

those behind the iron curtain. It has shackled the minds of free men everywhere into believing that it is better than free enterprise and democracy.

That is where you people must carry the fight to the enemy. Bullets alone will not stop communism. Let us, on this day dedicated to fathers, dedicate our lives to the support of free will, free speech, freedom from fear, freedom of religion, and freedom of thought.

We cannot fear communism, but we must make communism fear us. And, believe me, the Reds do. At every move of our enemy, we stop them, we repulse them and we humiliate them. It is but a matter of time before they will quit. They can only suffer defeat. Be it not the will of free men to be dictated to, and thus communism cannot succeed.

TELECOMMUNICATIONS COMPETITION AND DEREGULATION ACT

The Senate continued with the consideration of the bill.

Mr. DOMENICI. Mr. President, in 1934, when the last major piece of communication regulation was passed, we had radios and telephones, and often telephones had many parties on the same line.

Now we have telephones, radios, computers, modems, fax machines, cable television, direct broadcasting satellite, cellular phones, and an array of budding new technological improvements to communication.

As a matter of fact, I believe this period in modern history will be marked singly by the advances that humankind is going to make with reference to communications. I think it will add appreciably to the wealth of nations. It will add significantly to the time people have to do other things because it will dramatically produce efficiencies in communication that were unheard of. It will bring people together who are miles apart.

We can dream and envision the kind of things that will happen by just looking at what has happened to cellular phones, to portable phones, and think of how communications is going to advance.

Mr. President, fellow Senators, it is obvious that we have a law on the books and court decisions governing this industry that shackle it and deny the American people, and, yes, the people of the world, the real advantages that will come from telecommunications advances that are part of a marketplace that is competitive, where the great ideas of people can quickly find themselves converted from ideas to research, from research to technologies, and then rapidly into the marketplace to serve various needs of business, of individuals, of schools and on and on.

Some New Mexicans have told me, "We are happy with the phone service we have now. What are we changing in this legislation, and why must we change it?" Obviously, we are not going to be changing the phone service other than making the options that our people have, giving them more options, making the communication, be it a

telephone, a more modern thing, and people will be able to do much more by way of communicating than before.

People should not fear, but rather look at this as a new dawn of opportunity and a way to communicate and enhance freedom beyond anything we could have comprehended 20 or 30 years ago.

It stands to reason that with all of that happening—and part of it has grown up under regulation and part of it not—it is time to change that old law and do something better, take some chances, if you will, with the marketplace. It will not come out perfect.

I just heard my good friend from Nebraska, Senator KERREY, indicate he was concerned. Obviously, I am less concerned than he. I believe this bill will cause much, much more good than the possibility for harm that might come because we may not totally understand the end product.

It may be difficult to totally understand the end product of this deregulation. Anybody that is that intelligent, knows that much about it, it seems to me, is well beyond what we have around here. Maybe there is not anybody in the country that could figure out where all of this will lead.

It is obvious to this Senator that if we are looking for productivity, if we are looking to enhancing communication, new technology, investment, new jobs, new gross domestic product growth, we must deregulate this industry.

There is great capacity—both human and natural—and there are large amounts of assets tied up in this industry. We have to let them loose to grow, compete and prosper.

I hope on the many issues that we voted on, that we came down on the right side. I do not think one should vote against this bill because one or two of their amendments did not pass.

Fundamentally, this is a giant step in the right direction.

We have outgrown the Communications Act of 1934. It is time to pass the Telecommunications Competition and Deregulation Act of 1995. This legislation will foster the explosion of technology, bring more choices and lower prices to consumers, promote international competitiveness, productivity, and job growth.

This legislation will open up local phone service to competition and when this market is open, allow local phone companies to enter the long distance markets. This will create more competition resulting in lower prices and better services for the consumer.

Some New Mexicans have told me "we are happy with the phone service we have now. Why do we need legislation to change it?" What I want to tell my fellow New Mexicans is that this legislation will not disrupt the phone service that they depend upon now.

What the Telecommunications Competition and Deregulation Act of 1995 will do is provide consumers with more

choices and lower prices in long distance phone service and television programming. The legislation also preserves the universal service fund which subsidizes telephone service to rural areas.

Right now, consumers have a choice of what company they want to provide long distance phone service. After this legislation takes affect, consumers will be able to choose among companies that will provide them with local and long distance service.

This legislation will also give consumers more choices in how to receive television programming. Currently, if a consumer's area is served by cable, a consumer may choose between the cable company and somewhat expensive satellite or DBS service. This legislation will allow the phone company to offer television over phone lines, so there is a choice between the cable company, the phone company, and DBS.

The Telecommunications Competition and Deregulation Act of 1995 will remove the regulations that have hindered the development and expansion of technology. Regulations, such as the regulated monopolies in local telephone service, required by the Communications Act of 1934, have forced U.S. companies wanting to invest in local phone markets to invest overseas.

In 1934, it made sense to only have one company laying phone lines and providing phone service. But now that many homes have both cable and phone lines, and may have a cellular phone, it makes sense to open up phone service to competition. When this legislation opens local markets to competition, companies like MCI, which have plans to invest in the United States, but have been forced to make investments overseas, will be able to invest, create jobs, and provide better phone service to U.S. consumers.

The President's Council of Economic Advisors estimates that as a result of deregulation, by 2003, 1.4 million service sector jobs will be created.

Over the next 10 years, a total of 3.4 million jobs will be created, economic growth will increase by approximately .5 percent, and, according to George Gilder, the gross domestic product will increase by as much as \$2 trillion.

This legislation will increase exports of U.S. designed and manufactured telecommunications products.

Increased investment in telecommunications products and services will bring a better quality of life to rural New Mexico. With fiber optic cable connections, doctors in Shiprock, NM, can consult with specialists at the University of New Mexico Medical Center or any medical center across the country.

The technology to let students in Hidalgo County, NM, in towns like Lordsburg and Animas, share a teacher through a video and fiber optic link. What this legislation would do is remove the regulations that currently prevent investment to get technologies to the local phone market.

Mr. President, I support this legislation because of the benefits to rural education and rural health care, better local and long distance phone services, and new technology and new jobs for Americans. I believe this legislation is a good start to accomplish these objectives.

I wish to commend the managers of this bill and their staffs for their tireless work to craft this legislation. I appreciate Chairman PRESSLER's willingness to listen to the concerns of each member of this body.

Mr. President, we need this legislation to move our citizens and our economy into the next century. I urge my colleagues to support it.

Mr. President, I want to take a minute. I remember when I first had the luxury and privilege of being the chairman of the committee and had to come to the floor to manage a bill. That was a few years ago when we had the luxury, for 6 years, of being in the majority.

I want to say that the majority, the Republicans, should be very proud of the new chairman, Senator LARRY PRESSLER, who has managed this bill. This is his first chairmanship of a major committee. That is rather exciting to him and I am sure to his family.

I want to say for the record that for this Senator, who has watched those who come to the floor for the first time managing a bill, that this Senator deserves our congratulations for the good job he has done.

This was a tough bill. It will stand in his accomplishment list high on the ladder, to have managed this great bill which will bring great, positive change for our country and for millions of people. My congratulations to him here today. I imagine that with this good effort, we can look for many more under his chairmanship.

Obviously, it goes without saying that the distinguished ranking member, who I have been on the floor with on the other side when he was chair, when I was chairman, that he always does a great job managing the bill, from whichever side, majority or minority. I want to congratulate him for getting this bill through. It is great to have something totally bipartisan. It will be very bipartisan.

When we have major problems to be solved for the country, we cannot always do it that way, but it sure is nice, and the public ought to be proud the Democrats and Republicans are working together on this bill.

Mr. PRESSLER. Mr. President, I want to sincerely thank the Senator from New Mexico who chairs our Budget Committee so well. I have watched him so often, and words from him mean a great deal. We thank the Senator very much for his statement.

Mr. GORTON. Mr. President, I heard the remarks of my distinguished colleague from New Mexico, and I can simply echo them from the perspective of membership on the Commerce Committee.

