering into such contract.

(6) FUNDING.—Funds for the activities of the Television Commission shall be derived from fees imposed upon and collected from television broadcast stations and cable systems by the Federal Communications Commission. The Federal Communications Commission shall determine the amount of such fees in order to ensure that sufficient funds are available to the Television Commission to support the activities of the Television Commission under this subsection.

#### BUMPERS (AND DASCHLE) AMENDMENT NO. 1348

Mr. BUMPERS (for himself and Mr. DASCHLE) proposed an amendment to the bill S. 652, supra as follows:

On page 76 after line 10, insert the following new subsection: "AUTHORITY TO DISALLOW RECOVERY OF CERTAIN COSTS.—Section 318 of the Federal Power Act (16 U.S.C. 825q) is amended—

(A) by inserting "(a)" after "Sec. 318."; and

(B) by adding at the end of thereof the following:

"(b)(1) The Commission shall have the authority to disallow recovery in jurisdictional rates of any costs incurred by a public utility pursuant to a transaction that has been authorized under section 13(b) of the Public Utility Holding Company Act of 1935, including costs allocated to such public utility in accordance with paragraph (d). If the Commission determines that the recovery of such costs is unjust, unreasonable, or unduly preferential or discriminatory under sections 206 or 206 of this Act.

"(2) Nothing in the Public Utility Holding Company Act of 1935, or any actions taken thereunder, shall prevent a State Commission from exercising its jurisdiction to the extent otherwise authorized under applicable law with respect to the recovery of a public utility in its retail rates of costs incurred by such public utility pursuant to a transaction authorized by the Securities and Exchange Commission under section 13(b) between an associate company and such public utility, including costs allocated to such public utility in accordance with paragraph (d).

"(c) In any proceeding of the Commission to consider the recovery of costs described in subsection (b)(1), there shall be a rebuttable presumption that such costs are just, reasonable, and not unduly discriminatory or preferential within the meaning of this Act.

"(d)(1) In any proceeding of the Commission to consider the recovery of costs, the Commission shall give substantial deference to an allocation of charges for services, construction work, or goods among associate companies under section 13 of the Public Utility Holding Company Act of 1935, whether made by rule, regulation, or order of the Securities Exchange Commission prior to or following the enactment of the Telecommunications Competition and Deregulation Act of 1995.

"(2) If the Commission pursuant to paragraph (1) establishes an allocation of charges that differ from an allocation established by the Securities and Exchange Commission with respect to the same charges, the allocation established by the Federal Energy Regulatory Commission shall be effective 12 months from the date of the order of the Federal Energy Regulatory Commission establishing such allocation, and binding on the Securities and Exchange Commission as of that date.

"(e) An allocation of charges for services, construction work, or goods among associate companies under section 13 of the Public Utility Holding Company Act of 1935, whether made by rule, regulation, or order of the Securities and Exchange Commission prior to or following enactment of the Telecommunications Competition and Deregulation Act of 1995, shall prevent a State Commission from using a different allocation with respect to the assignment of costs to any associate company.

"(f) Subsection (b) shall not apply—

"(1) to any cost incurred and recovered prior to July 15, 1994, whether or not subject to refund or adjustment;

"(2) to any uncontested settlement approved by the Commission or State Commission prior to the enactment of the Telecommunications Competition and Deregulation Act of 1995"; or

"(3) to any cost incurred and recovered prior to September 1, 1994 pursuant to a contract or other arrangement for the sale of fuel from Windsor Coal Company or Central Ohio Coal Company which has been the subject of a determination by the Securities and Exchange Commission prior to September 1, 1994, or any cost prudently incurred after that date pursuant to such a contract or other such arrangement before January 1, 2001."

**SIMON (AND OTHERS)  
AMENDMENT NO. 1349**

Mr. SIMON (for himself, Mr. DOLE, and Mr. PRESSLER) proposed an amendment to the bill S. 652, supra, as follows:

At the appropriate place add the following:  
**SEC. : FINDINGS.**

The Senate finds that—  
Violence is a pervasive and persistent feature of the entertainment industry. According to the Carnegie Council on Adolescent Development, by the age of 18 children will have been exposed to nearly 18,000 televised murders and 800 suicides.

