SENATE—*Wednesday, January 29, 1992*

(Legislative day of Friday, January 3, 1992)

The Senate met at 11 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. BYRD].

The PRESIDENT pro tempore. Our prayer to the Almighty Lord of Hosts will be led by the Senate Chaplain, the Reverend Dr. Richard C. Halverson.

Dr. Halverson, please.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

God setteth the solitary in families * * *.—Psalm 68:6.

Gracious Father in Heaven, from every State in the Nation, every continent of the world, and 150 nations, people are gathering in Washington at the invitation of the Senate and House prayer breakfasts. Tomorrow morning more than 4,000 will meet at the National Prayer Breakfast, a microcosm of the world, participating in spiritual fellowship with our national leaders.

Gracious God, as this gathering demonstrates that we are all one family under God, cover the meeting with Your presence and blessing. Bind the people together in love, understanding and acceptance. As they disperse, may the benefits of their being together be shared in every place to which they return. And as hosts, may our leadership enjoy a special sense of God's providential intervention in national affairs. May the common faith, so powerfully manifest at the breakfast, continue in the lives of political leadership at every level of government during this crucial national election year.

In the name of Jesus, Light of the world, Wisdom of the nations. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. Under the standing order, the majority leader is recognized.

SCHEDULE

Mr. MITCHELL. Mr. President, and Members of the Senate, the Senate will be in morning business pursuant to a previous order until 1 p.m. today, at which time the Senate will resume consideration of the cable television bill. I encourage all Senators who intend to offer amendments to that bill to be prepared to do so today. It is my hope that we can make substantial progress on that bill during the day. The managers will be present and, following brief opening remarks at 1 p.m., will be ready to receive amendments.

RESERVATION OF LEADER TIME

Mr. MITCHELL. Mr. President, I reserve the remainder of my leader time and all of the leader time of the distinguished Republican leader.

Mr. President, I now yield the floor.

The PRESIDENT pro tempore. Without objection, the time of the two leaders will be reserved.

MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 1 p.m., with Senators permitted to speak therein.

The PRESIDENT pro tempore. The Senator from Georgia [Mr. NUNN] is recognized.

SUPPORTING OUR MEN AND WOMEN IN UNIFORM

Mr. NUNN. Mr. President, yesterday I spoke about the contributions our men and women in uniform and their families have made in winning the cold war, both in actual combat and in their day-to-day jobs worldwide.

Today, I want to recall for my colleagues the investments we have made in supporting our military personnel and their families over the last 40 years.

Mr. President, the Constitution vests the Congress with the power to raise and support our Armed Forces and our militia. I think it is fair to say that throughout the period of the cold war, the Congress has fulfilled this very important constitutional responsibility. No other military force has been as well equipped, as well trained, as well provided for, and as combat ready as the Armed Forces of the United States over the last 40 years.

From the Korean war until today, the United States has maintained the largest peacetime military force in our history. During this period 23 million Americans have served in uniform, and our military has changed from one raised under a policy of conscription, as we call it, to a force that today is composed entirely of volunteers.

From the Korean war until 1973, the United States relied on a combination of volunteers and draftees to meet our military personnel requirements. Under conscription, the military services maintained a youthful, first-term force built around a relatively small core of career personnel. That has changed dramatically. In 1969, however, largely as a result of the social and political pressures growing out of the Vietnam war, President Nixon organized a panel to develop a plan to eliminate conscription and move to an all-volunteer military force. The draft ended in June 1973, and today's all-volunteer force was born.

Before the cold war, the pay and benefits for military personnel were based on the principle that adequate compensation, in pay or in kind, should be provided to clothe, house, and feed our military personnel. Consistent with this principle, Congress provided a military pay and benefits package that included three components. The first component consisted of basic pay, a nontaxable basic allowance for quarters if Government housing was not provided, and a nontaxable basic allowance for subsistence if food was not provided. Aside from a few hazardous duty and foreign duty pays, this is what military personnel received in their pay checks. Congress supplemented this first component of cash pay with leave and discount shopping benefits in military exchanges and commissaries. And finally, Congress provided a third component of postservice compensation in the form of retirement pay and veteran's benefits.

In the 1950's and 1960's before the transition to an all-volunteer force, Congress made modest improvements to military pay by providing cost-of-living pay raises, adding new incentive pays, and for the first time authorizing guaranteed medical care for the dependents of military personnel and for military retirees under the civilian health and medical system of the uniformed services, and that was in 1966. Mr. President, compared to the compensation and benefits Congress provides our men and women in uniform today, the pay and benefits in the 1950's and 1960's was austere, but it was adequate to support a military force under conscription.

The decision to shift to an all-volunteer military force in 1973 meant that the military services would be competing for recruits in the civilian labor market. To make this shift successful, in 1971 Congress increased the basic pay and allowances of military personnel by 14.2 percent, and authorized substantial enlistment and reenlistment

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

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bonuses for enlisted personnel. Congress then followed up with authority for targeted incentive pays for specialized skills to help the military attract and retain aviators, nuclear qualified personnel, and military doctors and dentists. These increases in military compensation made military pay more comparable to private sector pay, particularly for first-term military personnel, so that the military services could attract and retain enough qualified volunteers to fill the ranks.

By the late 1970's, 6 years after the end of the draft, the All Volunteer Force was in very considerable difficulty. The Pentagon had underestimated the difficulty in manning the military services with volunteers. Rather than trying to make the necessary changes, the Defense Department consistently put the best face on an All Volunteer Force that was not meeting minimum quality standards. Military pay had also dropped almost 8-percent below comparable private sector pay. By 1979, the Defense Department was not recruiting and retaining sufficient numbers of qualified personnel to man the military services. All of the services missed their recruiting goals, and in 1980 almost half (45 percent), of all recruits in the Army did not have a high school diploma. The morale of the military was going down very substantially. It was clear that heroic measures were needed to save a dying patient.

I remember that period very well because I was the chairman of the Manpower Subcommittee of the Armed Services Committee. I began working on this problem with Senator WARNER. We found serious problems in military pay and benefits. Although there had been large pay increases at the beginning of the All Volunteer Force in late 1971, subsequent pay increases for military personnel did not keep up with pay increases in the private sector or with inflation. This situation was compounded by a similar, growing gap between military housing allowances and the cost of housing in certain areas of the country. We also found that certain incentive pays, such as sea pay, submarine duty pay and pay for military doctors and dentists, were out of phase with the private sector.

As a result of our review, Senator WARNER and I introduced comprehensive legislation in 1979 to address the deficiencies in the military compensation system. This legislation resulted in an immediate increase in military pay and allowances of 12.7 percent during President Carter's administration in 1980. This 12.7-percent increase was followed up by another raise during the first year of President Reagan's administration in 1981 of 14.3 percent. These two raises brought military pay to a level comparable to the salaries and wages paid in the private sector, and went a long way toward restoring the ability of the military services to recruit and retain quality people to serve in uniform.

The Nunn-Warner legislation also established a nontaxable variable housing allowance to take care of the growing gap between the military housing allowance and the actual cost of housing. This variable housing allowance remains one of the largest and most important single increases in benefits for military members and their families since the beginning of the All Volunteer Force. Today this allowance is based on local housing costs and reimburses military personnel living in high cost areas for their out-of-pocket housing expenses.

Finally, this legislation increased the incentive pays for sailors in recognition of the rigors of sea duty, including long periods of family separation and performance at high operational tempo, and for doctors and dentists in recognition of the compensation they could command in the private sector.

In addition to these changes in military compensation, Congress also enacted minimum quality standards for recruits entering the military services. These quality standards helped refocus the Defense Department's recruiting programs away from just filling the ranks and toward attracting high quality young people into the military services.

Congress directed the military services to settle for less people, if necessary, rather than letting the quest for numbers drive down the overall quality of the personnel.

Taken together, these changes in military pay and benefits and the congressional emphasis on recruit quality standards helped breathe life back into the All Volunteer Force. The changes in compensation improved the quality of life for all military members and their families, and coupled with the increased emphasis on personnel quality allowed the Pentagon once again to recruit and retain sufficient numbers of high quality people for the military services.

Another major improvement in military benefits enacted by the Congress was the Montgomery GI bill. The Vietnam-era GI bill was allowed to lapse in 1977. It was replaced by a less attractive, contributory postservice education benefit termed VEAP, the Veteran's Educational Assistance Program. This reduction in postservice education benefits may have contributed to the recruiting problems of the late 1970's. The original VEAP was modified several times by the Congress to increase its attractiveness, but by 1984 it was obvious that it needed to be replaced by a postservice education benefit that would be more effective in attracting high quality recruits. In that year, Congress passed the Montgomery GI bill, a contributory postservice education benefit that has proven to be very effective in attracting high quality recruits.

Mr. President, the results of this commitment to the well-being of our military members and their families should be clear to everyone. Their dedication, their professionalism, and their sacrifices have helped bring about the successful conclusion of the cold war, and most recently the resounding military victory in the Persian Gulf, and countless other victories in our Nation's campaign for peace, freedom, and economic opportunity throughout the world.

Today the competition for the defense dollars is fierce—and it is probably going to get worse in this session—both inside and outside the Department of Defense. As we debate the size of the Defense budget for this year and the future, there is another point that should be clear to everyone: maintaining a quality military force of any size requires a compensation system that is fair and equitable to military members and their families.

In large part, Congress has kept the faith with out military members and their families in the past and we must continue to do so in the future. Both the military members who remain in the service and also those who decide to leave.

I will be making at least two more speeches on this subject, and in the next remarks I will make to the Senate I will discuss the safety net of compensation and benefits that Congress has authorized for military members who will be leaving the services over the next several years as a result of the reduction in the size of our military services.

Mr. President, I think it is important for people to realize that as we debate additional cuts in the defense budget—and we will and should. The threat has changed, there is no doubt about that. The question is how much and how fast we will make these cuts and whether we will retain the kind of quality personnel, equipment, and readiness we need to maintain and preserve peace in the world.

Mr. President, I think we should keep in mind that the track we are on now, before we make any additional cuts, we are going to see about 100,000 military personnel per year go out of the military, and that is a net figure. The turnover each year is normally about 200,000 people. You have to have fresh people coming into the military. The whole military system is based not on going out and hiring people at the sergeant or the major level but having people grow up in the system to become leaders, both officers and enlisted. So the net figure of additional people who are going to be getting out of the military—not because that is their choice but because of the pressure on the defense budget—is going to be an additional 100,000 per year each year

for the next several years beyond the normal 200,000 people who would normally be retired or who would voluntarily leave the military.

So we are already going to be releasing more military people for the next several years without any additional defense cuts that are being talked about now. We are going to be releasing more military personnel per year than are being talked about in the much, and I think understandably, concerned automobile industry in America that is having to lay off an awful lot of people.

So I hope we will put this in perspective. There is a downside in terms of the human beings involved unless we handle it carefully, unless we handle it with equity, and unless we help them find meaningful opportunity. But there is also an up side.

I will speak more to this subject in my later remarks this week or next week, but I want to point out this morning that we have an enormous potential pool of well-trained, well-qualified people that are available for other positions both in the public and private sector. These are topnotch people.

I want to see these people that come out of the military gainfully employed not just for their sake, although that is enormously important as I have made clear, but also for the sake of our Nation.

I cannot think of a better use of some of these military people than in education. We are all talking about how we improve education. I do not think there is a single bill we could pass on education this year that would be as important as finding ways to channel qualified military people into key areas of education, like math and science.

I thank the Chair. I will have more remarks on this subject at a later date.

Mr. SIMPSON addressed the Chair.

The PRESIDENT pro tempore. The Senator from Wyoming [Mr. SIMPSON].