Senator PRESSLER has met this test with flying colors and deserves a tremendous amount of credit. But not the least of the items for which he deserves praise is his ability and willingness to work with the distinguished Senator from South Carolina, Senator HOLLINGS.

I have said this privately to the Senator from South Carolina, it is obviously difficult to be in charge, to be a chairman of the committee, to have strong ideas on a subject as he has had, and then find himself, without any action on his part, in a different position. His willingness to share his wisdom and his ideas—not just with Senator PRESSLER, but with all members on the Commerce Committee—and his willingness to make this such a constructive bipartisan endeavor is a tribute to him and, I think, to the Senate.

This bill, as I said in my opening remarks, is as important a piece of legislation as the Senate has dealt with, which has created no interest in the general public at all outside, of course, of the various entities that are in the business itself. To reach as good a conclusion as we seem to have reached and to have done it in such a bipartisan fashion brings great credit, in my view, on the chairman of the committee, but very, very much credit on my good friend from South Carolina, whose wisdom and guidance and views on this subject are very much impressed in the bill itself and are vitally important to our success.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, let me thank our distinguished colleague from Washington for his overgenerous remarks, although undeserved they are greatly appreciated. I join the Senator from New Mexico and join in the sentiments of both the Senators from New Mexico and Washington, that our distinguished chairman has done an outstanding job here in handling this bill. It has been totally in a cooperative fashion and in a very, very considerate fashion of everyone's amendments.

When you begin to appreciate that, I think, a 1-cent increase in a 1-minute telephone rate nationwide equals \$2 billion, then you begin to see why that other room stays filled up. They are not going to leave until we get through the conference. So we just started that journey of 1,000 miles with the first step. I hope we can continue with the success we have had thus far.

I will even elaborate further when we get more time, because other Senators want to speak, but Senator PRESSLER has done an amazingly outstanding job.

Mr. PRESSLER. Mr. President, I thank the Senator from Washington. He has been key in moving this bill forward. I see he has moved to another part of the room. But his wise counsel has been very much—I know he has managed that enormous product liability bill in our committee. But on this committee he has just done—this bill would not be here if it were not for the

Senator from Washington and I thank him very, very much.

Mr. GRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, I would like to add my voice of commendation to the chairman of the committee and the ranking member for the manner in which they have presented this bill and given us an opportunity to understand its contents and debate its principal provisions.

It had been my full expectation that I would support this legislation. I was well aware of the legislation that had been introduced last year by the then chairman, the Senator from South Carolina. I was publicly, positively supportive of that legislation. I, frankly, therefore, state with regret that I will not be able to support the legislation that is before us in the form this afternoon. The debate we are having now on an amendment relative to a provision of the legislation having to do with the relationship between the providers of cable television product and the purchasers of that product is, to me, illustrative of a concern, a process that seems to have been too much operative in the development of this legislation and in its consideration. That is a process which essentially says that the Congress, as the elected representatives of the people, serve the role of ratifiers of private agreements developed among the parties who will be affected by this legislation.

Reference was made earlier to the model of President Truman and a railroad strike that occurred after World War II. He initially had proposed a congressionally mandated solution. Then the parties decided that maybe they could go back to the bargaining table and arrive at a resolution. I think that is an appropriate manner for the resolution of a labor-management dispute. But we are not here talking about a labor-management or other commercial controversy. We are talking about one of the most fundamental aspects of a democratic society, and that is control of ideas and their dissemination. That is a role in which any democratic government has a key responsibility. It has been a fundamental part of this Nation since the adoption of the first amendment to the Constitution, which guarantees freedom of press and freedom of speech.

So we here are not talking as ratifiers of some private agreement as to how ideas would be made available to the American people. We are here as the representatives of the American people, to try to structure a process of communications law that will best serve the interests and the values of the American people today and, in a highly dynamic era, into the future.

I started my consideration of this legislation from a basic economic premise of support of the marketplace as the best allocator of resources. While Governor of Florida, I actively supported the deregulation of a number

of our industries. I supported the delicensure of professions where I felt licensure was not serving an adequate public purpose. Thus, I started with a presumption of support of appropriate opening up to the marketplace as the regulator for access, quality and cost of the communications industry.

I, regretfully, find two principal defects in the way in which we have implemented that movement towards the marketplace. First, I do not believe that this legislation adequately creates the free, robust, competitive marketplace to which we can, with confidence turn in lieu of our tradition of regulation as a means of assuring open, quality, affordable communications in this Nation. I would just cite two examples of provisions which I think undercut that confidence that we will have a free market that will be the means by which we will achieve desirable public ends.

First, as it relates to cable television, we saw from 1984 until 1992 a period in which the Congress had denied to States and local governments their traditional role of providing some regulation for cable television. What we saw was not only an escalation of cost of cable TV, but in many communities an escalation of arrogance, as the cable TV companies did not provide what consumers considered to be an adequate level of service. In some areas, parts of the city which had the affluent neighborhoods were wired for cable TV, while those areas of the city that did not have adequate income base to meet the economic needs of the cable TV system were denied any service at all.

Beginning in 1992 there was a process of partial reregulation. We have seen significant benefits by that. We have seen a reduction in the cost of cable TV for most American families. At the same time we have seen a cable TV industry which is at an all-time high in terms of its economic prosperity. Yet, part of this legislation is going to be to roll back the progress that was made just 3 years ago in terms of providing some control, even though that control would fall away when it was established that there was in fact a competitive marketplace where people had options and choices and could use the marketplace as the means of assuring access, quality, and cost control. That provision is now out of this legislation. I think with it also has flown a significant amount of the rationale of allowing the marketplace to provide the alternative to regulation. In this case we have neither an open marketplace nor do we have any meaningful regulation.

I might say that I have had a number of contacts in our office from representatives of the cable TV industry, and they are very candid in their statements. Their statements are that they want to have this period of no regulation while they still are in a monopolistic position—that is, without effective competition within their market area—so that they can build up their cash position to be in a better position

to compete with the regional phone companies at such time that the regional phone companies get into the cable TV business. That is a statement that they are not being clandestine or secret about. They are telling us that they are going to use this remaining period of monopoly as a means of raising rates in order to be in a strengthened position when they are in a competitive market. I think we will find it very difficult to explain to our citizens why we tolerated what I think is a basic abuse of the free enterprise system.

Second, as an example of where this legislation fails to assure that there will be, in fact, an open, competitive marketplace before we trade in regulation as a means of assuring the public access quality and cost control is the issue of the role of the Department of Justice as it relates to the entry of regional telephone companies into long distance.

In the legislation that was before us last year, the Department of Justice continued to have a role in terms of evaluating specific proposals to determine if they met basic standards of antitrust before they could go forward. That provision has now been eliminated. So we are going to have companies going into the long-distance business by meeting a checklist supervised by an agency that has not had the kind of background and tradition of ferreting out anticompetitive schemes as has the Department of Justice.

I believe that we are going to see the potential—when a person moves into a new neighborhood and calls the telephone company and asks to have their local service connected, then they are asked what long distance they want, there will be the potential of the local concern to tout, or otherwise steer, the local service customers to that same firm's long-distance service. That would be very much in the economic interest of the local service to do.

To provide sanctions and protections against exactly that type of situation, we ought to have the Department of Justice playing a role in making that judgment as to whether there is in fact a free and open market before we trade in our regulation that has provided consumers some protection.

So I think, first, this legislation fails to meet the basic premise upon which it is based; that is, that we will have meaningful competition as a substitute for regulation in the communications area.

Second, I believe that we cannot use the analogy that I have heard on the floor over the past few days of commercial products as a direct parallel to the service of communications.

The reality is that ideas are not like shirts or shoes or hamburgers or other products where there clearly have been benefits by having an unfettered, free market.

Thomas Jefferson once observed that, having to make choice between free government and free speech or freedom

of the press, he would take free speech and freedom of the press because, if you did not have those fundamentals, you would not have a free government for long. And if you lost the free government but you still had people who could have the freedom to speak and the freedom to communicate ideas, you would build eventually a base for a restoration of free government.

