

106TH CONGRESS
1ST SESSION

H. R. 3498

To amend the Communications Act of 1934 to improve the operations of
the Telecommunications Development Fund.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 18, 1999

Mr. TOWNS (for himself, Mr. TAUZIN, Mr. DINGELL, Mr. MARKEY, and Mr.
OXLEY) introduced the following bill; which was referred to the Com-
mittee on Commerce

A BILL

To amend the Communications Act of 1934 to improve the
operations of the Telecommunications Development Fund.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Telecommunications
5 Development Fund Improvement Act”.

6 **SEC. 2. DEPOSITS AND USE OF ACCOUNTS FOR UPFRONT**
7 **PAYMENTS.**

8 Section 309(j)(8)(C) of the Communications Act of
9 1934 (47 U.S.C. 309(j)(8)(C)) is amended—

1 (1) by striking “DEPOSIT AND USE OF AUCTION
 2 ESCROW ACCOUNTS” and inserting “DEPOSITS AND
 3 USE OF AUCTION ESCROW ACCOUNTS FOR UPFRONT
 4 PAYMENTS”; and

5 (2) by striking “deposits” each place it appears
 6 and inserting “upfront payments”.

7 **SEC. 3. DEPOSITS AND USE OF ACCOUNTS FOR DOWN PAY-**
 8 **MENTS.**

9 Section 309(j)(8) of the Communications Act of 1934
 10 (47 U.S.C. 309(j)(8)) is amended by adding at the end
 11 the following new subparagraphs:

12 “(D) DEPOSITS AND USE OF AUCTION ES-
 13 CROW ACCOUNTS FOR DOWN PAYMENTS.—Any
 14 down payment that the Commission may re-
 15 quire any bidder to submit before issuance of a
 16 license or permit in a system of competitive bid-
 17 ding pursuant to this subsection shall be depos-
 18 ited in an interest-bearing account at a finan-
 19 cial institution designated for purposes of this
 20 subsection by the Commission (after consulta-
 21 tion with the Secretary of the Treasury). With-
 22 in 45 days following the issuance of a license or
 23 permit—

24 “(i) the down payments of successful
 25 bidders shall be paid to the Treasury; and

1 “(ii) the interest accrued to the ac-
2 count shall be transferred to the Tele-
3 communications Development Fund estab-
4 lished pursuant to section 714.

5 “(E) TREATMENT OF TRANSFERRED
6 AMOUNTS.—Any amounts transferred under
7 subparagraph (C) or (D) to the Telecommuni-
8 cations Development Fund established pursuant
9 to section 714 shall qualify for purposes of the
10 Small Business Investment Act of 1958 and the
11 definitions in section 103(9) of such Act (15
12 U.S.C. 662(9)(A)).”.

13 **SEC. 4. REGULATIONS.**

14 Within 60 days after the date of the enactment of
15 this Act, the Federal Communications Commission shall
16 make such modifications to its rules as are necessary to
17 carry out the amendments made by this Act.

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