Mr. SIMPSON. Mr. President, we now are under the special order. I yield 10 minutes of the allotted 1-hour time to Senator DOMENICI of New Mexico.

Mr. DOMENICI addressed the Chair.

The PRESIDENT pro tempore. How much time is yielded?

Mr. SIMPSON. Ten minutes, Mr. President.

The PRESIDENT pro tempore. The Senator from New Mexico [Mr. DOMENICI] is recognized for 10 minutes.

MILITARY PERSONNEL

Mr. DOMENICI. Mr. President, I thank the minority whip for arranging this session this morning.

Before I talk about the President's proposals for this country, I want to associate my remarks with those of the distinguished Senator from Georgia regarding the military personnel. I truly believe we are ignoring that asset as we, in a rather willy-nilly manner, talk about dramatic cuts in defense. This is a tremendous asset. We ought to think a little bit about how it may be better used in this American system than just start a chopping action, reducing our manpower in the military in a willy-nilly and not a rather orderly manner. I want to associate myself with his remarks.

THE STATE OF THE UNION ADDRESS

Mr. DOMENICI. Mr. President, last night was a very special day in the life of the United States because the President of the United States delivered for us his State of the Union Address. I do not think there is anyone who watched that State of the Union Address who can say today that the President was not forceful, and that he did not make a series of proposals that clearly will help get the American economy going again.

It was my privilege to be there and, obviously, it was my privilege to discuss some of the issues contained in that address before the President made them. I find that this speech that the President made is deserving of Members, Democrat and Republican in this U.S. Senate and in the House; of their attention; it is deserving of their absolute deliberate handling of it so that we can put something in place quickly to begin to move the recession upward so we have economic growth.

Let me start by suggesting to the Members of the Senate that there are many economists who are saying there are already in place a series of stimuli that will cause the American economy to recover. That is hard for a lot of people to understand or believe. But I would just paraphrase.

Dr. Reischauer, who is about as neutral an economist as we have around, is the man that directs the Congressional Budget Office; in a sense selected by the majority, by the Democratic majority to do that job. Within the past 10 days, he has testified before the Budget Committee.

He has suggested, Mr. President, that if we do nothing except stay the course right now, the third quarter of this year should see a growth in the economy of about 3½ percent. In other words, a turn around and a setting on a new path of upward growth of the American economy.

With that GNP growth, soon to be called GDP growth—it is hard for me to get that, but that is the new name—setting that on a growth path means people will begin to go back to work, and businesses large and small will begin to hire.

Having said that, it is incumbent upon us to assure the American people that we are going to do everything possible in the short term to help the recovery of the American economy. The American economy is the source of Americans' material dreams. It is the opportunity arrangement that we have with our people that the economy will grow and they have opportunities to participate. So we ought to focus on it first and not be led astray by cliches or notions of grandeur about how we ought to have the American economy under control.

It seems to me that some will not be happy until there is a long litany of programs that the Congress of the United States adopts directing and handling the American economy. Well let me suggest there is nothing worse for the American success and American dreams fulfilled and for opportunity for the American people, nothing more dangerous than to have Congress managing this recovery.

Some are saying already, and we have not heard the full text of what the majority party is going to say about the President's proposals, but some are already saying there are no new ideas. Some are saying it is not enough. Well, I think those who are saying there are no new ideas are really saying there are no new spending programs. That is what they are saying. No new ideas to those who are critical of the President's proposals means there are no giant American programs that we can spend money on to help with this recession.

The American people are not dumb. They understand that more spending on new programs will add to the deficit and, believe it or not, they understand implicitly that it will not help the American economy or address issues of unemployment for Congress to invent some new spending programs.

Obivously we should extend unemployment compensation. That is a the American way to handle unemployment as best we can while recovery takes place and Americans go back to work. We are going to do that and do it in a bipartisan manner, and let us hope that sets us over in the right track.

The American people are not dumb, Mr. President. They do not want the deficit to get bigger. In fact, in the midst of this recession, almost every poll says the American people say the worst problem we have is the American deficit.

So I submit the President's ideas of stimulating the economy with targeted tax treatment and not letting Government run away with expenditures and, yes, Mr. President, believe it or not for the first time, suggesting that there should be a cap on the entitlement programs, except for Social Security, is a dramatic idea. We should spend some time trying to get that done. For these huge new expenditures are not expenditures in the appropriations bills for domestic spending. They are in the entitlements, and we never have been able to get a handle on them.

He is suggesting that in some way we cap them. I look forward to a discus-

sion with the administration and with the Members on the other side as to how we might do that.

I wanted to make another point. There are many saying that the President of the United States has done nothing about this recession over the past. I want to say that what really happened is that the Congress of the United States did nothing about this recession. Why?

These are the suggestions that the President of the United States made last year, none of which were adopted by the Congress of the United States, and almost every single one is thought by most economists in the United States to be good for American growth.

Here they are: A tax-free family savings account; IRA withdrawals; reduced tax for long-term capital gains; permanent tax credit for R&D; new incentives to create jobs in our inner cities, and lo and behold they were all suggested last year and the Congress did none of them. Having said that, Mr. President, it seems to me that the President is right on in his message.

Real estate. Some look at real estate and think of grandeur and rich people. Real estate and real estate transactions include every home and household in America, because houses are part of the real estate of this country. And the bottom is falling out of that real estate, and the President of the United States in this speech—and the real estate community in America and the homeowners will understand—is suggesting that we have to stabilize that real estate in the United States so that there is no longer a drain on banks, so banks can lend money for commerce.

Those who say he does not have enough in this plan, I would look at those carefully. The three or four major proposals for stabilizing and encouraging new home buying, stabilizing real estate prices, and encouraging new home buying, if those are not good for the American economy and for our people, then I do not know what is.

And he is suggesting that we change how we tax new equipment. He is suggesting that we have a 15-percent upfront deduction allowance for new equipment that you want to buy, if you are in business and put in place for growth. That is in lieu of the investment tax credit. I believe it will be a good stimulus and we ought to do it, and we ought to do it quickly.

The capital gains differential, we heard about all we should hear about it. It is not a tax benefit for the rich. It is what America needs to catch up and get even with our adversaries in the community of free nations that are in competition with each other. None of our big competitors in the world markets tax capital gains as we do. They have a major differential which encourages people to invest more, to invest more in plant and equipment and in business. They are doing it. We are not.

We should change the Tax Code of the United States to begin to catch up with them. Some say we should catch up with Japan. Yes, we should catch up with Japan by doing what they do regarding the investment of capital in their economy. There is no doubt that savings and investments are the foundation of a capitalist society, and we are doing poorly on both sides of that; and in both of those efforts by our people, we should fix that, and the President's suggestion is at least a good step in that direction.

Mr. President, there are many other things to say. With the whip's permission, I ask him to yield 1 minute and I will be through.

Mr. SIMPSON. I yield an additional 1 minute.

The PRESIDENT pro tempore. The Senator from New Mexico is recognized for an additional minute.

Mr. DOMENICI. Mr. President, I will wrap this up by saying that I truly believe we ought to give the President what he has asked for. We ought to do it in a timely manner with reference to stimulating this economy, because to wait beyond that and to complicate the issue is to do nothing.

I think the majority party has a lot to think about. If they want to delay this and dally around and come up with their own ideas, they better be good ones, and they better measure up against the basic attitudes and credentials of the President of the United States' suggestion. I would not like to be in their shoes with an American economy that is floundering, and they are suggesting we should wait, and that we should not do what the President asks that we do on behalf of the people in this country.

I yield the floor.

Mr. SIMPSON. I thank the Senator from New Mexico. I yield 3 minutes to the senior Senator from South Carolina.

The PRESIDENT pro tempore. The Senator from South Carolina [Mr. THURMOND] is recognized for 3 minutes.

PRESIDENT BUSH'S STATE OF THE UNION ADDRESS

Mr. THURMOND. Mr. President, I want to thank our assistant Republican leader for arranging this time to speak on the President's State of the Union Message. I also want to commend the able Senator from New Mexico for the remarks he just made on this subject.

Mr. President, last night, President Bush delivered a strong, substantive State of the Union Message to the Nation in which he unveiled a bold program to put America on the road to a brighter future.

The President set forth a comprehensive budget plan, which included an aggressive program for economic recovery. I am especially pleased that he proposed initiatives to help relieve the tax burden on families, encourage investment and home ownership, and provide for improved healthcare for all Americans.

The economic plan he outlined is a two-pronged approach, focusing on both short-term relief and long-term development. These proposals build on actions he has already taken to help boost the economy, including lowering of interest rates and accelerating federal spending, both of which should yield results in the near future.

As part of his long-term plan, the President spoke forcefully on the need for the Presidential power of line-item veto, a power which I had as Governor of South Carolina, and which 43 other Governors currently possess. Line-item veto is one of the most valuable tools for pruning out-of-control Government spending, and there is no reason we should hesitate to provide our Nation's Chief Executive with this authority.

In addition to his economic proposals, the President called for a crackdown on the Nation's burgeoning crime problem, and asked the Congress to pass his tough anticrime package. I introduced this measure in the last session of this Congress, and shall continue to fight for its passage. The American people deserve to walk the streets without fear, and the only way to reach that goal is to implement this strong proposal.

Although we all know there is no quick-fix for many problems which face our Nation, the President has proposed a solid, practical agenda to deal with many of our most pressing issues. He has suggested a plan to help this country get back on its feet economically, and stay there, and he has challenged the Congress to pass his short-term growth proposals by March 20. We can meet that deadline if we work together.

Mr. President, the ball is now in our court, the court of the Congress. If those of us in the Congress are serious about wanting the best for our Nation, we will stop trying to assign blame for these hard economic times and take action upon the President's plan without delay. I pledge to do all I can to see that the President's plan is implemented, and I urge my colleagues on both sides of the aisle to do the same.

Mr. President, in his message last night the President did not mention the constitutional amendment to mandate a balanced budget. I feel this is essential. In talking with the President today, he stated that he did not mention that, but he strongly favors it. He said he favored it in the past and he favors it now.

During the 1980's, we passed such a constitutional amendment through the Senate and sent it to the House. The House of Representatives turned it

down. Their leaders in the House at that time, the Speaker and the majority leader, got up and led the movement to kill that constitutional amendment to balance the budget, a mandated balanced budget. We should pass this constitutional amendment.

I do not know of any other way we can force the Congress to curtail spending. For 30 years, the Congress has spent more than it has taken in. Only one time in 30 years have we balanced the budget. The Congress has to be forced to balance the budget.

The only way I know to make the Congress do it is a constitutional amendment to mandate a balanced budget. Additionally, giving the President the power of the single line-item veto would help to balance the budget.

Some say the President would veto projects sought by Members who are not in his party. That would be unwise. Whoever the President is, regardless of party, I think we ought to have that single-item veto. This balanced budget constitutional amendment and single-item veto, in my judgment, would do more than anything else to keep this budget balanced. I would hope that soon we could take up this constitutional amendment to balance the budget.

Senator SIMON and I have worked on it this Congress. I have worked on this matter for 25 years. We have brought it to the floor and it is now on the calendar.

The majority leader has failed to bring it up. We have been after him to bring it up. Unless he brings it up right away, we may offer it as amendment to legislation on the floor in order to get action.

We should pass this constitutional amendment—which mandates a balanced budget—and send it on to the House and give them another shot at it. I have a feeling that now, under the strenuous circumstances in which we are in today, the House may consider it favorably. I wish to thank the assistant minority leader.

Mr. SIMPSON. Mr. President, I thank our senior colleague from South Carolina who is indeed one of the most revered and splendid Members of this Chamber. We thank him for his great interest in this issue. As a chief executive of a State in the past, we should heed his good counsel.

The PRESIDENT pro tempore. The Senator from Wyoming is recognized for such time as he may require, with the time under his control.

