

act resulted in over \$800 million in decreases in equipment charges and over \$400 million in decreases for consumers in service charges. The fact that revenues—even taking this view that they remained flat indicates that the cable industry is thriving and is a highly profitable industry, even under regulation. Again, there is a 20-percent operating margin, the highest in the telecommunications business in 1993, and the stock market indicates continued consumer confidence in the business. All of that under regulation.

The distinguished chairman of the committee mentioned that public debt offerings dropped under regulation. Respectfully, I claim the opposite. Debt financing for the cable industry climbed from \$6.9 billion in 1993 to \$10.8 billion in 1994, an almost \$4 billion increase, continuing a pattern of steady growth in debt financing since 1991, uninterrupted by the very reasonable regulation that we put on in 1992 on a bipartisan basis.

As for investments and access to capital, the major cable companies are consolidating and buying up other monopolies right and left and they are spending a lot of money doing so. For example, in February 1995, Time Warner offered \$2.7 billion for Cablevision Industries systems. In January 1995, Time Warner offered \$2.24 billion for Houston Industries cable systems. In January 1995, Intermedia Partners, TCI, and others offered \$2.3 billion for Viacom's cable system. And the list goes on.

I am not saying this is wrong. I am happy about it. What I am pointing out here is that the cable industry, under the very reasonable consumer protection regulations that we have had on for the last 2 years, has been a healthy industry with lots of capital to invest. There is no reason to believe that will not continue to be the case under the amendment that I put forth. Let us remember, the great fear here of the cable industry is competition from the telephone companies—and they are regulated.

Often cited are the companies that are selling out these systems, these cable systems. But I want to say those who are selling are doing so at a very healthy profit.

One other argument that arises again is that competition is just around the corner. As I have indicated, I hope so. I hope competition is around the corner. I hope we can get the regulation out of here. But right now, to receive a direct broadcast satellite system, a consumer has to invest about \$700 to buy the equipment and then pay a monthly charge at least as large as the current cable bills. At the moment, again, less than 0.5 percent of subscribers are choosing this DBS satellite. As my friend and colleague from South Dakota points out, at the current rate of subscription, in 5 years there will be 5 million subscribers to DBS. Mr. President, 5 million subscribers is only 8 percent of the current subscribers to

cable. And 8 percent, in my opinion, is not effective competition in any market, certainly not under the bill, not under the law as it stands now.

As for the telephone companies, they are only doing experiments in some markets. It will take time before they are active competitors. If any competitor surprises us and gets to the market more rapidly, hallelujah, that is great news. All the regulation I am advocating will go away once competition hits the market. That is what this amendment is about. Let us let competition work for the consumer and for the industry.

Mr. President, I understood Senator LEAHY was going to come to the floor to speak to the amendment. Not seeing him on the floor, I reserve whatever time I have remaining and yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

Mr. LIEBERMAN. Mr. President, seeing no one seeking recognition, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

AMENDMENT NO. 1283, AS MODIFIED

Mr. SIMON. Mr. President, I call up my amendment No. 1283.

The PRESIDING OFFICER. The amendment of the Senator from Illinois, No. 1283, has already been called up.

Mr. SIMON. Mr. President, I have not had a chance to talk to Senator PRESSLER or Senator HOLLINGS. But I would be willing to have a 20-minute time agreement, 10 minutes on my side and 10 minutes on the other side. I am not sure that anyone is going to speak in opposition. I would welcome no one speaking in opposition. But I do believe that at least one Member on the other side wants to vote against it.

The PRESIDING OFFICER. The Chair informs the Senator from Illinois that, under the previous order, time is limited to 30 minutes on first-degree amendments.

Mr. SIMON. I am willing to reduce that to 20 minutes.

Mr. PRESSLER. That is the best music I have heard this morning.

The PRESIDING OFFICER. The Senator is willing to either use or yield back whatever time he does not wish to use.

Mr. SIMON. Mr. President, let me outline what the situation is right now. We now have under the FCC rule a limit of 20 FM stations and 20 AM stations that may be owned by any one entity. The Dole amendment takes the cap off that completely. The most that is owned by any one entity right now is Infinity. They own 27 stations. CBS owns 26.