Violence on television is likely to have a serious and harmful effect on the emotional development of young children. The American Psychological Association has reported that children who watch "a large number of aggressive programs tend to hold attitudes and values that favor the use of aggression to solve conflicts." The National Institute of Mental health has stated similarly that "violence on television does lead to aggressive behavior by children and teenagers."

The Senate recognizes that television violence is not the sole cause of violence in society.

There is a broad recognition in the U.S. Congress that the television industry has an obligation to police the content of its own broadcasts to children. That understanding was reflected in the Television Violence Act of 1990, which was specifically designed to permit industry participants to work together to create a self-monitoring system.

After years of denying that television violence has any detrimental effect, the entertainment industry has begun to address the problem of television violence. In the Spring of 1994, for example, the network and cable industries announced the appointment of an independent monitoring group to assess the amount of violence on television. These reports are due out in the Fall of 1995 and Winter of 1996, respectively.

The Senate recognizes that self-regulation by the private sector is generally preferable to direct regulation by the federal government.

**SEC. : SENSE OF THE SENATE.**

It is the sense of the Senate that the entertainment industry should do everything possible to limit the amount of violent and aggressive entertainment programming, particularly during the hours when children are most likely to be watching.

**EXON (AND OTHERS) AMENDMENT  
NO. 1350**

Mr. PRESSLER (for Mr. EXON, for himself, Mr. DORGAN, and Mr. BYRD) proposed an amendment to the bill, S. 652, supra, as follows:

On page 49, line 15 after "Government (or its representative)" add the following: "pro-

vided that the President does not object within 15 days of such determination"

On page 50 between line 14 and 15 insert the following:

"(c) THE APPLICATION OF THE EXON-FLORIO LAW.—Nothing in this section (47 U.S.C. 310) shall limit in any way the application of 50 U.S.C. App. 2170 (the Exon-Florio law) to any transaction."

**BYRD (AND EXON) AMENDMENT  
NO. 1351**

Mr. PRESSLER (for Mr. BYRD, for himself and Mr. EXON) proposed an amendment to the bill S. 652, supra, as follows:

On page 1 of the amendment, line 4, strike out "determination," and insert in lieu thereof the following: "determination. If the President objects to a determination, the President shall, immediately upon such objection, submit to Congress a written report (in unclassified form, but with a classified annex if necessary) that sets forth a detailed explanation of the findings made and factors considered in objecting to the determination."

On page 49, line 17, insert after the period the following: "While determining whether such opportunities are equivalent on that basis, the Commission shall also conduct an evaluation of opportunities for access to all segments of the telecommunications market of the applicant."

**LIEBERMAN AMENDMENTS NOS.  
1352-1353**

(Ordered to lie on the table.)

Mr. LIEBERMAN submitted two amendments intended to be proposed by him to an amendment to the bill, S. 652, supra, as follows:

**AMENDMENT NO. 1352**

Strike all after the first word in the pending amendment and insert the following:

At the appropriate place, insert the following new section:

**SEC. : DETERMINATION OF REASONABLENESS OF CABLE RATES.**

(a) COMMISSION CONSIDERATION.—Notwithstanding any other provision of this Act or section 623(c), as amended by this Act, for purposes of section 623(c), the Commission may only consider a rate for cable programming services to be unreasonable if it substantially exceeds the national average rate for comparable programming services in cable systems subject to effective competition.

(b) RATES OF SMALL CABLE COMPANIES.—  
(1) IN GENERAL.—Notwithstanding any other provision of this Act or the amendments made by this Act, the regulations prescribed under section 623(c) shall not apply to the rates charged by small cable companies for the cable programming services provided by such companies.

(2) DEFINITION.—As used in this subsection, the term "small cable company" means the following:

(A) A cable operator whose number of subscribers is less than 35,000.

(B) A cable operator that operates multiple cable systems, but only if the total number of subscribers of such operator is less than 400,000 and only with respect to each system of the operator that has less than 35,000 subscribers.

**AMENDMENT NO. 1353**

At the end of the amendment, add the following:

At the appropriate place, insert the following new section:

**SEC. : DETERMINATION OF REASONABLENESS OF CABLE RATES.**

(a) COMMISSION CONSIDERATION.—Notwithstanding any other provision of this Act or section 623(c), as amended by this Act, for purposes of section 623(c), the Commission may only consider a rate for cable programming services to be unreasonable if it substantially exceeds the national average rate for comparable programming services in cable systems subject to effective competition.