Mr. SIMPSON. I thank the Chair.

Mr. President, like the rest of my colleagues, I had the distinct honor and privilege of listening to the President in his State of the Union Address last night, as most all of us did.

There has been a perception I think pressed upon America this year that the President rendered his State of the Union Address at a time of grave crisis; that these are perilous times and that we are greatly in need of bold national leadership. It seems to me that that essence was slightly exaggerated and from where it sprung is not necessary to assess.

But if that is the case, then we are, indeed, fortunate to have George Bush sitting in the White House. Crisis, trial, danger, tribulation—nothing new to this man. He has faced down all forms of crisis of equal and much greater magnitude in the past.

When the American people expect the most of George Bush, he always has delivered the best. That is the way he is—always has been. From being shot down during combat during the Second World War, losing an infant child to cancer at a time of his early marriage; being called every name in the book throughout an entire period of public life; and things of greater and lesser magnitude, George Bush has been unwavering. He is unflappable. He is a leader. He proved that again and again and again to all of us.

He has led a distinguished and inspiring life in the service of his country in so many different capacities—a Member of the House of Representatives, Ambassador to People's Republic of China, Director of the CIA, Vice President of the United States, President of the United States, always inspiring in the past through today.

And so I say that George Bush is now embarked upon the most rambunctious and difficult period of his life, and that is the next few months until the election in November. He knows that. We know that. The Democrats know that. The Republicans know that. That is what is ahead. And he does not shirk from that at all. He loves the spirit of combat. He gives as good as he gets. And he will do that again.

And in July, the other party will select their nominee for President, and their nominee for Vice President. And then the battle will be joined and the private lives of those people will be spread upon the pages for weeks on end. And it will be remarkable in the years to come if we can get anyone to run for President or Vice President of the United States of America with what is happening today with regard to this obsessive and almost overweening and ghoulish and macabre and dizzying prying into their personal lives which, in my mind, have not much to do with their abilities if those things have not been too closely equated with the present time.

I need not remind my colleagues that 1 year ago at this time, the shadow of war hung over this country. Saddam Hussein of Iraq had swallowed whole the small nation of Kuwait, unleashing unspeakable brutalities upon that country, and moreover had imperiled our country's energy lifeline. Those times cried out for intelligent, creative, and most importantly—courageous leadership. And our President saw us through those perilous waters.

Though some tried to portray it as otherwise, it was not a crisis of the President's making. The conflicts which gave rise to the aggression against Kuwait long predated the Bush Presidency. Yet, we turned to the President and said—you lead. You do it. Many here didn't want any part of it—and he did.

The situation today is very similar. From what I have read and heard during the last few weeks, one would think that George Bush had been voting on congressional budgets for the last dozen years. As the chairman of the appropriations committee pointed out last week, in all of his distinguished tenure here in the Senate, no Presidential budget had passed the Congress: "In the final analysis, it is the Appropriations Committees and the Budget Committees and the congressional leadership that make the decisions." We know that to be so.

There has been enough recrimination and accusation about that situation—however, one thing is clear. Everyone has now turned—including everyone who is responsible for that deficit—and said get us out of this, Mr. President. You do it. Not us—you must lead us. Tell us what you plan to do.

Our President demonstrated last night that he is prepared to do exactly that. He will lead, as he has always done. However, there is an element present that was lacking in many of the tasks our President carried out in war. Whereas in war, the President has the sole authority to command—in economic matters, the Congress must respond. We in this Chamber must pass the legislation which will effect the President's program.

And that, Mr. President, is the challenge before this body. The President has indicated that the time is here for congressional action—he has called upon us to pass his program by March 20.

Now we will find out if the Congress shares the President's determination to take the necessary action.

Our President has taken a clear look at this Nation's economic predicament, and he has correctly diagnosed our problems. They must be addressed on two fronts—we must enact measures which will increase this country's long-term economic growth—and we must give the average American some immediate form of financial relief.

All too often, those aims run counter to one another. Short-term relief, particularly if it exacerbates the deficit, only means long-term misery. It is to the President's credit that he has proposed a plan which succeeds in meeting both objectives.

There is now a program before this Congress which would mean tax relief for millions or Americans, and an important stimulus—a long-term growth

stimulus, not a short-term jump—to the economy.

This program would provide relief to homebuyers. I need not tell my colleagues of the large role of a depressed real-estate market in the current recession. Under this plan, buyers of their first home would receive an income tax credit of 10 percent of the purchase price. They could also make a penalty-free withdrawal from their individual retirement account of up to $10,000. This means crucial help for Americans as they work to secure their most important real asset—and relief for a sagging real estate market.

This program would provide incentives to save and invest. It would create a new flexible individual retirement account which could be withdrawn penalty-free if held for 7 years. That is long-term investment which we need to create capital. The plan would make permanent the tax credit for research and experimentation—that important engine of national productivity. The plan would reduce the capital gains tax rate to 15 percent—putting an end to America's losing position in the competition to attract the world's capital.

It is high time that the capital gains tax reduction ceased to be a controversy. Let us tell the American public the truth—as stated by President John F. Kennedy—"The tax on capital gains directly affects * * * the ease or difficulty experienced by new ventures in obtaining capital, and thereby the strength and potential for growth of the economy."

As our Nation saves and invests, so will capital be formed, and so will our economy grow. Without a spur for savings and investment, little else this Congress can do for the economy will matter. For too long our economic incentives have been to borrow and to spend, and not to invest—and we are facing the consequences of that. This problem must be addressed—by reducing capital gains taxes, by sweetening IRA's and other investment vehicles, by making it easier to invest in research, to buy a home—we must, in this Congress, attack this problem on every front.

It is my hope that this Congress will, as the President has done, prove equal to the task at hand. The President has urged us to enact not only a budget and tax program, but to pass other legislation which will add strength to our Nation—to pass a tough and effective crime bill, to complete action on education legislation, and to provide extended unemployment benefits for those in need.

I also wish to note that whether or not this Congress delivers, the President will do everything possible under executive power to strengthen our country's economy. He has already announced that he will continue the effort to eliminate foreign trade barriers, that he will accelerate Federal spending wherever possible, and that he will continue to alleviate the credit crunch by adding to the money supply.

He is going to do all that he can—will we? That's the question that I ask. I am an optimist. I believe that we can—and I believe that we will. The great body politic will stand for no less.

We are, after all, the servants of the public. If we conduct ourselves in the months to come as if we have forgotten that, I am certain the electorate will remind us in November. We have told the public that the time has come for action—so now we must act.

I thank my colleagues and I yield the floor.

Let me, Mr. President, yield 5 minutes to the Senator from California, that much of my time under my control.

The PRESIDENT pro tempore. The Senator from California [Mr. SEYMOUR] is recognized for 5 minutes.

Mr. SEYMOUR. Thank you, Mr. President.

A CHALLENGE TO ACT

Mr. PRESSLER. Mr. President, I rise this morning to speak of challenge. In the State of the Union Address to the American people last night, President Bush expressed a similar theme. He challenged all Federal agencies to intensely and completely review all regulations and to eliminate those which stifle economic growth. He challenged President Yeltsin to continue the process begun by President Gorbachev and work with the United States to further reduce our two countries' nuclear arsenals. He challenged Americans to rethink and reform old views regarding education, health care, welfare, housing, employment, and the legal system.

Finally, and most important, Mr. President, President Bush challenged the U.S. Congress. He challenged you and he challenged me. He said it all when he told us that, "far more important than my political future and far more important than yours, is the well-being of our country."

I could not agree more. I accept the challenge and urge each of my colleagues to do the same.

President Bush offered a plan and he challenged us to act on that plan by a date certain, March 20, 1992. Let us demonstrate to the American people that Congress is up to that challenge.

I have just come from a meeting with President Bush and other Republican Senators here in the Capitol, in which the President discussed details of his plan. I am sure he plans a similar meeting with Democratic Senators. I think he has presented an excellent starting point. The burden is now on Congress to act by March 20. If we do not adopt his plan, we should have another plan finished by March 20, but we should vote up or down on these matters and get them into law by March 20. This is vital in our efforts to help our country recover.

Far too long, Members of Congress have chosen reaction over action. Far too long, Congress has searched harder for someone to blame than for practical, workable solutions to the problems of this Nation. The American people are now suffering the consequences of that inaction.

The U.S. Congress, as an institution, is not making decisions as it should. Our huge Federal debt, I believe, is largely the fault of Congress. We must take responsibility in this body. We must take a portion of the blame for the huge Federal debt. This Congress does not make decisions effectively. Not only does it no longer function as the Founding Fathers intended, in some instances it no longer functions, period.

But it does not have to be that way. The solution is not that difficult to understand, but it seems almost impossible to achieve. Enough of the rhetoric, enough of the partisan politics, enough of business as usual. We can no longer afford the luxury, not even in an election year.

Quite simply, Mr. President, it is time for Congress to act decisively. Let me repeat that word, because it is none that has been lost in these Halls too long: "Decisively." We must act and we should do it by March 20. I think that date certain, set by the President, is a very healthy thing.

This is the challenge, to act decisively. We must act to help the middle class. We must act to help the farmer, the rancher, the home buyer, the family, the working man.

We must act to create new investments and jobs, and to restore our country's vitality. And, above all, we must act to reduce the paralyzing national debt.

Mr. President, as the result of the wisdom of the American people, we have a Republican President and a Democratic Congress. I know there is much partisanship. But I think the time has come for us to work together between now and March 20, in a nonpartisan way, to develop a recession-fighting package. The President has given us a plan to create jobs and to stimulate the economy. There are sections in it involving real estate and passive gains and losses; there are sections involving changes in the capital gains tax designed to stimulate the creation of jobs. If this Congress chooses to adjust, or make changes in some of these proposals, fine. But let us act on them by the end of March, allow the President to sign them into law and have them on the books by the first of April. I believe the American people will be very disappointed if we do not.

President Bush has done his job. He has made the proposals. Now it is up to the Congress to accept them or reject

them. But let us not dawdle along for months. The President made the point last night that he has had a crime control bill in the Halls of Congress for several years. I have supported the President's crime bill. But it has not passed. The streets of Washington, DC, are a reflection of that.

The inability of our institutions to make decisions is hurting our country. Certainly, Congress is a prime example. I say this as a Member of Congress and a critic of Congress. I am a critic of the way we make decisions here. We need to improve this process substantially and set a better example for the rest of the American people.

I believe President Bush worked terribly hard on his proposals and his message. I looked at him this morning and I saw a man who is doing everything he can for his country in these difficult times. Now it is up to Congress, to those of us here, to act.

We have the opportunity to set an example for other institutions in this Nation. Institutions which, like Congress, no longer seem capable of making decisions. I believe that these institutional failures have not only led us into this recession, but may have permanently lowered our standard of living. I have already mentioned the inability of Congress to make decisions the way it should. Congress is not alone. Many of our corporate executives are abusing the system by taking salaries that are much too high, much higher than their Japanese counterparts. Boards of directors and corporate presidents have often formed cozy relationships that set a very bad example for working people who are being asked to cut back.

I also feel that our local school boards and some of our other local institutions are not facing up to some of the problems we face in education.

Indeed, all institutions in American society, must do better, from Congress to corporate presidents to labor to local institutions. History tells us that sometimes it takes a war or a depression to bring people together in a common fight against a shared problem. Let's not wait for such an occurrence. I think the President's speech last night can be the start of bringing us together to fight this recession.

Mr. President, I hope this Congress acts by March 20. As one Member of the Senate, I am prepared to act in a bipartisan manner. We will have to make some compromises, but I think our President has done an excellent job of laying out a blueprint.

Mr. President, I yield the floor.