Under the bill as it is right now, anyone—the Dan Coats Co.—can theoret-

ically own every radio station in the United States. Obviously, I do not think that would happen. But I think diversity in this field is extremely important.

My amendment raises that cap of 20 and 20 to 50 and 50 so that there could be 100 stations owned by any one entity. That is a 150-percent increase over where we are right now.

I think that is reasonable. I just think it is not in the public interest to have a concentration. Economic concentration generally is not good, but particularly in the media I think there are dangers to the future of our country.

Bill Ryan of the Washington Post and Newsweek wrote in Broadcast and Cable of May 27, and said,

The whole world is trying to emulate the local system of broadcasting that we have in this country, and here we are creating a structure that will abolish it or put it in the hands of a very, very few. I think it is unsound.

Let me add that my friends in Infinity and CBS both have no objection to this amendment—the people who own the largest numbers right now. The National Association of Broadcasters do. Let me just say candidly that I worked with Senator STROM THURMOND and a few others here in trying to negotiate with them some kind of limitation or sensible packaging on liquor advertising on radio. They resisted any change. Here again, they want to have it all. I have been in this business of politics long enough so that when you have leadership at the National Association of Broadcasters that is so narrow minded that it wants to have it all, the pendulum is going to swing from one extreme to another. They are making a great mistake. I have yet to talk to a single radio station owner who does not think this is a sensible amendment.

I hope that my friends on the floor of the Senate and the House would vote for this amendment.

Mr. President, I reserve the remainder of my time.

Mr. President, I question the presence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. SIMON. Mr. President, I ask unanimous consent to speak as if morning business for 2 minutes.

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

THANKS TO THE PAGES, AND OTHERS

Mr. SIMON. Mr. President, I just learned talking to the pages they are going to be leaving tomorrow. One of the things that we do around here is we

do not thank people enough. And the pages have just been terrific.

We are very proud of you, and I am sure some of you are going to be Senators someday in the future.

But it is not only the pages. It is the people who take the RECORD; it is the people at the front desk who tolerate us when we come up and say, "How did COATS vote on this? How did PRESSLER vote on this?" It is the people who are waiters and waitresses downstairs—all of the people, the people who watch the doors. I am going to get back in good graces with someone here—it is the people who write out our amendments. It is the people who provide the thousand-and-one little services that we just neglect to thank people for.

So I just wanted to get up and say we thank everyone, and wish the pages the very best. They are a fine group of young people with a bright future. We wish them the very best.

Mr. President, I see the Senator from Montana on the floor. He may wish the floor at this point.

I yield the floor.

TELECOMMUNICATIONS COMPETITION AND DEREGULATION ACT

The Senate continued with the consideration of the bill.

Mr. BURNS addressed the Chair.

The PRESIDING OFFICER (Mr. SANTORUM). The Senator from Montana.

AMENDMENT NO. 1283, AS MODIFIED

Mr. BURNS. I rise in opposition to the Simon amendment.

The Senator is right; we do not thank people enough. I wish to thank the Senator from Illinois for bringing up this issue.

I think it important that the American people take a look and see exactly what is happening in the broadcast business. Radio ownership decisions should be made by owners and operators and investors and not by the Federal Government. That is why we need to eliminate all remaining caps on national and local radio ownership.

Let us take into consideration some things happening in the broadcast industry. Even if I own two radio stations in the same market, would I program them the same? Would I want the diversity to capitalize on an advertising market so that I can expand that advertising base? Because that is what pulls the wagon in the broadcast business—advertising dollars. Would I program it the same? I seriously doubt it. And there are some right now, even though they own an FM station and an AM station and operate it out of the same building, use the same engineer, sometimes the same on-the-air personalities, their programming is different. That is what is happening in the broadcast business today. Now, that is the real world.