(b) RATES OF SMALL CABLE COMPANIES.—  
(1) IN GENERAL.—Notwithstanding any other provision of this Act or the amendments made by this Act, the regulations prescribed under section 623(c) shall not apply to the rates charged by small cable companies for the cable programming services provided by such companies.

(2) DEFINITION.—As used in this subsection, the term "small cable company" means the following:

(A) A cable operator whose number of subscribers is less than 35,000.

(B) A cable operator that operates multiple cable systems, but only if the total number of subscribers of such operator is less than 400,000 and only with respect to each system of the operator that has less than 35,000 subscribers.

**BOXER (AND LEVIN) AMENDMENTS  
NOS. 1354-1355**

(Ordered to lie on the table.)

Mrs. BOXER (for herself and Mr. LEVIN) submitted two amendments intended to be proposed by them to an amendment to the bill, S. 652, supra, as follows:

**AMENDMENT NO. 1354**

Strike all after "(d)" in the pending amendment and insert the following:  
**PRESERVATION OF BASIC TIER SERVICE.**—Section 623 (47 U.S.C. 543) is further amended by adding at the end the following:

"(n) PRESERVATION OF BASIC TIER SERVICE.—A cable operator may not cease to furnish as part of its basic service tier any programming that is part of such basic service tier on January 1, 1995, unless the franchising authority for the franchise area concerned approves the action. This provision shall expire three (3) years after the date of enactment."

**AMENDMENT NO. 1355**

At the end of the amendment, add the following: "This provision shall expire three (3) years after the date of enactment."

**LEAHY AMENDMENTS NOS. 1356-  
1358**

(Ordered to lie on the table.)

Mr. LEAHY submitted three amendments intended to be proposed by him to an amendment to the bill, S. 652, supra, as follows:

**AMENDMENT NO. 1356**

On page 1, strike line 7 and all that follows through the end of the amendment and insert the following: "amended by section 204 of this Act, for purposes of section 623(c), the Commission may only consider a rate for cable programming services to be unreasonable if it substantially exceeds the national average rate for comparable programming services in cable systems subject to effective competition."

(b) RATES OF SMALL CABLE COMPANIES.—  
(1) IN GENERAL.—Notwithstanding any other provision of this Act or the amendments made by this Act, the regulations prescribed under section 623(c) shall not apply



to the rates charged by small cable companies for the cable programming services provided by such companies.

"(2) DEFINITION.—As used in this subsection, the term 'small cable company' means the following:

"(A) A cable operator whose number of subscribers is less than 35,000.

"(B) A cable operator that operates multiple cable systems, but only if the total number of subscribers of such operator is less than 400,000 and only with respect to each system of the operator that has less than 35,000 subscribers."

#### AMENDMENT NO. 1357

On page 1, strike line 7 and all that follows through the end of the amendment and insert the following: "amended by section 204 of this Act, for purposes of section 623(c), the Commission may only consider a rate for cable programming services to be unreasonable if it substantially exceeds the national average rate for comparable programming services in cable systems subject to effective competition.

"(b) RATES OF SMALL CABLE COMPANIES.—

"(1) IN GENERAL.—Notwithstanding any other provision of this Act or the amendments made by this Act, the regulations prescribed under section 623(c) shall not apply to the rates charged by small cable companies for the cable programming services provided by such companies.

"(2) DEFINITION.—As used in this subsection, the term 'small cable company' means the following:

"(A) A cable operator whose number of subscribers is less than 35,000.

"(B) A cable operator that operates multiple cable systems, but only if the total number of subscribers of such operator is less than 400,000 and only with respect to each system of the operator that has less than 35,000 subscribers."

#### AMENDMENT NO. 1358

On page 2, strike out line 3 and all that follows through page 2, line 19, and insert in lieu thereof the following:

"(b) RATES OF SMALL CABLE COMPANIES.—Notwithstanding any other provision of this Act or the amendments made by this Act, the regulations prescribed under section 623(c) of the Communications Act of 1934 shall not apply to the rates charged by small cable companies for the cable programming services provided by such companies.

#### BREAUX AMENDMENTS NOS. 1359—1361

(Ordered to lie on the table.)

Mr. BREAUX submitted three amendments intended to be proposed by him to an amendment to the bill, S. 652, supra; as follows:

#### AMENDMENT NO. 1359

At the appropriate place add the following: "Notwithstanding any other provisions of this act.