A MESSAGE OF HOPE AND OPTIMISM

Mr. SEYMOUR. Mr. President, last night's State of the Union Message was a message of hope and a message of optimism. I know there are those that say it was too little too late, that it is not good enough.

But I thought there were two components that were extraordinarily important. I would like to underscore them, Mr. President, so that Members of this body and Members of Congress will remember them when the debate begins and we attempt to truly reach a bipartisan solution. Those two points that I would underscore were: No. 1, no new taxes; No. 2, it does not break the budget agreement.

As this debate proceeds, I am going to stand and cheer for other ideas, new ideas, that we can enact to give our economy a badly needed kick in the pants and to help the people of California—7.7 percent of them being unemployed; those who are fearful of losing their jobs—so that their needs can truly be addressed.

So I will be standing and cheering. But the yardstick has to be no new taxes and no break in the Federal budget agreement.

Beyond that, Mr. President, I would like to bring into focus something extraordinarily important, historic, I think, in precedents being set in the President's speech as he talked about the need to assist the housing and real estate economy.

Real estate, to most people, they say, "Oh, that is something that only the rich benefit from. It must be large developers. It is not the little person."

I think we need to understand, Mr. President, the importance of what was spoken about last night regarding ideas and programs to help the real estate economy, and to promote home ownership.

First of all, we need to understand, Mr. President, that real estate represents 20 percent of our Nation's GNP. And, second, and probably more important than that, Mr. President, we need to recognize and understand that if we take the balance sheet, the assets and the liabilities and the net worth of our Nation, two-thirds of our assets are in real estate and most commonly, most commonly for the average American, those assets are in their home.

This is one of the things that I always hear when I go back home to California. Those people are really afraid. They are scared because their single greatest asset is the equity in their home and they have seen real estates values flatten and decline. And they wonder whether or not their financial security for retirement, their nest egg, is going to be there when they need it.

So those components of last evening's message from the President that deal with real estate and particularly housing were truly good news—not just for Californians but for all Americans.

No. 1, a reduction in capital gain tax rate. I know there are those that say, "Well, that is a tax break for the rich." But recall what the President said in his message, and he was right. Over half of the people that will benefit from a reduction in the capital gain tax are people that earn $50,000 a year or less. They are small business owners, they are homeowners waiting to unlock their capital and put that capital to work somewhere else. And so a capital gain tax reduction is critical.

No. 2, for first-time home buyers, the President's budget is a home buyer's dream. Interest rates are at an all-time low. The President's proposal to give a $5,000 tax credit for the first-time home buyer will help many realize the American dream of homeownership. And the super IRA legislation that will permit up to a $10,000 penalty-free withdrawal from an IRA account to be used to help purchase a first home will further promote this American dream and boost our economy. And, yes, a partial repeal of the 1986 Tax Reform Act is needed.

The RTC is getting such a large inventory of properties that they will end up being the largest, single property owner in the country if we continue the trend of closing banks, taking their assets in real estate, and giving it to RTC.

So the repeal of the passive loss provisions of the 1986 Tax Reform Act will help stop the bleeding, will help stop banks' doors from being closed, stop the inventory growth of the RTC, and make those assets—which are currently tied up—start working for America again.

Of course, it was good news to hear the President say he is going to aggressively pursue pension funds as to their investment in real estate. You see, Mr. President, over the next couple of years, 400 billion dollars' worth of what is called mini-perm loans, short-term loans, are going to come due and the banks are not rewriting them. If something is not done, that is $400 billion of potential foreclosure. Two-thirds of the assets of this country are too important to let them go down the drain.

Pension funds now control over $1.9 trillion in investment capital. If we can encourage some of those pension funds to be invested into mortgages and the real estate economy we will be strengthening the balance sheet of this country.

Finally, Mr. President, I touch on the fact that the President called for an extension of the low-income housing tax credit and mortgage revenue bond programs. These are programs that have been proven to help those who are at the very lowest rung of our economic ladder get a piece of the American dream. We need to make them permanent.

All in all, Mr. President, I look forward to working in a bipartisan fashion for a quick passage of the economic growth package the President outlined last evening. He has sent us the necessary blueprint to enact economic stimulation. Let's get to work to help

this Nation's economy get moving again.

Mr. President, I yield the floor.

Mr. SIMPSON. Mr. President, I yield 7 minutes of the controlled time to the Senator from Alaska [Mr. MURKOWSKI].

The PRESIDENT pro tempore. The Senator from Alaska [Mr. MURKOWSKI] is recognized for 7 minutes.

THE PRESIDENT'S CALL FOR A NATIONAL ENERGY STRATEGY

Mr. MURKOWSKI. Mr. President, I thank the Chair and my distinguished colleague from Wyoming.

Let me, first of all, share with you the vision of our President in his address to the Nation last night. I think the President outlined his vision for America and challenged Congress to work with him to address the needs of working men and women.

The President advanced bold initiatives, broad initiatives, covering education, a tough crime package, health care, banking reform, and many, many others. Today I would like to comment on the President's notation with regard to the necessity of Congress enacting a national energy strategy.

We are all aware of the action taken by this body in a filibuster where the U.S. Senate has gone on record as not choosing to debate the merits of an energy policy for this Nation. Yet all of us would agree that it is necessary, it is mandatory, it is vital that this country have an energy policy.

Enactment of a national energy strategy is, and continues to be, a top priority of our President for two very simple reasons. The energy security of this Nation and the long-term stability of our economy.

Mr. President, we are told that last year some 500,000 Americans lost their jobs. Many of these jobs are effectively being exported overseas. Our OPEC dollars that go for oil are exporting U.S. jobs overseas, in the sense that we could develop oil reserves domestically.

Mr. President, recession has gripped our Nation. The trade deficit is $100 billion a year.

I would like to take a few moments to suggest a very simple, a very meaningful step toward addressing our Nation's economic problem. The step is the cornerstone of the President's national energy strategy. That is opening up the Arctic National Wildlife Refuge to oil and gas leasing. Developing the coastal plain of ANWR would create a substantial economic impact in the United States.

Let us look at the jobs issue, Mr. President. Consider the merits of what could potentially be one of the largest single job projects in the United States, the exploration and development of the coastal plain of ANWR.

The Wharton Econometric Forecasting Associates studied the economic impact of developing ANWR and projected that by the year 2005 development could create 755,000 new jobs in this country. These are jobs spread through every State in the Nation—80,000 in California alone, 60,000 in Texas, 34,000 in Florida, even 2,000 in tiny Delaware.

Mr. President, I ask unanimous consent that the specifics outlining the details for the various States be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MURKOWSKI. Mr. President, these are real jobs, jobs for American men and women, unemployed workers looking for jobs—not handouts—jobs like engineers, welders, truckers, manufacturers, steelworkers, construction workers of all types. That is why labor supports opening ANWR. That is why the National Association of Manufacturers, the American Mining Congress, the Associated Builders and Contractors, the National Grange, and the U.S. Chamber of Commerce all support opening ANWR.

Mr. President, I ask unanimous consent a letter by the AFL-CIO, and the other unions be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 2.)

Mr. MURKOWSKI. The economy. We talk about jump starting the economy.

But what have we done? Late last session, this body killed, as I indicated, a bipartisan energy bill which included opening the coastal plain of ANWR to oil and gas exploration and development. The benefits we lost by that action need to be identified, Mr. President. The entire national energy strategy would have had economic benefits to the Nation of over $500 billion.

The Wharton study projected that ANWR development alone would boost the U.S. gross national product by $50.4 billion. ANWR development would provide billions of dollars in taxes and royalties to Federal and State governments each year. These are real dollars.

Some may ask what is the proof of these numbers. Are they real? Well, we have some proof. Prudhoe Bay has been producing 20 to 25 percent of the total crude oil produced in this country for the last 10 years. Since 1977, Alaska North Slope oil companies have made direct purchases of supplies and services from every State totaling in excess of $47 billion. The total contribution to the U.S. economy to date from the existing Prudhoe Bay oil development is $300 billion. ANWR development, could be similar in that magnitude.

Unlike other proposals to stimulate the economy, the huge boost resulting from ANWR development can be realized without costing the U.S. Government one red cent. In fact, lease sales, bonus bids, and royalties will actually raise billions for the Federal Treasury.

American dependence on imported oil is once again over 50 percent. We are sending our dollars overseas. They are OPEC dollars. We are sending our jobs overseas. In 1990, our Nation spent $54.7 billion on imported oil. That is more than half of our total trade deficit for imported oil.

It is more than we spent on all Japanese goods. I hear cries of alarm about the import of Japanese cars.

Mr. President, imported oil expenditures are more than two times what we spend on imported Japanese automobiles. How could ANWR development affect the balance of trade? One hundred and eighty billion dollars would not be sent overseas. Imagine what $180 billion would do to the U.S. economy. On the other hand, imagine what $180 billion would be used for in oil-exporting countries like Iraq and Iran.

With ANWR development, oil imports would stay below 50 percent of U.S. consumption. Without ANWR, oil imports could be as high as 70 percent in the year 2010.

Mr. President, without new domestic areas of potential oil discovery available for exploration, the petroleum industry will increasingly spend their exploration and development budgets in foreign countries. Unfortunately, this is already happening. Domestic oil production and capital investment are already declining. Some in Congress suggest we help the Soviets get their oil industry back on line. Charity begins at home, Mr. President. We should help get our own domestic oil industry stimulated, providing jobs in this country.

So in closing, let me ask, why did this body refuse to consider a national energy policy? Why did this body refuse to consider opening the coastal plain of ANWR? Because self-serving elitists want to reserve ANWR as their exclusive playground: 154 affluent visitors per year outweighed 755,000 jobs; 154 visitors per year outweighed $50.4 billion in GNP; 154 affluent visitors outweighed $180 billion to be spent in America.

Mr. President, I think this is a disgrace. Who do Members of this body represent? The hardworking men and women of America or the affluent few—and I mean few—rich enough to afford a $5,000 trip to the coastal plain?

The people of Alaska stand ready to do our part to get our national economy moving again. Working men and women in every State of the Nation need our help. We must make the tough decisions for the vast majority of Americans. The President has outlined his plan for enacting a meaningful national energy strategy. The American people demand action on this plan by Congress.

And for those in the environmental community who do not think we have the ability of opening up ANWR safely,

I say advanced American technology and science to do the job safely is greater now than ever before. We can meet the challenge, Mr. President. Just give us a chance.

I thank the Chair. I thank my colleague from Wyoming.

I yield the floor.

EXHIBIT 1.—*States ranked by jobs created by opening the Coastal Plain of Alaska's North Slope*

State:	Jobs created by opening Coastal Plain[1]
California	80,000
Texas	60,000
New York	48,000
Alaska	38,300
Pennsylvania	34,300
Florida	34,000
Illinois	33,000
Ohio	31,900
Michigan	25,000
New Jersey	22,000
Massachusetts	20,000
North Carolina	19,300
Virginia	19,000
Georgia	18,000
Indiana	15,500
Louisiana	14,800
Missouri	14,100
Maryland	14,000
Wisconsin	14,000
Minnesota	13,400
Tennessee	13,000
Kentucky	12,200
Washington	12,000
Oklahoma	11,300
Connecticut	11,000
Alabama	10,000
Arizona	10,000
Colorado	10,000
South Carolina	9,400
Kansas	7,100
Oregon	7,000
West Virginia	7,000
Iowa	6,600
Mississippi	6,000
Arkansas	5,500
New Mexico	5,000
Nevada	5,000
Utah	4,600
Nebraska	4,000
New Hamsphire	4,000
Maine	3,400
Rhode Island	3,000
Wyoming	3,000
Hawaii	2,700
District of Columbia	2,500
Idaho	2,400
Montana	2,100
Delaware	2,000
North Dakota	1,800
South Dakota	1,800
Vermont	1,700
Total	755,700

[1] Job numbers come from a study prepared in May 1990 by Wharton Econometrics Forecasting Associates entitled "The Economic Impact of ANWAR Development." The Wharton study is based upon the Department of the Interior's high estimate of 9.2 billion barrels of oil being produced on the Coastal Plain area of the Arctic National Wildlife Refuge.