This issue is as fundamental as our basic precepts of democracy and what is required for a functioning democracy.

I am very concerned about the effect of the concentration of power within this legislation, a concentration of power which I do not believe is necessary in order to accomplish the objectives of a greater role of the marketplace in the allocation of communications technology.

Why do we have to lift totally the number of television stations that an individual entity can own in order to get the benefits of technological innovation in telephones or in television or video or other services? I believe that this legislation is being used as a means by which to accomplish other ends, which are to concentrate power in an area that is critical to a democratic society. I have little doubt that, if this legislation is passed in its current form, within a few years from this afternoon we will see a handful of firms control the large majority of television stations in the United States. It frankly frightens me to see that kind of power turned over to a few hands. I do not see what benefit the consumers are going to receive by that. I believe that will be the inevitable result of this legislation. I do not see what purpose in the general thrust of this legislation is advanced by that kind of an open invitation to concentration of power and control over the access to ideas in our democratic society.

So I believe that this legislation had a worthy goal to bring modernity, a recognition of the changes in technology, to give us a chance for a greater access to the benefits of a rapidly changing telecommunications industry but that we have fallen short of those goals by failure to assure that there will be a functioning free market before we drop the protections of even minimal regulations such as those that are available today for cable TV customers, and we have allowed the general goal to be held out under which was buried efforts to concentrate economic power which has the potential to damage our democratic society.

So it is, Mr. President, with a sense of disappointment that I announce my inability to support this legislation in its current form. I hope that by stating the basis of my opposition, that might contribute to further reforms before this legislation is finally adopted, finally resubmitted to us out of a conference committee, so that we will have legislation that can draw the kind of broader support for change, I believe, as fundamental—I would say as

radical—as this should have before it is adopted.

Thank you, Mr. President.

Mr. STEVENS. Mr. President, I rise merely to congratulate my good friend, the Senator from South Dakota, and also my friend from South Carolina for their management of this bill. It is a bill that means a great deal to rural America in particular. We have watched developments in the last part of this century with awe. I think the developments that are coming now will startle our imagination. I am talking about the developments in telecommunications and technology.

When I came to the Senate, the Army ran our only communications system. It was a telephone system. We had also the wireless and telegraph capability. We are moving now into the next century. Because, I think, of the work the Senate has done in this area, we are moving into the 21st century with everyone in the country, and we are probably ahead of everyone else in the world. The real necessity now is to devise a system that will carry us on beyond this developing technology into an era of really free competition without regulation in which the ingenuity and really resourcefulness of the American entrepreneur will bring us better and better communications.

Communications now have reached the point where at least in my State they dominate our educational pattern. They dominate the health care delivery system. They dominate our total communications system in terms of business.

In a State that is one-fifth the size of the United States, the one single factor that makes us equal is the equal access to the most recent developments for telecommunications. I think this bill will assure that in this interim period now as we shift from the 1934 Communications Act into a period where we will have very, very little regulation of communications, which I think should start sometime between 2005 and 2010 is where I see it in terms of the developments of technology that have been reported to us thus far. Developments are still on the drawing board in some instances, developments that are really being applied from our space research in other instances.

I do believe the work the Senator from South Dakota and the Senator from South Carolina have done along with their staffs in perfecting this bill so we can take it now to the House and, hopefully, early to conference will mean that we are going to have a change, an immediate change in this country. It will be a change for the best as far as Alaska is concerned.

I close by just remarking that the other day I heard about a young family that has moved to Alaska from somewhere around the San Francisco area. They bought an island, and they have moved themselves and their small business up to that island. They are going to continue to conduct their business in the San Francisco area by tele-

communications from my State. They will have available all of the modern convenience where they are going to be.

That is something which could not even be dreamed of when I first went to Alaska, and now we are in a situation where we see people moving into our State from all over the country, if not the world, to utilize our wilderness, our beautiful surroundings, and at the same time maintain contact with the rest of the world through telecommunications. This bill, as I said, means more to us than I think it does anyone in the Senate.

I thank the Chair.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER (Mr. THOMPSON). The Senator from West Virginia.

Mr. BYRD. Mr. President, I shall use such time as I may require under the time allotted to any Senator under the cloture rule. I shall not be long.

The purpose of this bill is to establish a framework to introduce more competition into the telecommunications sector and break down the current system of large monopolistic fiefdoms which characterize this market.

In addition, there is an attempt to deregulate cable and broadcasting sectors in an attempt to strike a compromise between the current regulatory environment and the desire for additional competition in those marketplaces. The question is, Does the bill go far enough in doing this? Can we predict how successful it will be? What are the dangers that additional influence by big corporations, big entities, will result despite the intentions of the hard-working managers of the bill, the distinguished Senator from South Dakota, the chairman, Mr. PRESSLER—and I compliment him on his management of this bill and the work that he has done on the bill during the committee process, throughout the hearings and the markup—and the ranking member, whom I compliment, the distinguished Senator from South Carolina [Mr. HOLLINGS] the former chairman of the committee, straight as an arrow in his physique, straight as an arrow in his integrity and honesty and straightforward manner.

Certainly it is intuitive that prices will drop with additional competition in the telephone marketplaces that might eventually occur, but the impact of bigness on the pending bill, which is attempting to reduce bigness, gives me great pause.

There is a substantial possibility that three-quarters of West Virginia's cable TV viewers will pay higher prices for this service as a result of the bill. This is because the definition of "small" cable company included in the leadership amendment on this floor would include about 74 percent of our West Virginia cable viewers. Even if they take the most basic cable service, it is subject to deregulation and the price can go through the roof before the ink is dry on the conference report.

The distinguished Senator from Connecticut [Mr. LIEBERMAN] this afternoon offered an amendment to correct those cable rate rises. Unfortunately, his amendment was not agreed to. I supported that amendment, which was an important consumer amendment.

In addition, Mr. President, on the amendment by the distinguished Senator from North Dakota [Mr. DORGAN] to keep the concentration of TV ownership at the current cap of 25 percent, the amendment failed after some heavy lobbying by interests that are interested in further concentration of broadcasting station ownership.

There are some good things in the bill, including in particular the initiative authored by my colleague from West Virginia, Mr. ROCKEFELLER, that extends the traditional concept of universal service which is essential for our State and broadens it to include affordable rates for such institutions as hospitals, secondary schools, and libraries, bringing the future information highway and the services it can give to every person—down to the basic infrastructure for learning and health care—to West Virginia. I congratulate my colleague, Mr. ROCKEFELLER, on this item, and I enthusiastically endorse it.

In addition, the Senators from North Dakota and Nebraska, Senators CONRAD and EXON, have authored valuable amendments to take steps to reduce violence and obscenity on TV in this bill, and we sorely need to take that kind of action.

Given these worthy provisions, I also take note of the observations made earlier by the distinguished Senator from Nebraska [Mr. KERREY] regarding the quality of the message and pictures going over the airwaves and the land lines. The issue is the manipulation and control of information made available to our citizens. Wide choice and quality programming must be available. Essential information must be available to our people so that independent judgments can be made. Bigness, big programming, cavalier concern for consumer choice and diversity of viewpoint seem to go hand in hand. We need to take care that we do not allow our media to hollow out the essence of information and diversity of viewpoint which are essential to creating an informed citizenry. Certainly, we ought to focus a great deal of attention on the effect that such legislation as we have before us today enhances and informs citizenry and erects barriers to the power of great financial and technological interests that care only about manipulation, control, and the bottom financial line.

This is a very big and complex bill dealing with a range of businesses and interests that are vast, wealthy, and powerful. We have not had enough time to adequately debate the very important amendments in this bill. We should not be invoking cloture. I voted against cloture on yesterday. I was one of the few who voted against it. We

should not be invoking cloture to truncate the doing of the legitimate business with adequate debate on this kind of measure.