"(1) Except for single-LATA States, a State may not require a Bell operating company to implement toll dialing parity in an intra-LATA area before a Bell operating company has been granted authority under this subsection to provide inter-LATA services in that area or before three years after the date of enactment of the Telecommunications Act, whichever is earlier. Nothing in this clause precludes a State from issuing an order requiring toll dialing parity in an intra-LATA area prior to either such date so long as such order does not take effect until after the earlier of either such dates."

#### AMENDMENT NO. 1360

In the amendment, strike all after the first word and insert the following: "Notwithstanding any other provisions of this act.

"(1) Except for single-LATA States, a State may not require a Bell operating company to implement toll dialing parity in an intra-LATA area before a Bell operating company has been granted authority under this subsection to provide inter-LATA services in that area or before three years after the date of enactment of the Telecommunications Act, whichever is earlier. Nothing in this clause precludes a State from issuing an order requiring toll dialing parity in an intra-LATA area prior to either such date so long as such order does not take effect until after the earlier of either such dates."

#### AMENDMENT NO. 1361

In lieu of the matter proposed to be inserted, insert the following:

"(1) Except for single-LATA States, a State may not require a Bell operating company to implement toll dialing parity in an intra-LATA area before a Bell operating company has been granted authority under this subsection to provide inter-LATA services in that area or before three years after the date of enactment of the Telecommunications Act, whichever is earlier. Nothing in this clause precludes a State from issuing an order requiring toll dialing parity in an intra-LATA area prior to either such date so long as such order does not take effect until after the earlier of either such dates."

#### NOTICE OF HEARING

COMMITTEE ON ENERGY AND NATURAL RESOURCES AND COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. MURKOWSKI. Mr. President, along with Senator CHAFEE, I would like to announce for the information of the Senate and the public that a hearing has been jointly scheduled before the Committee on Energy and Natural Resources and the Committee on Environment and Public Works.

The hearing will take place Thursday, June 29, 1995 at 10 a.m. in room SD-366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of this oversight hearing is to receive testimony on the energy and environmental implications of the Komi oil spills in the former Soviet Union.

Those wishing to submit written statements should write to the Committee on Energy and Natural Resources or the Committee on Environment and Public Works, U.S. Senate, Washington, DC 20510. For further information please call Ms. Linda Jordan (Committee on Environment and Public Works) at 202-224-6176 or Mr. Howard Useem (Committee on Energy and Natural Resources) at 202-224-6567.

#### AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION AND FORESTRY

Mr. PRESSLER. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be allowed to meet during the

session of the Senate on Tuesday, June 13, 1995, at 9:30 a.m., in SR-332, to discuss commodity policy.

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

#### COMMITTEE ON ARMED SERVICES

Mr. PRESSLER. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet at 10:00 a.m. on Tuesday, June 13, 1995, in open session, to hold a hearing to consider the nomination of John White to be Deputy Secretary of Defense.

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

#### COMMITTEE ON COMMERCE, SCIENCE AND TRANSPORTATION

Mr. PRESSLER. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be allowed to meet during the Tuesday, June 13, 1995 session of the Senate for the purpose of conducting a hearing on the nomination of Roberta Gross to be Inspector General of NASA and an oversight hearing on NASA's Mission to Planet Earth program.

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

#### COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. PRESSLER. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Tuesday, June 13, 1995, for purposes of conducting a Full Committee hearing which is scheduled to begin at 9:30 a.m. The purpose of this hearing is to receive testimony on S. 756, a bill to amend the Atomic Energy Act of 1954 to provide for the privatization of the United States Enrichment Corporation.

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

#### COMMITTEE ON FOREIGN RELATIONS

Mr. PRESSLER. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, June 13, 1995, at 10:00 a.m.

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

#### SUBCOMMITTEE ON EAST ASIAN AND PACIFIC AFFAIRS

Mr. PRESSLER. Mr. President, I ask unanimous consent that the Subcommittee on East Asian and Pacific Affairs of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, June 13, at 2:00 p.m.

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

#### SUBCOMMITTEE ON SOCIAL SECURITY AND FAMILY POLICY

Mr. PRESSLER. Mr. President, I ask unanimous consent that the Subcommittee on Social Security and Family Policy of the Committee on Finance be permitted to meet on Tuesday, June 13, 1995 beginning at 10:00

## **Document No. 47**

