

Mr. TAUZIN. Mr. Speaker, today we held the second of a series of hearings on the issue of broad band deployment in the Subcommittee on Telecommunications. And in completing that hearing today, we arrived at a point where over 200 Members of this House, I think 207 by today's count, have endorsed and cosponsored H.R. 2420, which is a bill designed to prevent from happening in this country what so many people are talking about, something called the digital divide.

□ 1700

It is a bill designed to ensure that all Americans have access to high-speed broad band Internet services that are being deployed in some parts of America. According to a study by Legg Mason, in the next 4 years about half of this country will have access to several, not one, but several different providers of high-speed broad band services. Now, for those of you who use the Internet, what we call the narrow band Internet, broad band Internet will be absolutely like day and night. It will provide Americans with access to incredibly high-speed data including both audio and visual images, in other words, motion pictures, streamed over the Internet in full realtime.

It will open the door in short to incredible new opportunities in entertainment, information, long distance learning, and telemedicine and all the things that Americans look forward to in terms of this telecommunications revolution. It will indeed open the door to new opportunities in electronic commerce for small businesses across America. But the ugly truth is that this high-speed, fast-speed train that is about to arrive and provide all these wonderful services for about half of America will not arrive at all for about a quarter of Americans and will arrive only with one provider for another quarter of our great country. That means as far out as we can see, 4 years from now, fully half of our country will have only one provider of these new services or no provider at all.

Now, if you live in any part of America that is not connected to this wonderful high-speed broad band network, you are going to find out that not only are you missing great opportunities but you may have to move. If you are a small business not connected to some of these networks, and you cannot connect to the high-speed network in which your business should be connected because it is part of an integral e-commerce distribution system, you may find yourself having to leave a small town in rural America that you grew up in and relocate your business elsewhere, or you may find out you are losing an awful lot of business. The problem for Americans is that the quarter of Americans who will not have any services generally live in rural America or in urban center city portions of our country. So the urban poor and the rural poor of our country will be the last to receive the benefits from this high-speed digital revolution.

Now, something can happen to change that. Buried in the ground, connecting all the rural communities of America and much of the urban centers of our country are fiber optic cables that have been laid by the telephone companies, the Bell companies. But under Federal law, these cables, these fiber optics that could connect little towns across America to the high-speed trunk lines of this new broad band revolution cannot be used because the FCC literally will not allow the telephone companies to get into the broad band business across what is called LATA lines. They may be State boundaries or lines drawn on a map inside a State that currently separates local and long distance telephone calls.

You should ask me what does local and long distance telephone calls have to do with the Internet and this broad band revolution. I should tell you it has very little to do with it. It only has to do with voice communication, telephone communications. But these old laws that restrict the local telephone company from crossing those lines and getting into long distance telephones also currently restrict the telephone companies from connecting all the small parts of America to the broad band Internet.

It is time we lift those restrictions. In 1996, we tried to deregulate communications in America. We did a pretty good job, but we left the regulations in place on the local monopoly telephone companies until there was enough competition for telephone service in those local markets. We certainly did not intend to stop the telephone companies from being a full-fledged competitor to connect rural parts of America, small town America, urban center city America to the great advantages of this new age of communications, the broad band digital high-speed network. So House bill 2420 will do just that, will lift those restrictions, will create competition, offer connection, connectivity for everyone in this country. That means ending the digital divide.

Mr. Speaker, House bill 2420 needs to be passed. We are rapidly approaching the point where over 218 Members of this House will have signed on urging its passage.

HOUSE VOTES TO REPEAL TELEPHONE EXCISE TAX

(Mr. TAUZIN asked and was given permission to address the House for 1 minute.)

Mr. TAUZIN. Mr. Speaker, I am very pleased that today while I was conducting a hearing in the House Committee on Commerce on broad band legislation, that the House is moving to pass an important piece of legislation to help the Internet community and all telephone consumers of America. That was a bill to repeal the 3 percent telephone tax that has been on the books as we know on and off since the Spanish American war. The telephone tax operates as a tax on the Internet

because much of the Internet service flows over the telephone. As a result, this 3 percent tax collected originally to fund the Spanish American War and left on the books for lo these many years had to go.