Cloture is for filibusters. Cloture is not intended to shut off legitimate debate on important business such as this. Senators and their constituents are shortchanged by this technique, and it is not in the highest traditions of this deliberative body.

Mr. President, finally, the episode over the last 2 days regarding the transparent threats by one big conglomerate, Time Warner, to threaten the future of a business arrangement unless the Senate agrees to remove a particular provision from the bill is an outrageous illustration of the kind of influence peddling and pushing that surrounds this legislation.

The senior Senator from Nebraska [Mr. EXON] has drawn the attention of the Senate to the kind of intrusion into the legislative process that is illustrated by the threat that Time Warner has engaged in. One cannot help but wonder what leads a big organization like Time Warner to think that it can actually affect the legislative process in this way.

What does this episode say about the perception of the integrity of the Senate that prevails among the big concerns that mold public opinion? What leads such concerns to think that they can get away with this kind of blackmail?

There is too much money pushing around this legislative product and process. It is totally inappropriate, and I congratulate the distinguished Senator from South Carolina on his statement, and I shall support him in his urging that the amendment not be agreed to.

For the reasons stated, I shall also vote against the bill on final passage.

Mr. President, I ask unanimous consent to have printed in the RECORD an article by Tom Shales that appeared in the June 13, 1995 edition of the Washington Post, along with a letter from Time Warner, dated June 13, 1995, to Senator PRESSLER; and a letter from Senator PRESSLER to Mr. Timothy Boggs of Time Warner, dated June 15, 1995.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 13, 1995]

FAT CAT BROADCAST BONANZA

(By Tom Shales)

It's happening again. Congress is going ever so slightly insane. The telecommunications deregulation bill now being debated in the Senate, with a vote expected today or tomorrow, is a monstrosity. In the guise of encouraging competition, it will help huge new concentration of media power.

There's something for everybody in the package, with the notable exception of you and me. Broadcasters, cablecasters, telephone companies and gigantic media conglomerates all get fabulous prizes. Congress is parceling out the future among the communications superpowers, which stand to get more super and more powerful, and certainly more profitable, as a result.

Limits on multiple ownership would be eased by the bill, so that any individual owner could control stations serving up to 35 percent of the country (50 percent in the even crazier House version), versus 25 percent now. There would be no limit on the number of radio stations owned. Cable and phone companies could merge in municipalities with populations up to 50,000.

Broadcast licenses of local TV stations would be extended from a five-year to a 10-year term and would be even more easily renewed than they are now. It would become nearly impossible for angry civic groups or individuals to challenge the licenses of even the most irresponsible broadcasters.

In addition, the rate controls that were imposed on the cable industry in 1992, and have saved consumers \$3 billion in the years since, would be abolished, so that your local cable company could hike those rates right back up again.

Sen Bob Dole (R-Kan.), majority leader and presidential candidate, is trying to ram the legislation through as quickly as possible. Tomorrow he wants to take up the issue of welfare reform, which is rather ironic considering that his deregulation efforts amount to a bounteous welfare program for the very, very, very rich.

Dole made news recently when he took Time Warner Co. to task for releasing violent movies and rap records with incendiary lyrics. His little tirade was a sham and a smoke screen. Measures Dole supports would enable corporate giants such as Time Warner to grow exponentially.

"Here's the hypocrisy," says media activist Andrew Jay Schwartzman. "Bob Dole sits there on 'Meet the Press' and says, yes, he got \$23,000 from Time Warner in campaign contributions, and that just proves he can't be bought. He criticizes Time Warner's corporate responsibility and acts like he's being tough on them, but it's in a way that won't affect their bottom line at all."

"Meanwhile he is rushing to the floor with a bill that will deregulate cable rates and expedite the entry of cable into local telephone service, and no company is pressing harder for this bill than—guess who—Time Warner."

Schwartzman, executive director of the Media Access Project, says that the legislation does a lot of "awful things" but that the worst may be opening the doors to "a huge consolidation of broadcast ownership, so that four, five, six or seven companies could own virtually all the television stations in the United States."

Gene Kimmelman, co-director of Consumers Union, calls the legislation "deregulatory gobbledegook" and says it would remove virtually every obstacle to concentration of ownership in mass media. The deregulation of cable rates with no competition to cable firmly in place is "just a travesty," Kimmelman says, and allowing more joint ventures and mergers among media giants is "the most illogical policy decision you could make if you want a competitive marketplace."

The legislation would also hand over a new chunk of the broadcast spectrum to commercial broadcasters to do with, and profit from, as they please. Digital compression of broadcast signals will soon make more signal space available, space that Schwartzman refers to as "beachfront property." Before it even exists, Congress wants to give it away.

Broadcasters could use the additional channels for pay TV or home shopping channels or anything else that might fatten their bank accounts.

There's more. Those politicians who are always saying they want to get the government off our backs don't mind letting it into our homes. Senators have been rushing forth

with amendments designed to censor content, whether on cable TV or in the cyberspace of the Internet. The provisions would probably be struck down by courts as antithetical to the First Amendment anyway, but legislators know how well it plays back home when they attack "indecent" on the House or Senate floor.

Late yesterday Sens. Dianne Feinstein (D-Calif.) and Trent Lott (R-Miss.) called for an amendment requiring cablecasters to "scramble" the signals of adults-only channels offering sexually explicit programming. The signals already are scrambled, and you have to request them and pay for them to get them. Not enough. Feinstein and Lott said: they must be scrambled more.

The amendment passed 91-0.

It's a mad, mad, mad, mad world.

An amendment expected to be introduced today would require that the infamous V-chip be installed in all new television sets, and that networks and stations be forced to encode their broadcasts in compliance. The V-chip would allow parents to prevent violent programs from being seen on their TV sets. Of course, they could turn them off, or switch to another channel, but that's so much trouble. Why not have a Big Brother do it for you?

The telecommunications legislation is being sponsored in the Senate by Commerce Committee Chairman Larry Pressler (R-S.D.), whose initial proposal was that all limits on multiple ownership be dropped. Even his supporters laughed at that one.

Dole is the one who's ramrodding the legislation through, and it's apparently part of an overall Republican plan for American media, and most parts of the plan are bad. They include defunding and essentially destroying public television, one of the few wee alternatives to commercial broadcasting and its junkiness, and even, in the Newt Gingrich wing of the party, abolishing the Federal Communications Commission, put in place decades ago to safeguard the public's "interest, convenience and necessity."

It's the interest, convenience and necessity of media magnates that appears to be the sole priority now. "The big loser in all this, of course, is the public," wrote media expert Ken Auletta in a recent New Yorker piece about the lavishness of media contributions to politicians. The communications industry is the sixth-largest PAC giver, Auletta noted.

Viacom, a huge media conglomerate, had plans to sponsor a big fund-raising breakfast for Pressler this month, Auletta reported, but the plans were dropped once Auletta started making inquiries: "Asked through a spokeswoman about the propriety of a committee chairman's shopping for money from industries he regulated, Pressler declined to respond."

The perfect future envisioned by the Republicans and some conservative Democrats seems to consist of media ownership in very few hands, but hands that hold tight rein over the political content of reporting and entertainment programming. Gingrich recently appeared before an assemblage of mass media CEOs at a dinner sponsored by the right-wing Heritage Foundation and reportedly got loud approval when he griped about the oh-so-rough treatment he and fellow conservatives allegedly get from the press.

Reuven Frank, former president of NBC News, wrote about that meeting, and other troubling developments, in his column for the New Leader. "It is daily becoming more obvious that the biggest threat to a free press and the circulation of ideas," Frank wrote, "is the steady absorption of newspapers, television networks and other vehicles of information into enormous corporations that know how to turn knowledge into

profit—but are not equally committed to inquiry or debate or to the First Amendment.”

The further to the right media magnates are, the more kindly Congress is likely to regard them. Most dramatic and, indeed, obnoxious case in point: Rupert Murdoch, the Fox mogul whom Frank calls “today’s most powerful international media baron.” The Australian-born Murdoch has consistently received gentle, kid-glove, look-the-other-way treatment from Congress and even the regulatory agencies. When the FCC got brave not long ago and tried to sanction Murdoch for allegedly deceiving the commission about where he got the money to buy six TV stations in 1986, loud voices in Congress cried foul.