BP/ARCO North Slope expenditures by State (1980 through June 1991)

	Millions
Alaska	4,904.3
Washington	1,350.9
Oregon	209.0
California	3,006.7
Idaho	85.8
Nevada	9.7
Montana	3.7
Wyoming	15.7
Utah	157.0
Arizona	9.7
North Dakota	9.9
South Dakota	1.2
Nebraska	75.8
Colorado	291.6
New Mexico	40.5
Minnesota	81.0
Iowa	39.3
Kansas	85.6
Oklahoma	517.4
Texas	6,747.6
Wisconsin	186.9
Illinois	217.6
Missouri	89.9
Arkansas	53.9
Louisiana	172.2
Michigan	84.7
Indiana	51.1
Ohio	98.4
Kentucky	13.9
Tennessee	5.9
Mississippi	2.4
Alabama	6.9
Florida	30.6
Georgia	105.0
South Carolina	44.0
North Carolina	47.8
Virginia	5.2
West Virginia	2.0
Pennsylvania	1,594.5
New York	679.6
Vermont	1.6
New Hampshire	6.0
Maine	6.1
Massachusetts	59.9
Rhode Island	7.0
Connecticut	24.9
New Jersey	61.3
Delaware	120.6
District of Columbia	10.4
Maryland	33.5
Hawaii	4.6

These dollar figures include $10.5 billion spent during the period 1980–1986 by BP Exploration, ARCO, and Conoco and 10.9 billion spent by BP Exploration and ARCO from 1987 to mid-1991.

They exclude all taxes and royalties, foreign purchases, and payments that could not be allocated to a single state. They also exclude all pre-1980 oil development expenditures.

EXHIBIT 2

BUILDING AND CONSTRUCTION TRADES DEPARTMENT,
Washington, DC, November 1, 1991.

Dear SENATOR: We, the undersigned unions, urge your support for Title VII of S.1220, the National Energy Security Act, which permits exploration and development of the Arctic National Wildlife Refuge.

Recent events serve as a stark reminder of the economic exposure that America faces in its burgeoning dependency on imported oil. This energy issue is not new to the Nation's policymakers. It has been dealt with since the OPEC oil embargoes of the 1970's, when American economic growth suffered from wrenching international energy disruptions that were felt for years. Confronted by significant fuel shortages, Congress wisely permitted opening up Alaska's North Slope for energy development to restore marketplace equilibrium.

Prudhoe Bay development and the construction of the Trans-Alaska Pipeline have proven immensely beneficial to the Nation. These fields now represent 25 percent of domestic production. Both facilities were built by skilled American working men and women under a project labor agreement. At the time, the Pipeline was the largest construction project ever undertaken. Today, with more technologically-advanced production procedures available and the application of a similar project agreement covering all construction work, conditions are in place for maintenance of ANWR'S environmental integrity.

As the yields at Prudhoe Bay decline in the near future, our country needs a new, major source as only ANWR can provide. From both political and national security standpoints, we can reduce our reliance for our energy lifeblood on countries in unstable regions of the world, which are free to turn off production to satisfy their own political or economic interests.

The benefits of ANWR development, however, go far beyond merely serving as a counterbalancing mechanism to be utilized in maintaining reasonableness in the international energy marketplace. Title VII is especially important because it creates economic benefits in all fifty states at no cost to the Federal government. Its enactment would provide significant benefits as well to the Nation, to consumers, and to America's working people. Workers from nearly every facet of the American economy would be called upon to support the drilling, construction, transportation and industrial activities directly associated with ANWR development. Job creation projection estimates range between 235,000 and 735,000 depending on the volume of recoverable energy deposits.

Federal revenue receipt increases are also generated. Bonus bid lease sales covering less than one-half of the Coastal Plain's acreage would bring in $3.1 billion for the Federal Treasury. An additional $35 billion in new Federal revenues from bonus bids, royalty, rental and corporate income taxes will be generated over the life of the field. Huge savings will be manifest in our international balance of payments through reductions in our energy imports.

National security improvements are significant. ANWR development will provide opportunities for maritime industry segments that were critical to providing strategic sealift to the Middle East during Operation Desert Shield/Storm. A fleet of nearly 50 new double-hulled tankers will be required to transport this oil between Alaska and the lower-48 states and Hawaii. All these vessels must be built in domestic shipyards and be manned by American merchant mariners. Undertaking action that enhances the industry's contributions to the Nation's sealift needs without incurring additional Federal cost, especially during a period of declining defense budgets, is certainly desirable.

As representatives of millions of working men and women, we believe ANWR development represents sound national energy policy. The rationale for recovering energy from the ANWR coastal plain is no less valid than was the need for opening up Prudhoe Bay and constructing the Trans-Alaska Pipeline. Inclusion of ANWR language as part of S.1220 will provide demonstrable benefits to the whole nation that far outweigh any potential risk. We, therefore, urge you to vote to permit S. 1220 to be debated on the Senate floor and to support adoption of Title VII authorizing ANWR exploration and development.

Sincerely,

Michael Sacco, President, Seafarers International Union of North America.

Robert A. Georgine, President, Building and Construction Trades Department.

William G. Bernard, General President, International Association of Heat and Frost Insulators and Asbestos Workers.

Charles W. Jones, International President, International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers.

J.J. Barry, International President, International Brotherhood of Electrical Workers.

Jake West, General President, International Association of Bridge, Structural and Ornamental Iron Workers.

Frank Hanley, General President, International Union of Operating Engineers.

Vincent J. Panepinto, General President, Operative Plasterers' and Cement Masons' International Association of the United States and Canada.

William A. Duval, General President, International Brotherhood of Painters and Allied Trades.

Earl J. Kruse, International President, United Union of Roofers, Waterproofers and Allied Workers.

William J. McCarthy, General President, International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America.

Marvin J. Boede, General President, United Association of Journeyman and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada.

Everett A. Treadway, General President, International Union of Elevator Constructors.

Sigurd Lucassen, General President, United Brotherhood of Carpenters and Joiners of America.

C.E. De Fries, President, Marine Engineers, Beneficial Association, National.

Raymond McKay, President, Marine Engineers Beneficial Association, District 2.

Mr. SIMPSON. Mr. President, I yield 5 minutes to the Senator from Indiana.

The PRESIDENT pro tempore. The Senator from Indiana [Mr. COATS] is recognized for 5 minutes.

THE PRESIDENT'S SPEECH

Mr. COATS. Mr. President, I thank the floor leader for the time and the opportunity to come to the floor to address a portion of the President's address to the Nation last evening. In my opinion, the President gave a very strong speech, outlining his agenda for leading this country into the years ahead, and I was pleased with a great deal of what he proposed.

For one who has been advocating that we look not only at short-term economic stimulus to provide jobs and get our economy moving again in the short-term, but also long-term initiatives designed to make this country competitive, not just in 1992 and 1993, but throughout the decade of the nineties and beyond, the combination of short-term stimulus and long-term structural changes necessary to make our Nation competitive, I thought, was an important contribution to the debate and provides an important guideline for this Congress as we move forward now in enacting this legislation.

I trust that we will meet the President's deadline by March 20; that we will make whatever necessary changes are possible in order for this body and the House of Representatives to work these proposals through the legislative process. The American people cannot afford to have us grind down in the usual procedural delays that so often accompany our legislative process, and if we can push forward and meet that March 20 deadline set by the President, the country will be the winner.

I was particularly pleased that the President addressed all of this in the context of the desire to acknowledge and recognize and do something about the current status of the typical American family. Those of us in the process of raising children and those of my colleagues who have already been through that experience understand that raising children today is not an easy process, and never has been.

But there are financial strains today on the family that were not present in years past, partly because the Tax Code recognized since 1948 that the value of raising children, the cost of raising children, had provided a basis for compensating Americans with children, families with children, for the costs of raising those children. It was done through a procedure called the personal exemption, a deduction that each family is allowed to take for each family member each year when they fill out their tax form and send it to the Government on April 15.

The value of that exemption has not kept pace with the increase in the cost of living or the increase in the cost of raising a family. In 1986, I was proud to be part of an effort in the Congress to double the exemption from $1,000 to approximately $2,000, and index it for inflation. Many at the time said, well, that ought to do it. Actually, that was just a good and important step, but only a first step, toward bringing equity back into the personal exemption in terms of how families were treated.

In 1948, Congress, recognizing the cost of raising children, allowed for a $600 exemption. By 1986, that exemption had only risen to the level of $1,000, while the value of that exemption would have, if it had kept pace with inflation and the cost of living, been several times that amount. Was 1986 an important step? Yes, it was. It was a recognition that personal exemption was the primary way in which the Federal Government recognized, at least from an economic standpoint, the importance of the family.

In his speech last evening, the President reiterated that importance by saying that we should further increase that personal exemption. The President's proposal of $500 per dependent, while it did not go as far as the legislation that I had introduced earlier, or as far as we ultimately need to go, in recognition of the additional tax incentives needed to stimulate the economy, in recognition of the deficit which we are currently facing, is still a very important step.

And so I commend the President for not only recognizing the value of the family in today's society and recognizing that a strong economy means strong, healthy American families, but also in following up his recognition with specific recommendations. The recommendation for a $500 personal exemption increase per dependent is very important to families today struggling to make ends meet, to pay the mortgage, buy the shoes, send their kids to school, and meet all those expenses that today's typical family has to meet.

In combining the $500 increase with the first-time home buyer tax credit, with the ambitious and bold and comprehensive health plan that the President will be introducing in the next couple of weeks, with the penalty-free withdrawals from IRA, with a Commission to study today's family, all of this is a very important recognition in an area to which I think we have paid far too little attention.

So I applaud the President's move in this regard, and look forward to working with my colleagues to not only recognize the importance of the family, but to follow that up with specific recommendations as to how we at the Federal level can at least improve the economic wherewithal of the family and begin to address some of the very basic problems facing today's family, in understanding the importance of a strong family for a strong America.

Mr. President, I thank the leader for the time and yield back any time I have left.

Mr. SIMPSON. I yield 4 minutes to the Senator from Idaho.

The PRESIDENT pro tempore. The Senator from Idaho is recognized for 4 minutes.

THE PRESIDENT'S ADDRESS

Mr. CRAIG. Mr. President, let me say, as my colleague from Indiana leaves the floor, I appreciate his leadership on issues of the family, his continued introduction of legislation as it relates to exemptions to hold whole the family. He is to be complimented. I am a cosponsor of a variety of those approaches.

I am pleased our President saw that leadership last night in DAN COATS, and took that issue to the American people to broaden the bases of support that it needs on the floor of the Senate to deal with that issue.

So my congratulations to my colleague from Indiana.

There was another issue last night—before I get into the text, Mr. President, of what our President said—that is so fundamentally important. At the desk at this very moment is Calendar item No. 102. I introduced it last session. It is called the President's crime package.

This body dealt for months in trying to reconfigurate a very simple approach toward dealing with crime in

this Nation that our President came forward with a good number of months ago, and that is to look at those who perpetrate the crime, the criminals, and to deal with them in a way that the law-abiding citizens of the country would expect them to be dealt with—strong and immediate.

So that package is before the Senate. We ought not be able to duck and we ought not be able to run on that issue, Mr. President. It is Calendar item 102 at the desk at this moment, the President's crime package.