Nationally, there are more than 11,000 radio stations providing service to every city, town, and rural community in the United States. Presently,

no one can control more than 40 stations. That is 20 AM stations and 20 FM stations. Clearly, the radio market is so incredibly vast and diverse that there is no possibility that any one entity could gain control of enough stations to be able to exert any market power over either advertisers or programmers.

At the local level, while the FCC several years ago modified its duopoly rules to permit a limited combination of stations in the same service in the same market, there are still stringent limits on the ability of radio operators to grow in their markets. Further, the FCC rules permit only very restricted or no combinations in smaller markets. These restrictions handcuff broadcasters and prevent them from providing the best possible service to listeners in all of our States. And, unfortunately, the Simon amendment, whether intended or not, only addresses the national limitations and does nothing to alleviate excessive local market controls.

Increased multiple ownership opportunities will allow radio operators to obtain efficiencies from being able to purchase programming and equipment on a group basis and from combining operations such as sales and engineering which is going on today.

We do not hear any cry in just the local market of anything being really wrong in the broadcast business.

Radio stations have to face increasing competition from other radio stations and from other advertising and programming sources, such as cable television operators. Nowadays many cable operators have begun to provide music and related services that compete locally with radio stations, and soon satellite services will have the capabilities of providing 60 channels of digital audio service that will be available in communities across the Nation, of which there is no wall to receive their signal.

Also in the near future, radio stations will begin facing the need for new capital investment when the FCC authorizes terrestrial digital audio broadcasting. Without an opportunity to grow and to attract capital, our Nation's radio industry will face an increasingly difficult task in responding to these multiplying competitive pressures.

And they are competition. But we also wonder why should we in some way or other hamper a local broadcast station from supporting the local community. News, weather, sports, all the community services that we enjoy in our smaller communities, we have to be able to attract advertising dollars, yet we will be subject to the competition of direct broadcast and also the cable operators. But competition is what makes it good. I am not worried about that. We can compete. Just do not limit our ownership decisions to buy or sell based on a Government-imposed cap on what we can own.

I received a letter from Benny Bee, President of Bee Broadcasting up at Whitefish, MT. Benny writes, and I quote:

I can't express how important it is that the markets be opened up and the ownership caps be taken off. Broadcasters like myself need to be able to compete. . . . I urge you to defeat the Simon amendment and help move broadcasters forward as we go into the Twenty First century.

Larry Roberts, who operates stations in my home State of Montana, has written me stating:

[Radio deregulation] would provide us with the freedom to excel and succeed. It will not only allow us to compete more effectively, it will also increase the value of our radio stations.

And in the 1980's we had an explosion, Mr. President, of licenses granted to stations when really there was no market analysis done that the market could even handle another radio station.

There are many more examples that I could leave you with. One final one from Ray Lockhart of KOGA, an AM and FM station in Ogallala, NE, not my constituents but I know Ray very well. My wife comes from that part of the country. And he writes:

Soon, one DBS operator will be able to deliver 50 to 60 radio channels into every market in the country with none of the rules that I labor under. The Baby Bells will be able to do the same thing at even less cost. Help broadcasters by not protecting us. Cut us loose from ownership . . . regulation so we can take advantage of our abilities to compete.

And I think that is the argument here, the ability to compete. Do not shut the doors of opportunity.

So we need to look at the true picture of the challenge that the industry faces. For the longest time we have viewed radio as competing only with itself, as if it exists in a vacuum. And basically I know something about that because my main competition basically in the advertising business was from the print media. You have to deal with that—and there is competition there—in order to stay economically viable.

Radio goes head-on with other forms of mass media for the audience and for those advertising dollars that fuel its well-being. We need to start acknowledging this important distinction and give radio the tools it needs to compete with all other information providers. That is why I urge you to vote against the Simon amendment.

Mr. President, I ask unanimous consent that the attached letters from the broadcasters that I mentioned be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

BEE BROADCASTING, INC.,
Whitefish, MT, June 14, 1995.
Senator CONRAD BURNS,
Washington, DC.

DEAR SENATOR BURNS: It was great visiting with you the other day when you were home in Montana and I hope the conference went well.

The reason I am writing is I know that you will be introducing legislation that is going