These included Reps. Jack Fields (R-Tex.) and Mike Oxley (R-Ohio), Daily Variety’s headline for the story, “GOP Lawmakers Stand by Murdoch.” They always ??? Indeed. Oxley was behind a movement to lift entirely the ban on foreign ownership of U.S. television and radio stations. He wanted that to be part of the House bill, but by some miracle, this is one cockamamie scheme that got quashed.

Murdoch, of course, is the man who wanted to give Gingrich a \$4.5 million advance to write a book called “To Renew America,” until a public outcry forced the House speaker to turn it down. He is still writing the book for Murdoch’s HarperCollins publishing company. The huge advance was announced last winter, not long after Murdoch had paid a very friendly visit to Gingrich on the Hill to whine about his foreign ownership problems with the FCC.

Everyone knows that America is on the edge of vast uncharted territory where telecommunications is concerned. We’ve all read about the 500-channel universe and the entry of telephone companies into the cable business and some sort of linking up between home computers and home entertainment centers. In the Senate debate on the deregulation bill last week, senators invoked images of the Gold Rush and the Oklahoma land rush in their visions of this future.

But this gold rush is apparently open only to those already rolling in gold, and the land is available only to those who are already big landowners—to a small private club whose members are all enormously wealthy and well connected and, by and large, politically conservative. It isn’t very encouraging. In fact, it’s enough to make you think that the future is already over. Ah, well. It was nice while it lasted.

—
TIME WARNER,

Washington, DC, June 13, 1995.

Hon. LARRY PRESSLER,
Chairman, Committee on Commerce, Science and Transportation, U.S. Senate, Washington, DC.

DEAR CHAIRMAN PRESSLER: As you requested, the attached signature page confirms that Home Box Office has reached an agreement with the National Cable Television Cooperative, Inc. for HBO programming. As discussed with you and your staff, this agreement is entirely contingent on the removal of the program access provisions at Section 204(b) of S. 652, prior to Senate action on the legislation.

On behalf of Time Warner and HBO, I am pleased to report that we have reached this agreement and respectfully request that this provision be removed from the bill at the earliest possible opportunity. Without removal of this provision from the bill, the HBO distribution agreement with the NCTC will be void.

Thank you for your leadership on this matter. Please feel free to contact me if I can be of any assistance to you or your staff. I can

be reached at my office at 202/457-9225 or at home at [REDACTED].

Warm regards,

TIMOTHY A. BOGGS.

—
U.S. SENATE,
COMMITTEE ON COMMERCE, SCIENCE, AND
TRANSPORTATION,
Washington, DC, June 15, 1995.

Mr. TIMOTHY A. BOGGS,
Senior Vice President for Public Policy, Time Warner, Inc., Washington, DC.

DEAR MR. BOGGS: Your faxed letter of June 13 contains misleading statements which do not accurately reflect my position.

On May 4, 1995, I met briefly with you, Ron Schmidt and HBO/Time Warner executives, in the presence of my staff, regarding the program access provision of S. 652. During that meeting, HBO/Time Warner urged me to support deletion of the program access provisions of the bill.

I stated that the program access provision was of enormous importance to small cable operators, including those in South Dakota. I suggested that if the program providers disliked the provision, they ought to negotiate with the small cable operators to reach an agreement which might address the problems this portion of S. 652 is attempting to solve. Specifically, since Ron Schmidt is from my home state, I suggested that he talk to a small cable operator from South Dakota, Rich Cutler, to see if an industry compromise were possible.

At no time during our conversation did I indicate that any specific action by Time Warner would result in deletion of the program access provisions. I have had no further conversations with HBO/Time Warner about this matter since that meeting. My staff has not portrayed my position as being anything other than the industry negotiations suggested on May 4. Nothing I said during our short meeting could be construed as suggesting some sort of quid pro quo, which would be wrong, if not illegal. I resent the inference in your letter that I suggested something other than an industry-negotiated solution.

Your letter indicates that failure to delete the program access provisions from the bill would vitiate any negotiated agreement HBO/Time Warner had reached with the small cable operators. While HBO/Time Warner is free to negotiate contracts as they see fit, such tactics, in my opinion, cannot be considered as good faith negotiations. Your letter implies that I tacitly approved such a condition, which is not the case.

I expect you to send this letter to the same individuals who received your letter to me. Your letter is misleading, and does not accurately characterize my position as presented in my May 4 meeting with HBO/Time Warner.

Sincerely,

LARRY PRESSLER,
Chairman.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LOTT. Mr. President, I presume that within the hour, we will get to final passage of this very important legislation. I think it is appropriate that we take note of a little bit of the effort that went into it.

First, I want to refer again to the title of this bill: Telecommunications Competition and Deregulation Act of 1995. I think that is really what it is, but it has been a monumental undertaking. You have had the behemoths of the industries on both sides struggling mightily to protect their interests—

their turf. Everybody has wanted, as the saying has been repeated on the floor earlier, “a fair advantage.” The goal of the committee has been to try to make sure that it was just fair to everybody.

It has been very difficult. A lot of effort has gone into it, but I believe we have accomplished the goal we have set out to accomplish. And I believe that we will have an overwhelmingly bipartisan vote when we get to final passage.

So I wanted to take this early opportunity, in advance of the vote to thank and commend the managers of this bill, Chairman PRESSLER and the ranking member, Senator HOLLINGS of South Carolina, the former chairman, who have really done outstanding work.

I also want to commend the majority and minority leaders, Senator DOLE and Senator DASCHLE. I have commented to both of them that I believe this is the best example I have seen this year of our leaders working together and our managers working together for what is in the best interest of the country, not the best interest of one party or the other, or one segment of the telecommunications industry or the other, but what is the right thing to do.

It has been a long struggle, and it would not have been possible without the type of bipartisan cooperation and strong leadership that we have seen here. The legislation is truly a remarkable achievement. For 20 years, Congress has been trying, struggling to get comprehensive communications reform—without success. But we are on the verge of seeing that happen.

So this is a historic act that will bring, I think, a tremendous boost to our economy and our standing communications policy that will take us into the 21st century.

I believe that we will see a tremendous growth and expansion in this area—new innovation, new ideas, with the utilities being involved, along with the Bells, the long distance companies and cable companies. There are going to be jobs created and the economy will grow and expand in this area. As a member of the Commerce Committee, I am proud to have been a part of this effort.

I commend the chairman, in particular, because I do not know of anybody else that could have done it at this particular time. He has been persuasive and doggedly persistent. I wish I had a nickel for every time that he said to the distinguished leader, “We are ready to go. When can we get on the schedule? Is it alright if we go ahead and move it?”

How did the Chairman do it? He opened the process to the full committee. He involved everybody. He went to all of the committee members. I remember the first meeting we had in his office. Yes, he worked with the Republicans, but he did not stop there. He went to the Democrats and he did not talk through people to the former

chairman; he went directly to him. When we got our first draft, he hand-delivered it to the Members. The leadership was involved every step of the way. Months of negotiations were held before we had the eventual agreement, and when we finally agreed upon the core, the entry test, he stuck with it in the markup and on the floor. Also, the distinguished Senator from South Carolina stuck with it.

So I just have to say Senator PRESSLER is one who gets the job done. He certainly did it here. The country will be better off because of his leadership on this bill and on the committee. I look forward to working with him in many other instances in the future.

Senator HOLLINGS' leadership and co-operation deserves great praise. I have had him on the other side of issues, and I did not appreciate it a bit. He was tough. But, boy, is it fun when he is with you. It has really been a pleasure to work with him. He is a man of his word. When he tells you he is going to stay put, he does—even when he has pressure on his side of the aisle not to. This would not have been possible without his cooperation, experience, and his perseverance.