Our President, last night, I believe, hit a home run. He dealt with and put before the American people the issues about which they have been concerned, that all of us have been concerned about for a good number of months and he brought it home where it ought to be, right here to this Chamber and to the Chamber on the other side of the Capitol, to the United States Congress, that has foot-dragged on this issue and sought to place blame on someone other than themselves for the last 12 months for the deepening recession in this country.

We should have known in 1986 when we changed the Tax Act and we began to take away the incentive from the working men and women and the producers of our economy, as we did in 1986, and then to have the audacity to raise taxes in the face of a recession, as the budget agreement of 1990 did. Not only did we do it to the tune of about $60 billion a year but, collectively, States of this Nation did the same. So every year, starting this year, we were pulling an additional $120 billion a year out of the economy for public programs. It helped drag down and it helped lengthen and deepen a recession that was already underway.

Was it wise judgment? I did not think it was. I voted no, and a good many others did. Hindsight is a marvelous thing, but reality is reality. That is why our President last night talked about incentives for growth, putting back into our tax structure some of those kinds of incentives, and he would not let us walk away, as we cannot walk away, from holding spending down.

Those spending caps which were arrived at in that budget agreement were valuable and are valuable today. We have to live with them. It is all part of the combination that the American public, the producers of our society, deserve to have, Mr. President, if we are to provide for our citizens through public policy, where need be, the kind of growth stimulus this country deserves to have.

There are no quick fixes. Reality is simple. We have to look for the long term, and in looking for the long term, the President's package deserves to be brought to the floor, debated and passed by the Congress. It is fundamentally important to all of us, fundamentally important to the future strength and well-being of our country.

I yield back the remainder of my time.

Mr. SIMPSON. I thank the Senator from Idaho. I certainly join him in remarks about our colleague from Indiana. Senator COATS has been instrumental in legislation to attempt to increase the personal exemption and has worked closely on the issues of families with dependent children. He should be commended by all of us.

Mr. President, I yield the remainder of the allotted time to my distinguished colleague, the senior Senator from Mississippi.

The PRESIDENT pro tempore. The Senator from Mississippi is recognized, and he has 4½ minutes remaining.

LEADER OF THE AGE

Mr. COCHRAN. Mr. President, I thank the distinguished Republican whip, the Senator from Wyoming, for yielding me this time. I congratulate him on bringing to the attention of the Senate the positive reaction to the President's remarks last night in the State of the Union Address through the remarks that were made by several Republican Senators.

One phrase which was used by the President last night struck me as particularly appropriate. He mentioned the United States in the context of being the leader of the age, and it is a fact, Mr. President, that we overlook sometimes when focusing on our problems and the difficulties we face, the challenges we are trying to overcome, that the United States is the preeminent power and leader in the world today. It is truly the leader in so many respects: In diplomatic initiatives, it brings countries together, it builds coalitions to right wrongs, to seek to redress grievances where they exist in the international community, with a recognition of what is right and what is good for mankind.

It seems to me, too, in the world of international economic relations, it must be recognized in spite of our recession, in spite of the fact that it is taking us a while to get back into a pattern of growth which has been characteristic of the United States in recent years, we still are the world's preeminent economic power.

A couple of years ago a poll was taken asking the American people who they thought was the world's No. 1 economic power. Fifty-four percent of those questioned said it was Japan; only 29 percent said it was the United States. They were wrong. It was then the United States and it is now the United States. These are not just conclusions. These are facts. The President correctly identified the United States last night as the leader of the age.

The United States has a greater economic output than the combined economic output of Japan, West Germany, France, Italy, and Canada. The fact is that, if you measured our economic strength by gross domestic product, in 1990, the value of goods and services produced domestically in the United States was $5.4 trillion. Compare that with the $2.1 trillion gross domestic product in Japan or the $1 trillion gross domestic product in West Germany.

These are accurate figures, Mr. President. These are not exaggerated. These are facts. The United States is by far the strongest economic power in the world today, and we ought to be happy about that. We ought to be proud of that, and we ought not to take action now, either in policymaking or legislative, that would undermine the economic strength of the United States and our ability to grow out of our economic problems now, to continue an upward path of positive growth which has begun even though figures show that the growth is very modest. Figures that I heard reported in the news this morning indicate growth rather than recession.

We have problems, and we should not ignore them. The President did not ignore them in his speech last night. He identified correctly many of them which require action, immediate action. He challenged the Congress to take action by March 20 on an economic stimulus package which I hope will be well received by the Congress lead to a positive response by Congress.

If we consider the improvements in our trade deficit, we see another area of strength in the U.S. economy.

The facts show that our trade deficit is the lowest it has been in 8 years.

Mr. President, our trade prospects are encouraging in every area of the world. I ask unanimous consent that a recent article by Robert J. Samuelson that appeared in the Washington Post be printed in the RECORD.

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

[From the Washington Post, Jan. 22, 1992]

THE TWISTED POLITICS OF TRADE

(By Robert J. Samuelson)

Politics and economics have rarely been so much at odds as they are now on trade. Everyone's preaching economic nationalism. "America First," says Pat Buchanan. "Jobs, jobs, jobs," said President Bush of his recent trip to Japan. We must guard "our goal" (a hockey analogy), warns Sen. Bob Kerrey. If we practice what these guys preach, we may ultimately harm our economy's strongest sector: exports.

Contrary to popular belief, America is not an export weakling. Since 1985, our exports have nearly doubled from $219 billion to an estimated $422 billion in 1991. (December figures aren't yet in.) We may now be the world's largest exporter. In 1990, Germany was top with 12.1 percent of the global total. We were second (11.6 percent), and Japan was third (8.5 percent). However, our exports rose in 1991, and Germany's fell. We shouldn't now give other countries an excuse to block

our exports by embracing protectionism or "managed trade."

Our politicians are doing just that. President Bush mouths the rhetoric of free trade and drifts toward managed trade. In Tokyo, he correctly pushed Japan to change practices that discriminate against imports. For example, Japan imports only 4 percent of its paper even though it is a high-cost producer. But Bush went too far in seeking special trade deals for U.S. industry. Pressuring Japan to buy 20,000 U.S. cars or $10 billion of auto parts is managed trade that could easily backfire.

To see why, consider a more extreme scheme backed by House Majority Leader Richard Gephardt. He proposes legislation that would require Japan to eliminate its trade surplus with the United States over five years. Otherwise, we would impose sharp cuts in Japanese car imports.

Great. The United States now has an estimated $17 billion trade surplus with the European Community. Does Gephardt naively think that the Europeans wouldn't demand the same of us? Of course they would. World trade cannot flourish on the basis of mandated trade balance between individual countries. Trade prompts countries to specialize in what they do best. In turn, specialization makes it hard to balance the trade between two countries. Suppose Country A sells gizmos to Country B and buys widgets from Country C. Even if its total trade is balanced, it may have a surplus with Country B and a deficit with Country C.

What Gephardt endorses is pure protectionism. If adopted, it would reduce trade and everyone's economic growth. Managed trade involves similar, though subtler, dangers. It would set trade goals in individual industries by diplomacy. We delude ourselves if we think we could perpetually extract concessions from other countries without giving anything in return. Sooner or later, we would face pressures to limit our exports in exchange for other countries' limits. This is a senseless policy of penalizing our strong industries and rewarding our weak industries.

But the popular appeal of these approaches is increasing, because many Americans believe two myths. The first is that our trade deficit has contributed to the recession and weak economy. Quite the opposite: sharp declines in the deficit (from a peak of $152 billion in 1987 to $102 billion in 1990 to about $65 billion in 1991) have been a stimulus to the economy. Unfortunately, it hasn't been enough to offset fully the drag of lackluster consumer spending.

The second myth is that the United States is fundamentally "uncompetitive." Not so. In the 1980s, two things happened. First, intense foreign competition forced U.S. companies to become more efficient. Manufacturing productivity rose at a 3.5 percent annual rate: the best gains since the early 1950s. Second, the dollar's exchange rate declined sharply from its artificially high levels of the early 1980s. These changes have made many U.S. industries low-cost producers.

Their health is obscured by the troubles of the American auto industry. Its immediate problems stem mostly from the weak economy and poor sales. But the Big Three would like to cure their slump by forcing—through legislation or a diplomatic deal—Japanese carmakers to cut U.S. sales. Other manufacturers are worried they'll suffer from this protectionism. Listen to what Dexter Baker—head of the National Association of Manufacturers and chief executive of a chemical company—said recently at a press conference. In effect, he told the automakers to get lost.

Q. Congress is considering a variety of legislation, particularly in the field of auto imports. Are you going to oppose [these bills]?

A. You bet.

Q. That's bad for the rest of American manufacturing?

A. Absolutely. Absolutely.

Q. And you will be arguing with the Big Three automakers and others?

A. Well, they're important members of our organization, but we don't think protectionism is the way to go.

With luck, our trade deficit could disappear by 1995, argues Stephen Cooney of the NAM. We should be working urgently to expand free trade, because we are in a great position to benefit. Instead of begging for special treatment, President Bush should have pushed Japan to make concessions in global trade negotiations (the Uruguay Round). Unfortunately, he merely gave lip service to the trade talks. These may fail, because both Europe and Japan are clinging to protectionism for farm products.

All Americans favor America first. But a slogan is not a policy. An open trading system serves our interests. In the 1980s, the U.S. economy was powered heavily by a consumer buying boom, which was one reason for our huge imports. Now, consumer spending has slowed. Exports and related investments are engines of growth. If protectionist rhetoric inspires protectionist policies, Americans will be among the first victims.

The PRESIDENT pro tempore. The time allotted the Senator has expired.

Mr. COCHRAN. Mr. President, I thank the Chair.

The PRESIDENT pro tempore. The Senator from New Jersey [Mr. LAUTENBERG] is recognized for 10 minutes.

Mr. LAUTENBERG. I thank the distinguished President pro tempore.

NEEDED: BOLDER AND STRONGER LEADERSHIP

Mr. LAUTENBERG. Mr. President, last night President Bush reported on the State of the Union. He came at a critical time with our Nation in economic crisis, millions of Americans out of work, millions more teetering on the edge.

It is a time of great pain and fear for many and a time of despair about the future of our country.

The people of our Nation are looking for leadership, and they want it from the President and from the Congress. They want us to help pull them out of this recession and to increase our competitiveness and productivity. They want us to put people back to work and to build for our future. They want us to get the economy back on track.

We must take bold action to fundamentally shift the course of our Nation, to fully acknowledge the profound changes that have taken place around the world, and to refocus our energy and resources on our problems here at home.

I want to work with the President on that effort. I agree with him this is no time for partisanship, and I wish the speech last night had reflected that just a little more clearly. I agree that we need to put politics aside and to do what is best for our country.

My assessment of the President's speech, shared without partisan rancor and in the interest of contributing to the debate, is that it should have been bolder.

It should have provided stronger leadership in setting out an economic plan for our country—to reverse course in this recession and truly put us on the path to economic strength. Last night, I did not hear the bold plan I hoped for.

On many points, there is little disagreement between the President and Congress. Congressional leaders have introduced legislation, which I support and have cosponsored, to extend tax incentives for research, savings, education, housing, and economic development.

We need to make permanent the R&D tax credit, the mortgage revenue bond program, the low income housing tax credit, and the tax exclusion for employer-provided educational assistance. We also need to let more Americans make deductible IRA contributions, and permit penalty-free withdrawals for home purchases, education, and other important needs.

We need to forge new partnerships between business and Government to develop new technologies and new products, and to create new markets and new jobs. There are those who choke on the words industrial policy. So, let them call it industrial partnership. But, America's businesses and America's workers are in a fight for their lives with competitors backed by the power and the resources of their governments. We need to do the same—in computers, in biotech, in transportation, in aerospace, in a host of critical technologies.