Today, the House joined in large numbers in repealing that tax. I want to congratulate the House in making that great decision today. In fact, a study done by the Progress and Freedom Foundation indicates that over the last 12 years, telephone taxes have gone up in this country 62 percent, that telephone taxes, that taxes on the business of talking to one another in this country have risen a remarkable 62 percent. That includes State, local and, of course, Federal taxes. When the combination of all these taxes mount up on a person's telephone bill, it means in effect that more and more people cannot afford to be on the Internet.

In fact, the Progress and Freedom Foundation estimates that well over 20 percent of America will not access the Internet because of the high level of telephone taxation. Now, what is ironic about that is that we live in a country that prides itself on free speech. In fact, the first amendment to our Constitution is an amendment that protects American's right to free speech, in effect protects our right to free speech against the Government infringing upon it.

I want you to think about that for a second. In this wonderful free speech society that prides itself and in fact brags about free speech around the world, we in America tax speech in many jurisdictions of our country more than we do tobacco. In other words, the taxes on telephones in many jurisdictions of America are higher than the taxes on tobacco, which is supposed to be a sin product. Speech is supposed to be honored and respected in America. In this great House we honor and respect the right of free speech in our wonderful debates on the great issues of the day.

Yet our government taxes talking on a telephone so high that it amounts to more than the taxes on tobacco in many parts of America. You would think we would honor speech by getting rid of those taxes, lowering those taxes; and so this House began today that process. By eliminating the 3 percent excise tax on talking on telephones, we hopefully have begun the process to honor and respect free speech again in our society. Eliminating this tax is going to save millions of Americans many millions of dollars over the years that unfortunately has been taken from them as they use their telephones or connect to the Internet.

More importantly, as we repeal this 3 percent telephone tax, we will be making access to the Internet more affordable for many people in this country. Think about telephone taxes another way. It is one of the most regressive forms of taxation you can possibly

imagine, because we all use the telephone. We use it to keep in touch with our loved ones; we use it constantly in our businesses. Everyone uses the telephone. And in a real sense, when you talk about taxes being progressive or regressive, this is the most regressive tax that I can possibly imagine. Everybody pays it. The poorest of Americans who use the telephone pay a higher percentage of taxes with telephone taxes than they do in any other form.

So this House really has done America a great favor. I am proud to tell you that it was in 1998 that the gentlewoman from Washington (Ms. DUNN) and I filed the first bill to repeal the Spanish American 3 percent telephone tax. It has taken a few years, but this House today agreed with us. We are delighted in fact that the House has now sent to the Senate a bill to end this 100-year-old Spanish American War tax. I want you to know the Spanish can breathe easy tonight. The war is over. We have ended collecting a tax that ran that war. We should be very proud in fact that we are finally taking the right path in making both telephone and Internet service more affordable for people and getting rid of some of this heavy burden of excessive and regressive taxation on the folks in America who use the telephone.

We have only just begun. As we go through the process of trying to make sure that the Internet is free and accessible for more and more people, free of these heavy taxation burdens, our committee and the Committee on Ways and Means will continue to see whether or not we can hopefully give Americans even more relief from taxation. In that regard, Mr. Speaker, our efforts will continue. We are going to look seriously at possibly putting some kind of limitation on the FCC's ability to constantly raise taxes, and one day just hopefully one day we will honor and respect free speech in America the way our forefathers intended.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate has passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 336. Concurrent resolution providing for a conditional adjournment of the House of Representatives and a conditional recess or adjournment of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2559) "An Act to amend the Federal Crop Insurance Act to strengthen the safety net for agricultural producers by providing greater access to more affordable risk management tools and improved protection from production and income loss, to improve the efficiency and integrity of the Federal crop insurance program, and for other purposes."

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MINGE (at the request of Mr. GEPHARDT) for today on account of medical reasons.

Mr. WEINER (at the request of Mr. GEPHARDT) for before 1:00 p.m. May 24 and today on account of personal business.

Mr. BATEMAN (at the request of Mr. ARMEY) for today on account of attending a funeral.