I also thank some tremendous staff people: Paddy Link, staff director for Senator PRESSLER, and his counselors, Donald McClellan and Katie King. For Senator HOLLINGS, I thank Kevin Curtain, John Winhausen, who has been around on this issue for some time, and Kevin Joseph. For Senator DOLE, I appreciate the efforts by David Wilson, and for Senator DASCHLE, Jim Webber. I have never seen many staff people work so well together. They worked days and nights and weekends when we were back in our States, and they struggled along with it. So I think they deserve a lot of credit. I thank my own staff assistant, Chip Pickering for his work on this issue. I have called him the "peacemaker." Blessed are the peacemakers, for most of them are dead. Many times I thought he was going to get himself killed and me, too, because he had me in the middle of my friends on both sides. So I appreciate the effort he put forward.

I want to thank some other people, like Larry Johnson, Kelly Algood, Bernie Ebbers, Bernard Jacobs, and Eddie Fritz. All of these are Mississippians who have a direct interest and knowledge in this area. They are on the long distance side, they are on the Bell side, they are on the cable side, they are utility folks and broadcasters.

Although it is difficult in legislation of this magnitude to agree on all issues, I appreciate their insight, assistance and understanding of what I was trying to do. They made it possible for me to try to be helpful as we moved the legislation along toward what will be right for the country and fair to the competitors and the consumers.

Again, I congratulate the managers. I am proud of them and proud to have been associated with them. This is truly historic. In many ways, this bill

is every bit as big and as important as the balanced budget resolution we passed. It will have a tremendous impact on the economy, and I believe it will greatly help our country's future. I yield the floor.

Mr. PRESSLER. Mr. President, if I may for a minute, I want to thank the Senator from Mississippi, and Chip, his able assistant. I will be saying more later about thanking people. But the bill would not have happened without him. Every time I went to him as my deputy leader, he was there. I do not know how you get enough hours in the day to do all the things we ask you, but you were there, and I thank you very much for your kind comments.

Mr. HOLLINGS. Mr. President, let me also join in my thanks to the distinguished Senator from Mississippi. When we really got into trouble, I went to the Senator from Mississippi. He paved the way all the time in the 2 years previous here working on this bill and, of course, all this year. I cannot thank him enough. We could not have had this bill without his leadership.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I cannot help but observe the thankfulness that is going on here. I was standing here listening, and I thought to myself, in this Chamber the highest praise is usually reserved for those who are about to vote against you.

I stand to give credit to the Senator from South Dakota. I think the Senator from South Dakota has demonstrated real skill in moving this legislation. I am, of course, indebted to the leadership of not only the Senator from South Dakota, but the Senator from South Carolina, with whom I have worked carefully for a long, long while.

These have been difficult issues, no question about that. We are dealing with literally hundreds of billions of dollars in the American economy with interest groups that have very substantial stakes in the outcome of this legislation. I understand the passion with which some people stand here and debate to push their positions.

I started out very hopeful about this legislation and voted for it coming out of the committee. I think there are elements of this legislation that will be good for this country. I remain concerned, however, about the issue of concentration of ownership in the television and radio broadcasting. I remain concerned about the lack of the role of the Justice Department in being able to adequately enforce what I consider to be vital antitrust issues. For those reasons, I do not feel I am going to be able to vote for this bill on final passage. I say that with some disappointment because I had hoped as we started this process that we would be able to successfully amend it on the floor of the Senate.

The Senator from South Dakota and the Senator from South Carolina will

recall when we had the markup in the Commerce Committee, the issue was to try to move this bill along as quickly as possible. I understood that morning the need in a couple of hours to move this bill out of committee. But we discussed at some length there about the opportunity to offer amendments on the floor of the Senate and to try to correct some of the areas that represented concerns.

I voted for it coming out of committee, but I did, in the committee, express the very concerns that I brought to the floor about concentration of ownership of television and radio stations and my concerns about an adequate role for the Justice Department on the issue of RBOC entry into long distance.

When I came to the floor, we had an opportunity to fully debate them. I compliment the two leaders on the floor. They were very cooperative. For that I am appreciative.

I suffered one of these unusual experiences of having won briefly and then lost on an amendment I cared a great deal about: that is my amendment on television ownership.

We now restrict ownership to 12 television stations and we limit the audience reach to 25 percent. These limits prevent a concentration of media ownership in this country. This bill says that there is no limitation on how many stations one can own, as long as you do not cover more than 35 percent of the country.

I do not support that, and I brought an amendment to the floor that would have retained the existing limits. We debated it and voted.

At the end of the vote, my amendment won by a vote of 51-48. It taught me a lesson—this whole set of circumstances—because although I won by a vote of 51-48, an hour and a half later, it turns out some folks had new opinions about this issue after having debated it for hours and days, and we had another vote.

Then I learned that not all Members are equal in this Chamber. Some have a better grip in wrenching arms than others, and I will be darned if I did not lose. You win for an hour, and I guess you lose forever, in these circumstances.

For that reason, I do not feel I can vote for the bill on final passage. I did want to explain briefly that I view the issue of telecommunications reform as critically important to the United States. Its development, its opportunity for this country is a very significant issue.

I admire the work of the two Members who brought this to the floor and have spent days on the floor. I wish very much that the couple of major amendments I had offered would have been adopted, in which case I would have been one to cast a yes vote on final passage. I hope the managers will understand the reason for my no vote.

I expect when the votes are counted, this legislation will advance. I still

have some hope that when this bill comes out of conference committee the issues I have mentioned will be addressed.

I yield the floor.

Mr. INHOFE. Mr. President, I ask unanimous consent to be recognized to address the Senate for not to exceed 12 minutes as in morning business.

Mr. President, I thank the Chair.

(The remarks of Mr. INHOFE pertaining to the introduction of S. 928 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, what is the parliamentary situation?

The PRESIDING OFFICER. We are currently on amendment No. 1341 of the telecommunications bill.

Mr. BUMPERS. Mr. President, I ask unanimous consent I be permitted to speak for 5 minutes on the bill but not on the amendment.

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

Mr. BUMPERS. Mr. President, I come to the floor to say that I have concluded, after considerable debate with myself, not to vote for this bill on final passage. It was not a decision easily reached. This is an immensely complex bill. Frankly, there are very few Senators in the U.S. Senate who really understand the full complexity and ramifications of this bill.

My decision is not based on whether or not the baby Bells can get into the long distance telephone market. That is a problem for me. But it is not nearly the problem of the unlimited power of people owning an unlimited number of radio stations and television stations, which I consider to be highly dangerous.

I heard the Senator from Florida, Senator GRAHAM, this morning say that Thomas Jefferson once asked which would he choose between a free government and a free press? He said he would always take a free press because you cannot have a free government without a free press.

These airwaves of radio and television stations can only be allocated by the Government. You cannot allow people willy-nilly to take a particular channel in the airwaves for a radio or television station. That is what the Federal Communications Commission was set up to do, allocate those things. And for years the Government gave away billions and billions of dollars' worth of television station channels and radio station channels. It has only been in recent years that the Government has decided it was being taken and it ought to start making people bid at public auction for those airwaves. Incidentally, it has helped a great deal in our efforts to balance the budget. We have been getting billions of dollars for radio and television station channels on the airwaves.

There was a time not too long ago in this country when you were prohibited

from owning a television station and a newspaper in the same community. Now, under this bill, you can own 500 radio stations, 1,000 radio stations. You can own as many television stations as you want, as long as you do not control more than 35 percent of the market as determined by the Federal Communications Commission. Can you imagine some people—I will leave it to your imagination, and I will leave it to your imagination as to who it may be—can you imagine some of the people in this country who are very big in telecommunications owning 1,000 radio stations; 100 television stations? Let us face it, the newspapers are not nearly as powerful as the television stations. It is a concentration of communications power that I think is dangerous to the country.