We support excellence in education and worker retraining. Just yesterday, we passed a Democratic education bill designed to promote new and innovative schools. We need to invest more resources now in our children's education because we are falling behind the Japanese and the Germans in educational performance. Their children attend school 240 days per year compared to ours who go 180.

We support a more aggressive trade policy, that will end unfair trade practices and break down nontariff barriers the Japanese and others erect against our products. One of America's greatest strengths is our invention, our ingenuity. And it is time we stopped foreign companies from stealing our ideas, our patents, and intellectual property.

We support deficit reduction, elimination of wasteful spending, and action against crime and drugs. In fact, it is a few Senators of the President's party who are holding up action on the crime bill.

President Bush's speech was at times inspiring and uplifting. But it did not

include a bold plan for action. It did very little to offer hope for the unemployed worker, for the family with crushing debts and health bills to pay, for the small business person close to bankruptcy, for the college student unable to pay tuition. We can do better.

We can cut defense deeper and use the savings to invest in America. We need to stop subsidizing the security of our allies, and start securing the economic future of the American people. Our allies have lived under the American defense umbrella for almost 50 years. While we were protecting their security, they were investing in their future and are beating us in the marketplace.

We need a comprehensive overhaul of our health care system, not the changes at the margins discussed last night. The administration is clearly having trouble articulating a health care policy. It even had to stop the printing presses yesterday to further debate the issue.

But, the President's remarks last night did little to address the real problems in our health care system: spiraling health care costs; massive medical bills faced by many Americans—even working Americans with health insurance—for so-called preexisting conditions or other health expenses not covered by most policies; the lack of affordable, long-term care for the elderly; the declining health of our children.

We need to restore fairness to the Tax Code. The relative tax burden of middle-income Americans has increased dramatically over the last decade, while their purchasing power has remained stagnant or declined. After-tax family incomes for middle-income families have dropped by 8 percent since 1977, whereas the top 1 percent, with average incomes of over $675,000, have seen their after-tax incomes increase by 136 percent.

And most urgently, Mr. President, we need to get our people back to work. Now.

To do that, we are going to need a short-term economic stimulus to create jobs quickly and get the economy moving again. The best way to do that, in my judgment, is to invest in our Nation's infrastructure.

I note that the distinguished occupant of the President's chair, the President pro tempore, agrees wholeheartedly in the many discussions that we have had about the Nation's infrastructure and the requirements that we put more into that. That can create jobs now. It will also make our country more competitive and productive in the future—which is essential if we are to regain our economic leadership in the world.

Mr. President, in the Budget Committee we have heard compelling testimony about the benefits of an infrastructure development program. Mayors have told us that projects are sitting on the shelf, starving for funds, ready to begin on a moment's notice. And authoritative analysts report that investments in infrastructure can create jobs soon and yield dramatic increases in long-term productivity.

By any objective measure, Mr. President, our country lags far behind other industrial countries in infrastructure investment. We spend one-quarter of 1 percent of our total economic output on infrastructure. Japan spends 23 times as much. Twenty-three times as much.

Mr. President, the need for investment in infrastructure would exist even if we were not in a recession. But with our economy in such desperate shape, with unemployment continuing to creep up, and with no end in sight to this recession, it is also a compelling economic program.

Mr. President, for every 1 percent increase in unemployment, our deficit goes up by about $35 billion. And the costs in human terms are staggering—loss of a family home, loss of a family car, a premature end to a promising education, a child whose medical needs are not met, a family who turns to crime or the drug trade for income, State and local cutbacks in education, and other services to people, a senior citizen or child care center closed.

We need a plan to put our people back to work. Soon. We need the welfare rolls reduced and the payrolls expanded. We need those salaries circulating through the economy as a stimulus and those tax revenues back in our Government coffers so we can reduce the deficit.

Mr. President, over the next weeks and months we will consider a number of proposals to stimulate the economy in the near term. Tomorrow, I intend to lay out a proposal to provide a short-term stimulus to the economy—to create jobs now and build for the future—through an increase in investment in our infrastructure. I plan to hold early hearings on this proposal by the Appropriations Subcommittee on Transportation, which I chair.

This is a serious proposal. It is not a make-work program. It is a plan to target resources to projects that are on the books, ready to go. It is a plan that will yield two results: the creation of jobs and long-term improvements in productivity. These are improvements that can serve as a base for continued economic growth.

We are talking about making productive investments in basic transportation infrastructure: highways, bridges, airports, transit, and rail.

We consulted with mayors, industry groups, and State transportation officials. We know that the needs are there, and the projects are ready to go. Our goal is to get them going.

The times demand action. Immediate action. Bold, dramatic action. Mr. President, nothing less will do.

Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The absence of a quorum having been suggested, the clerk will call the roll.

The bill clerk proceeded to call the roll.

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

The PRESIDENT pro tempore. Without objection, it is so ordered.

PRESIDENT BUSH'S STATE OF THE UNION ADDRESS

Mr. PRYOR. Mr. President, I would like to say to the distinguished occupant of the chair, the distinguished Senator from West Virginia, that I watched the President's speech last night with great interest. I came to the Congress in 1967 with then-Congressman Bush, and I had great respect for him then, as I do now.

Mr. President, I can say that I truly believe that his speech last evening probably was a reflection of the trouble that this Presidency is in at this time. I regret saying that. I have tried to be a basic supporter of the President in many of his policies, but I find that this administration and its policies are in a great deal of trouble and in extreme disarray.

Mr. President, I think one of the areas of the message last night that was a little bit troublesome for me was the attempt to sell the people—the President's attempt to have the people of our country believe that there is going to be a massive hiring freeze out there, which will cure and solve the deficit problem.

For the past 10 years, both President Reagan and President Bush have taken great glee in gloating about the fact that we have, in some of our agencies, fewer employees than we had in 1980. I am not saying that that is all that bad. I think that our Government could be leaner and meaner. I think that we could be more efficient, in many instances, with fewer employees.

But, Mr. President, the case and the issue does not stop there, because we must go beyond that. We must take a look at the total dollars it takes to run each individual agency, not just the number of Federal employees who carry out the programs which affect all of our people.

For example, we have seen the rise in the use of private consultants in our Federal system. An increase, Mr. President, in these past 10 years by 10, maybe 15, in some cases 20 percent. The Department of Energy today has thousands of fewer Federal employees, civil servants, Mr. President, but the Department of Energy today has basically become a conduit through which to hire private consultants and private contractors. Billions of dollars of the American taxpayers are being spent

today on contractors and private consultants. They do not have to abide by the laws of ethics and standards of conduct with which Federal employees must comply. Basically, they are not accountable to the taxpayers or to the Congress of the United States. Once we appropriate the money and they are hired—many, many times with little or no competition, with little or no competitive bidding procedures and no civil service rules to comply with—these private consultants make much more, much more, in salary and benefits than that Federal employee who often sits next to them at that desk, Mr. President. I think this is the real story, not simply how many civil service employees but rather how many dollars it takes to run each of these agencies and what those dollars are spent on.

Also, I am wondering if the President's edict about no new hirings is just going to apply to just the rank and file. Today, we have a tremendous workload out there in the ASCS offices in the Department of Agriculture. Farmers cannot get their loan applications processed. Is the backlog going to get worse because of the hiring freeze?

Look at the Food and Drug Administration. They cannot bring onto market the new drugs that we so desperately need because they do not have the manpower to process these drug applications to do the necessary research.

Look all across the spectrum of the Federal Government and we see more and more private contractors and private consultants being hired. The work is not getting done any better but it is costing us more.

Mr. President, I have a feeling that once all of the dust has settled, we are going to see that what this President meant was that when it comes to lower grade employees and midlevel employees, we are not going to hire anymore. We are going to freeze that.

But at the top, Mr. President, at the very top, what is going to happen?

Let us just take a look at these, what I call schedule C employees. Here is a computer list as of October 1, 1991, Mr. President, of the thousands of schedule C employees. Here are the schedule C employees in our Government making $30,000, $40,000, $50,000, $60,000 a year and more. These are the deputy assistants, the associate deputy assistants, all throughout the Federal Government. Most of these are not out in the field, handling the Social Security recipients' claim and the like. Mr. President, most of these jobs are right here in Washington, DC. Is that freeze going to apply to these higher-level political appointees?

I am not maintaining that we need more Federal employees. I hope we will have fewer employees where it makes sense. But I am just hoping that those that we need, we can hire. And those private contractors and schedule C employees that we do not need and who get their positions on who they know rather than what they know. I think, Mr. President, that is where the moratorium should come because today that is where the real dollars are being expended.

Mr. President, here is another little book. This is known, although it has a brown cover, printed in 1988, as the "Plum Book." And Mr. President, this is a very, very coveted book because these are the highest paid jobs that the President can appoint people to—the Assistant Legal Adviser for European and Canadian Affairs, the Assistant Legal Adviser for Human Rights Refugee Affairs, Assistant Legal Adviser for Treaty Affairs, the Deputy Assistant Secretary for Energy Consumption, the Director of Office of the Analysis for Western Europe, on and on and on. These are the President's people.

Are any of these positions going to be kept vacant? Does that freeze apply to these top-level bureaucrats that the President controls?

Mr. President, just recently my staff did a little study on what the Government's watchdogs, the IG's were up to. We found that the Department of Agriculture paid a contractor to study whether certain tasks of the U.S. Department of Agriculture should be performed by contractors. They paid someone to study this. But the inspector general of the Department of Agriculture, instead of criticizing this very questionable use of a contractor to study whether they should hire a contractor or not, they paid a third contractor $3,000 to audit the first contractor's study. This goes on and on. They churn these contracts daily.

As we sit here, I imagine that we are spending millions and millions of dollars granting contracts to contractors and private consultants. Do they have a license? Of course they do not have a license. Every one who does business with the Federal Government, except contractors and consultants, has to have a license—an architect to build a building, a doctor to practice medicine at the VA, a nurse. But not a consultant; not a contractor.

This is why, Mr. President, later on, I am going to introduce legislation requiring that any consultant or any contractor who applies to do any business with the Government of the United States of America must be licensed. Here is what they are going to say, "Oh, this is going to create another bureaucracy."

I do not know what it is going to create, Mr. President. But I think, first, we need to have qualified people doing the work of the Federal system in Government.

As for another contractor we looked at in that study—we went over to the Labor Department, not far from the U.S. Department of Agriculture, and found this one in about the first 5 minutes.

Here, the inspector general at the Labor Department used a consultant to evaluate the Labor Department's use of contractors. It goes on all the time.

Some friend probably walked in the door and said, "I think you need to make a study; and you give me so many thousand, and we will make it and it is done." Little or no competition. Little or no bidding. And little or no real need to spend taxpayers dollars on this. The inspector general simply awarded a contract to look at the effectiveness of contracting. The inspector general awarded that contract for $60,000—$60,000—to accomplish this task. That was an easy morning's work, Mr. President.

To make the situation even worse, this particular contract, to look at efficiency of contracting, resulted in an overrun of $18,000. So ultimately that contract was $78,000, paid by the Department of Labor; that is, paid by the taxpayers. Is the President going to put this type of spending in the deep freeze?

Mr. President, I ask unanimous consent to proceed for 5 additional minutes. I see no additional speakers on the floor.

The PRESIDENT pro tempore. Without objection, morning business will be extended for 5 additional minutes, and the Senator from Arkansas is recognized.

Mr. PRYOR. Finally, Mr. President, we sent our very efficient investigators over to the Department of Energy. The Department of Energy also uses contractors to audit other Government contractors. And, the Department of Energy was ignorant of the fact that one of these contractors that they hired offers seminars to other Government contractors on how to defend yourself against Government audits.

In other words, when the inspector general gets after a contract and says you have abused this contract, you are charging too much, you are not being honest, you have a conflict of interest, they use a contracting firm that offers seminars on how to beat the system.