Mr. MCINNIS (at the request of Mr. ARMEY) for today on account of his daughter's high school graduation.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mrs. CAPPS) to revise and extend their remarks and include extraneous material:)

Mrs. CAPPS, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

Mr. RUSH, for 5 minutes, today.

Mr. UNDERWOOD, for 5 minutes, today.

Mrs. MINK of Hawaii, for 5 minutes, today.

Mr. BROWN of Ohio, for 5 minutes, today.

(The following Members (at the request of Mrs. BIGGERT) to revise and extend their remarks and include extraneous material:)

Mrs. BIGGERT, for 5 minutes, today.

Mr. GUTKNECHT, for 5 minutes, today.

(The following Members (at their own request) to revise and extend their remarks and include extraneous material:)

Mr. HORN, for 5 minutes, today.

Mr. TAUZIN, for 5 minutes, today.

SENATE BILL AND CONCURRENT RESOLUTION REFERRED

A bill and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 484. An act to provide for the granting of refugee status in the United States to nationals of certain foreign countries in which American Vietnam War POW/MIAs or American Korean War POW/MIAs may be present, if those nationals assist in the return to the United States of those POW/MIAs alive; to the Committee on the Judiciary in addition to the Committee on International Relations for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

S. Con. Res. 110. Concurrent resolution congratulating the Republic of Latvia on the tenth anniversary of the reestablishment of its independence from the rule of the former Soviet Union; to the Committee on International Relations.

ADJOURNMENT

Mr. TAUZIN. Mr. Speaker, pursuant to House Concurrent Resolution 336,

106th Congress, I move that the House do now adjourn.

The motion was agreed to.

The SPEAKER pro tempore (Mr. SHIMKUS). Pursuant to House Concurrent Resolution 336, 106th Congress, the House stands adjourned until 10:30 a.m. on Tuesday, June 6, 2000, for morning hour debates.

Thereupon (at 5 o'clock and 14 minutes p.m.), pursuant to House Concurrent Resolution 336, the House adjourned until Tuesday, June 6, 2000, at 10:30 a.m. for morning hour debates.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

7840. A letter from the Senior Banking Counsel, Office of the General Counsel, Departmental Offices, Department of the Treasury, transmitting the Department's final rule—Financial Subsidiaries (RIN: 1505-AA77) received March 22, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

7841. A letter from the Chairman, Federal Financial Institutions Examination Council, transmitting the 1999 Annual Report, pursuant to 12 U.S.C. 3305; to the Committee on Banking and Financial Services.

7842. A letter from the Assistant General Counsel for Regulatory Law, Office of Procurement and Assistance Management, Department of Energy, transmitting the Department's final rule—Acquisition Regulation: Financial Management Clauses for Management and Operating (M&O) Contracts (RIN: 1991-AB02) received April 28, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

7843. A letter from the Assistant General Counsel for Regulatory Law, Office of Procurement and Assistance Management, Department of Energy, transmitting the Department's final rule—Acquisition Letter; Small Business Programs—received April 28, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

7844. A letter from the Deputy Executive Secretary, FDA, Department of Health and Human Services, transmitting the Department's final rule—Revision of the Requirements Applicable to Albumin (Human), Plasma Protein Fraction (Human), and Immune Globulin (Human) [Docket No. 98N-0608] received April 18, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

7845. A letter from the Deputy Executive Secretary, FDA, Department of Health and Human Services, transmitting the Department's final rule—Quality Mammography Standards [Docket No. 99N-1502] received April 18, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

7846. A letter from the Deputy Executive Secretary, National Institutes of Health, Department of Health and Human Services, transmitting the Department's final rule—Service Fellowships (RIN: 0991-AA96) received April 18, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

7847. A letter from the Director, Regulations Policy Management Staff, FDA, Department of Health and Human Services, transmitting the Department's final rule—Indirect Food Additives: Adhesives and Components of Coatings and Paper and Paperboard Components [Docket No. 99F-0925] received April 18, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

7848. A letter from the Deputy Assistant Administrator, Office of Diversion Control,