So I believe that some ideological bent or belief, not an empirical belief but an ideological belief, a philosophical belief that the free market will solve this problem—turn them all loose to buy and sell these stations however they will—it has not even worked in a lot of the rest of our society. That is the reason we have an antitrust division down at the Justice Department. It was the very reason Teddy Roosevelt saw that the people were suffering from the gigantic trusts of his day. So from that evolved the Sherman Act, the Robinson-Patman Act and all the other acts that protect people from what can become a tyranny.

I think it was Madison who said—and I sometimes wonder what James Madison would think today—but it was James Madison who said the Congress, the Congress is what stands between the people and what would otherwise surely become a tyrannical leader, tyrannical government.

Mr. President, for all of those reasons history tells me we are about to make a colossal mistake that will be very difficult to undo when we discover it someplace down the road.

I yield the floor.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I thought, with the permission of the Senator from South Carolina, I might speak for 6 minutes or so before the final vote.

Mr. President, this debate we have had on this bill has opened all eyes to the dazzling possibilities provided by our new, emerging information technologies. I will quote from some of the speech that I gave several days ago during this debate.

I can imagine workers in rural Minnesota telecommuting to and from work as far away as New York or Washington without ever having to leave their homes or families. Or schoolchildren in a distressed Minneapolis school district reading the latest publications at the Library of Congress via thin glowing fiber cables—

Mr. President, this really excites me as a teacher.

or rural health care providers on the iron range consulting with the top medical researchers at the Mayo Clinic in Rochester to better treat their patients.

Mr. President, all of this is before us. I felt like this bill presented to each Senator a daunting—an exciting but also daunting—responsibility. The concern that I have has to do with whether or not we can make sure that there will be true competition, and that this technology and information will truly be available to everyone in the Nation, not just the most privileged or the most wealthy.

What has disappointed me the most—and the Senator from South Carolina has to be one of the colleagues I most respect here in the Senate even when we disagree—is that over and over again where there have been amendments to I think assure competition and to also protect consumers—I am not just concerned about the alphabet soup corporations. I am also concerned about the people that live in Ferguson Falls or live in Virginia, Minnesota, or live in Minneapolis or St. Paul or Northfield. I was hoping that at least we could build in more protection for consumers and more guarantees that there would in fact be the competition that we all talk about.

While I fully appreciate the potential of this legislation, I am really worried about where we are heading because I think there is going to be entirely too much concentration of power.

I would just simply build on the remarks of my colleague from Arkansas. The media is the only private enterprise in the United States of America that has first amendment protection. The reason for that, though we did not have the same kind of communication technologies we have today back in the days of Thomas Jefferson, was that the Founders of our Nation understood the importance of the media and the importance of information. And the importance of it was to contribute to an informed electorate. We are talking about something very precious here.

I see a piece of legislation that will lead to way too much concentration of power, way too much concentration of power in a very, very important and decisive area of public life in the United States of America. That has to do with radio and television, and information, and who controls the flow of information.

So, Mr. President, I was hoping that some of the amendments that were introduced on the floor of the Senate that I think really would have provided the consumer protection, that would have provided regular people—I do not mean in a pejorative sense, but I mean in a positive way—with some protection and which would have assured some competition as opposed to more and more concentration of power, more and more very, very vital and important areas being taken over by just a few conglomerates. It did not happen.

I think we are making a mistake if we pass this piece of legislation. I will therefore, vote against it.

I yield the floor.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I will be very, very brief. I want to take 2 or 3 minutes if I could to congratulate the chairman of the committee, Senator PRESSLER, and the ranking member, Senator HOLLINGS, who have struggled long and through many difficult situations—and that I have been with them on—on many occasions. This is a bill that is criticized, that as a bill is easy to vote against because voting against the bill, if there is ever any problem, you can always say, "Well, I voted against the legislation."

I happen to feel that this bill is very important, and I rise in support of the legislation that has been deliberated on, been written and rewritten so many, many times. I would have to say that at least everyone has had their chance at an input on this piece of legislation, through what we worked on last year, reported out but never got passed, and then taken up by Senator PRESSLER when he became chairman of the committee; worked very hard and very closely with Senator HOLLINGS.

Certainly the bill before us, the telecommunications reform bill, is a good bill, although not a perfect one. A bill as complicated and as detailed as this one could be, I simply point out that it has many good features. It includes strong education provisions, including the Snowe-Rockefeller-Exon-Kerrey educational library, and rural health care discount provision.

It includes important market protections, including the farm team provisions of last year, all of which were incorporated here in the bill this year. It includes the Grassley-Exon infrastructure sharing provision. It includes the Communications Decency Act that we debated and passed yesterday. It includes a revolutionary, and I think very positive, TV ratings system. It includes a strongly needed and fair universal service language. And it abandons the one-fits-all regulation that has been a problem for a long time.

The cable provisions in this bill are still a disappointment to this Senator but were improved somewhat from the committee bill.

Final passage will take America's telecommunications industry off hold.

Mr. President, it is time to move on and pass this legislation.

I thank the Chair. I yield floor.

Mr. PRESSLER. Mr. President, I thank our friend from Nebraska for his numerous efforts on this bill as time has gone forward. He and his staff have been a key part of working on it. I thank him very much for his spirit of cooperation.

Mr. EXON. I thank my friend from South Dakota.

Mrs. HUTCHISON addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mrs. HUTCHISON. Mr. President, I have been listening to the speeches on

the floor from the different committee members of the Commerce Committee, and it sounds like a funeral from time to time on the floor of the Senate. There are so many accolades and potential eulogies. But, in fact, I have to say that the accolades are really warranted, and it is because this bill has been so tough and so hard fought. And it has lasted for so long.

What we have seen on the floor is the tip of the iceberg. The work has been going on in committee nonstop for so many months that it is correct for the committee members who are so aware of all that has been done to be able to say job well done.

It is a job well done not because anyone feels victorious. It is a job well done because nobody feels victorious. It is a job well done because it has been a tough battle. It is because people that we respect so much, the entrepreneurs in the cable industry, the entrepreneurs in the long-distance industry, the local providers, the Bell companies that have been in business a long time but have made huge capital investments based on a regulatory scheme that now is going to be taken away—everyone in this business I respect because they are providing jobs. They are doing what we must do to continue to provide jobs in our country.

But what we are trying to do here is open the door even more. We are trying to provide more job opportunities. We are trying to provide more opportunities for the entrepreneurs in this country to go out and improve the technology and become a competitor throughout the telecommunications field.

So it has been a tough thing to balance the needs of all of these people who are out there on the front line spending their money for capital to go out and try to build a business that will make a difference for the consumers of America, that will add to the quality programming, add to the quality of telecommunications and telephone systems and video programming, and to also provide lower prices for those consumers.

So the fact that there are no victories here is a victory in itself. I think that if we look at the overall, we are only one step, but there is a finish line that we have not yet crossed. After we vote this bill out of the Senate—and I believe we will in a very short time—we are going to go to the House. The House is going to pass a bill, and there will be differences, and those are going to have to be worked out in conference. And once again, all of the entrepreneurs and all of the people who have built businesses on a regulatory scheme are going to come in and say, "We have been treated in an unfair way." And we are going to have to once again do a balance between the House and Senate versions of this bill. But we must do it because technology has leapt over the regulatory environment that we have in our telecommuni-

cations industry, and we have a lawsuit that has caused deregulation by a judge, and in fact it is just not the right way to have deregulation. It does not cover enough of the area to be fair to all people concerned. The only way that we can be fair is to have everyone at the same table and everyone give and everyone take a little bit.

So while I do not agree with everything in this bill and while probably no one who is voting on it agrees with everything in it, I wish to commend the chairman, the ranking member and the members of the committee who have put their small differences aside to do something that would move forward this very important step that I think will be able to bring as much as \$3 billion, maybe more, into our economy with new jobs and new opportunities and new technologies that we can then export all over the world. It is an exciting bill. It is an exciting time. It is an exciting opportunity for this Senate to take that one step forward. Let us do what we can now and be ready to continue this fight until it is finished.

Mr. President, I commend those who have worked on it, and I thank you and I yield the floor.

The PRESIDING OFFICER (Mr. GORTON). The Senator from South Dakota.

Mr. PRESSLER. Mr. President, I again want to praise Senator HUTCHISON and her staffer, Amy Henderson, for the many hours of work they have done. I am going to recognize the staff. I do not know if I mentioned this before, but our staffs met night after night and on weekends, in addition to Senators participating. But the bill would not have happened without the Senator from Texas, and I thank her very, very much.

Mr. HOLLINGS. Mr. President, let me also join in my gratitude for Senator HUTCHISON's leadership. We all on the committee worked very closely.

A moment ago my distinguished colleague from Arkansas gave me the theme that comes to mind. He concluded his observation that he was prepared to vote against the bill; that it would be a colossal mistake to pass this bill.

Let me say in a word it would be a colossal mistake not to pass this bill. I came to the Senate almost 29 years ago, and they were talking then. And I immediately got on the Communications Subcommittee, and I can see Senator John Pastore, the chairman, talking about revising the 1934 Communications Act. I worked very closely with Senator Goldwater when he was the chairman, and I have been the chairman of the subcommittee and the full committee, and we worked time and time again and we were prepared, as everyone now knows—the distinguished Senator from South Dakota, now our chairman, was working with us—in the last closing moments to pass the bill last year.

It would be a colossal mistake not to pass this bill. This bill is an excellent bill. It did not do all things, but the

truth of the matter is the experience has been, with the breakup of AT&T, that what we have now is 500 competitors in the long distance market. And with this bill by breaking up the regional Bell operating companies—this is how you legislatively, not by court order, but legislatively break up the monopolies of the local exchange—we are going to bring in hundreds and thousands of competitors. We are doing this in the most deliberate, measured fashion possible in that we appreciate that we in America have the best communications system in the entire world.

We are not repairing the communications system in that light. What we are trying to do is remove the obstruction in the middle of the information superhighway, namely, the Government. With all the plethora of rules, hearings, injunctions and precedents, we are finding now that the judicial branch is totally overwhelmed; it could not possibly deal with the explosion of this technology. No one individual could.

On the other hand, we are going to get communications policy back into the policymaking body of our Government, namely, the Congress and its administrator, the Federal Communications Commission.

We have an outstanding bill. Senator PRESSLER has done an outstanding job. I am ready, as I understand, to prepare to vote on the Dole amendment, the Breaux amendment, which will be agreed to, and then final passage.

As I stand here, I have been moved, as all Senators do, from the subject of the week—almost like Sealtest Ice Cream; we have the flavor of the week—we move to the other particular issue at hand. But staff on the other side of the aisle has been duly recognized, and I would again recognize Kevin Curtin and John Windhausen and Kevin Joseph, as well as Jim Drewry, Sylvia Cikins and Pierre Golpira, on our staff. They have worked not just during the 5 days of the week but weekends and evenings, around the clock, on and on again to keep us on a deliberate, measured, fair course of entering into competition and maintaining at the same time the wonderful universal service that we have.

There is a tremendous balancing act that is involved here, and no one should run a touchdown in the wrong direction with the idea that, yes, we could have gotten in more competition or more protection for the consumers. We have gotten in the basic competition and the basic protections that were necessary and even more.

So with that said, I hope we can move to the vote on the Dole amendment, Mr. President.

Mr. PRESSLER. Mr. President, when we receive notification from the leadership on both sides—I am certainly eager—we will vote. We are awaiting word.

I welcome all Senators who have statements.

I, too, wish to thank my friend, Senator HOLLINGS, for his great leadership.

He has been working on this bill for years and years, and he got a similar earlier version through the Commerce Committee last year, where he has done a terrific job. He has been great to work with. Without his efforts, we would not have gotten this bill out of the committee or to this point. He has helped bring broad bipartisan support and has shown great courage and independence. He has done a terrific job.

Extraordinary effort has been expended on the measure's birth and ultimate passage. I have already talked about the process the staff went through in drafting this bill. This was not drafted outside of the Capitol as some have said. It was drafted in long nights and weekends by bipartisan staff working together at the direction of the Senators.

I wish to thank my committee chief of staff, Paddy Link, who has worked tirelessly on this bill. She is a first class professional without whom this telecommunications bill would not have passed. Communications counsels Katie King, who has done a terrific job in working diplomatically with the staffs of many Senators with an interest in the legislation, and Donald McClellan, who has worked days, nights, and weekends for months on this bill. Together, their efforts have helped shape this historic legislation. Special thanks must also go to staff assistants Sam Patmore, James Linen, and Antilla Trotter.

Senator HOLLINGS' staff has been enormously helpful in this effort. Commerce Committee Democratic chief counsel and staff director Kevin Curtin has been of invaluable assistance in this bipartisan effort, with his legislative drafting skills and knowledge of procedure. Counsels John Windhausen and Kevin Joseph brought their great expertise to the task; and staff assistant, Yvonne Portee. The good working relationship our committee staff has developed is the major reason we have been successful in developing a bill.

Lloyd Ator of the Commerce Committee bipartisan staff deserves thanks from both sides of the aisle for his legislative drafting skills.

Additionally, my heartfelt thanks are extended to the following staff members who have devoted substantial hours working with the committee in the process of getting this measure to the floor and passed. This is more or less the team that worked on the legislation. I used to go up and occasionally bring them some pizza. I do not know if people in the outside world realize how hard this staff on Capitol Hill works, especially when there is a major bill coming up.

I want to thank: David Wilson from Majority Leader DOLE's office for his assistance in getting the bill to the floor and for working with my staff; Elizabeth Greene, for her invaluable assistance while the bill was on the floor; Jim Weber, from the Democratic Leader DASCHLE's office for his assistance; Chip Pickering with Senator LOTT;

and, Earl Comstock with Senator STEVENS. I must add that night after night, Chip Pickering helped lead a bipartisan team. Chip will someday be one of our Nation's finest leaders. Earl Comstock is one of the brightest, hard-working people I have ever encountered.

I also thank: Hance Haney with Senator PACKWOOD; Mark Buse with Senator MCCAIN; Mark Baker with Senator BURNS; Gene Bumpus with Senator GORTON; Amy Henderson with Senator HUTCHISON; Angela Campbell with Senator SNOWE; Mike King with Senator ASHCROFT; Margaret Cummsky with Senator INOUE; Martha Moloney with Senator FORD; Chris McLean with Senator EXON; Cheryl Bruner with Senator ROCKEFELLER; Scott Bunton and Carole Grunberg with Senator KERRY of Massachusetts; Mark Ashby with Senator BREAUX; Andy Vermilye with Senator BRYAN; Greg Rohde with Senator DORGAN; and Carol Ann Bischoff with Senator KERREY of Nebraska.

Mr. GRASSLEY. Mr. President, I ask unanimous consent to speak for 10 minutes as in morning business.

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

DOD UNMATCHED DISBURSEMENTS

Mr. GRASSLEY. Mr. President, many times in the last several months, I have addressed my colleagues in this Chamber on the subject of the bad accounting system in the Defense Department and particularly the subject of unmatched disbursements, a subject that involves the principle that if you are going to spend the taxpayers' money, you ought to be able to show exactly what that money went for.

The Defense Department has accumulated several billions of dollars over the last several years in money that has been spent. It is very difficult for them or anybody else to show exactly what that money has bought: A service or commodity.

So the unmatched disbursement problem at the Pentagon has been a problem that has been simmering on the back burner for several years. Now, all of a sudden, it is on the front burner, and the pot is boiling over.

The Department of Defense is getting hammered with bad publicity about this problem. Most of the heat is directed at the Defense Department's chief financial officer, Mr. John Hamre. He is fighting back, countering with damage control, sending letters and papers to allies on the Hill. He is trying to debunk all the criticism being directed his way.

As I have said many times, I think that Mr. Hamre is trying to do a good job. I think his heart is in the right place, but career bureaucrats under him are feeding him bad information.

In a nutshell, Mr. President, this is the problem: The Department of Defense does not match disbursements with obligations before making payments. Unless the matches are made,