Mr. President, that is prevalent throughout the entirety of the federal system of government. I have talked about this abuse for years and years on the floor of the U.S. Senate. Has it gotten any better? Mr. President, it has not. In fact it has gotten worse.

Last night, when I saw our President up there saying we are going to freeze the number of employees, I can tell you, Mr. President, the contractors and the consultants downtown and around this beltway were jumping up and down with joy and glee, simply because they knew there is going to be a Federal hiring freeze and that freeze did not apply to them.

I think that is what the American people have to watch for is not the number of people, but the number of dollars it takes to deliver the services

of this Government. If we are going to have a freeze, let's not limit it to the rank-and-file employees. Let's apply it across the board.

Mr. President, I see the very, very distinguished Senator from Hawaii who is now on the floor. The very distinguished Senator and my friend from Hawaii has announced he is getting ready to take up the cable bill. So, with that announcement having been made, Mr. President, I yield the floor.

REMARKS ON S. 2

Mr. DOLE. Mr. President, there is no question that there is a need for strong education reform. I am afraid, however, that the Senate has not taken advantage of this situation to demonstrate strong leadership.

The President's America 2000 bill was sent to the Congress on May 22, 1991. Since that time, Republican efforts to create a bipartisan measure have met with little success. Secretary Alexander, Senator KASSEBAUM and other officials have met with Senator KENNEDY and committee Democrats dozens of times. It is only in the last week that compromises were reached on a few issues, while others were cast to the wayside. The results are barely adequate.

WHAT WE HAVE ACCOMPLISHED

Through compromise, we were able to agree upon a few key issues:

On New American Schools, a State may establish these schools by using up to 25 percent of its share of S. 2's $850 million. Some say, however, that through compromise the New American School concept is only recognizable in name. In its current form, the program does not have a separate authorization nor does it allow private school participation.

On the national education goals panel, compromise reconstitutes the panel and also creates the National Educations Standards and Assessments Council. This second action will ensure world-class academic standards by developing a voluntary national system of assessment. In an increasingly interdependent global economy, a strong education system will be necessary in maintaining our edge over our competitors.

On regulatory flexibility, or ed flex, we cut the redtape and as a result children learn. This compromise provided 300 school districts, concentrated in six States, the right to seek waivers from Federal rules if they can demonstrate that academic performance will improve.

AND WHERE WE GO FROM HERE

There were also areas where compromise could not be attained.

On the controversial issue of choice, we moved from $230 million in new choice authorizations, as well as changes to chapters 1 and 2 of the Elementary and Secondary Education Act, to a $30 million demo program targeted to lower income parents. The intention of the demonstration program, as is the case with all demos, is to test the validity of a given concept. In this case, it was choice and providing parents and opportunity to send their children to the very best school possible—public or private. Unfortunately, Senator HATCH's demonstration amendment failed. Given greater support for this concept in the House, it is hoped that this issue will receive proper consideration during conference.

S. 2 IS A START

As I stated earlier, the Senate has missed an opportunity to lend its leadership to education reform. Fortunately, the President, Secretary Alexander and many tireless educators have been hard at work. The newspapers will tell you how dramatic this grassroots effort is and will point out that the country is already moving forward on education reform such as America 2000 activities. Already, 30 States, including my own State of Kansas, and hundreds of communities have announced, or will soon announce, their participation in America 2000. Numerous Governors, educators, businessmen and women, and other concerned citizens—Republicans and Democrats—are working to carry out this far-reaching reform.

The President has proposed a four-track strategy:

For today's students, we must radically improve today's schools by making all 110,000 of them better and more accountable for results.

For tomorrow's students, we must reinvent schools to meet the demands of a new century with a new generation of American schools.

For those of us already out of school and in the work force, we must keep learning if we are to succeed in today's world.

For schools to succeed, we must look beyond our classrooms to our communities and families. The quality of our schools depends on the commitment of our communities. Each of our communities must become a place where learning can happen.

While S. 2 does not directly address the four-track strategy, the measure is a start. But let's not fool ourselves—there is still plenty to be done. It is my hope that Senators understand these issues and the need for bold reform.

Thank you, Mr. President.

NATIONAL GIRLS AND WOMEN IN SPORTS DAY

Mr. DOLE. Mr. President, I rise in support of Senate Joint Resolution 239, introduced by the distinguished Senator from Oregon [Mr. PACKWOOD] designating February 6, 1992, as "National Girls and Women in Sports Day."

Recently in this Chamber, we debated and passed historic civil rights legislation which will help allow women and minorities equal opportunity to compete in the workplace. This equality of opportunity should extend not just to the workplace, however. Women in our Nation should be able to compete just as freely in the realm of athletics. They should be able to go as far as their ability and determination will take them.

Already, women in this country have achieved great things in the world of sports. My own State of Kansas is fortunate to be the home of Lynnette Woodard, who was the first woman to be a member of the celebrated Harlem Globetrotters. Throughout her career, Lynnette has encouraged young women, with words and through example, to be the best athletically and physically they can be. I believe this body should do all it can to help make such achievement possible, and for that reason, I encourage my colleagues to support "National Girls and Women in Sports Day" again this year.

TRIBUTE TO JOHN A. BLATNIK

Mr. DURENBERGER. Mr. President, I rise today in memory of former Representative John A. Blatnik of Minnesota. Congressman Blatnik served Minnesota's Eighth District from 1947 to 1974. During John's 27 years in office, his work concentrated in the areas of civil rights and labor legislation. But, perhaps one of his most noteworthy projects was the St. Lawrence Seaway which, as a result, expanded the Midwest's trade to international commerce.

John's leadership didn't stop at the St. Lawrence Seaway. In 1971, he chaired the Public Works Committee where he fought for an expansion of Federal water and air pollution legislation. We also have him to thank for the monumental interstate highway program. But, if I were to name one thing that made John a leader, it was his ability to initiate policy. Politics for John did not end with policy; rather, he put his politics into practice by employing numerous Minnesotans in public works programs. Unfortunately, due to prolonged heart problems, John retired from the House in 1974. Congressman JIM OBERSTAR, John's chief of staff, succeeded him in office.

Perhaps John's vigor for life and his method of putting political ideas into practice came from his birthplace in northern Minnesota. Growing up in Chisholm, a small iron range town, he developed a sense of importance for the Civilian Conservation Corps which he later served as an education advisor. Politics, however, was not the only way he expressed his dedication to Minnesota.

After he graduated in 1935 from Winona State Teachers College, John enriched his home State by teaching in a one-room school. He later taught high school chemistry, and served as an assistant county school superintendent before entering World War II.

John's words and actions reflect those of the people he served and cared for. He was a man who experienced life's problems, found solutions to the problems, and tried to implement the solutions. John will indeed be missed by both his colleagues and the people of Minnesota.

I ask unanimous consent that a copy of Congressman Blatnik's obituary in the Washington Post be printed in the CONGRESSIONAL RECORD.

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

[From the Washington Post, Dec. 18, 1991]

EX-REP. JOHN BLATNIK DIES; LIBERAL LEADER

(By Richard Pearson)

Former representative John A. Blatnik (D-Minn.), the former chairman of the Public Works Committee who served in Congress from 1947 to 1974, died of cardiac arrest Dec. 17 at his home in Forest Heights, Md.

During his entire career, he was a loyal friend of such liberal causes in the House as civil rights and labor legislation. He was a champion of what became the St. Lawrence Seaway, which opened up much of the Midwest to seaborne commerce. He also was one of five authors of the landmark interstate highway program.

From his seat on Public Works, he was an early, familiar and at times seemingly forlorn voice for increased federal water and air pollution legislation. He was an early chairman of the liberal and influential Democratic Study Group and was a leader of liberal Democrats who sought to reform House procedural rules in the 1960s.

He became Public Works chairman in 1971, and during the 92nd and 93rd congresses received mixed reviews as its leader. Many of his more liberal critics claimed he did little to rein in the committee's traditional pork-barrel philosophy and paid less attention to environmental matters than they had hoped. But, as a politician who came to maturity during the Depression, and as representative of a far-from-wealthy district, he never lost sight of the importance of public works in economic development.

Mr. Blatnik was the only Democrat to win election to the House from Minnesota in 1946. He enjoyed enormous popularity with his constituents, usually winning between 70 and 75 percent of the vote in his elections. After suffering heart problems for several years, he announced in 1974 that he would not run for reelection. He was succeeded in the House by his chief aide, James L. Oberstar (D).

Mr. Blatnik resigned from the House in December 1974. Since that time, he had worked as a part-time political consultant here.

John Anton Blatnik was born Aug. 17, 1911, in Chisholm, Minn. He graduated cum laude in education from Winona State Teachers College in Minnesota in 1935. He also did graduate work in public administration at the University of Minnesota and the University of Chicago.

Before World War II, he taught in a one-room school and was a Civilian Conservation Corps education adviser, high school chemistry teacher, and assistant to a county school superintendent.

During the war, he served with the Army Air Forces and the Office of Strategic Services in the Mediterranean theater. Because he spoke Slovenian, he was chosen to do liaison work, behind German lines, with Yugoslav partisan forces. He helped the partisans rescue downed Allied fliers. He ended the war with two Bronze Stars, an Air medal and the rank of captain.

Mr. Blatnik, who had won election to the Minnesota State Senate in 1940, officially served in that body through the war and until he entered Congress. His 8th District included the state's northeast corner, the area near Lake Superior and the iron-mining territory of the Mesabi Range, and at one time stretched to the Twin Cities suburbs.

During his early years in Congress, he became recognized as something of an authority on the Balkans and worked on questions involving natural resources, public welfare and social legislation. He made the headlines in the late 1950s, when as a Government Operations subcommittee chairman he blasted cigarette companies for false advertising claims concerning their new filters.

His marriage to the former Gisela Hager ended in divorce.

Survivors include his wife, the former Evelyn Castiglioni, of Forest Heights; three children by his first marriage, Thomas H., Stephanie A., and Valerie Blatnik, all of Arlington; and a brother, Frank P., of Duluth, Minn.

HONORING THERESA A.E. HAMILTON

Mr. RIEGLE. Mr. President, during my years in Congress, one of my most important—and also most enjoyed—responsibilities has been nominating young Michiganders to our Nation's four service academies. In making these nominations, I have been fortunate to have the extraordinary assistance of the able and dedicated members of my Service Academy Screening Committee. Their hard work helps ensure that we send our finest young men and women to become this Nation's future military leaders.

One member of the committee stands out as a true representative of the American ethic and spirit. Her name is Theresa A.E. Hamilton. She has been committed to this effort for an incredible 21 years.

Ms. Hamilton's personal accomplishments are remarkable. She was America's first African-American WAVE—earning her an important place in the history of the United States. Her active service to her country and her commitments to the educational system, her community and her church have won her wide admiration. She brought to the Committee her considerable skills as teacher, administrator, political and social activist, and member of the U.S. military. Her leadership and experience have added a special dimension to the Academy Screening Committee.

Ms. Hamilton has been a positive influence in the lives of thousands of young adults. Her philosophy of "reaching your highest potential and accepting responsibility" is a conviction that she has impressed upon her young friends by her own example and through the guidance, support and leadership she generously offers.

Ms. Hamilton believes that "serving mankind is our dividend for living." This is not just a phrase to her; it is a testament to her own life. It has been an honor and a great pleasure to work with her. We will miss her on the committee and wish her well in her future endeavors.

BETTY ROPER: A LEADER IN SOUTH CAROLINA BROADCASTING

Mr. HOLLINGS. Mr. President, our Senate session tomorrow will accomplish what wild horses otherwise could not: preventing me from going to Columbia for the induction of Betty Roper into the South Carolina Broadcasters' Hall of Fame.

Betty and I have known each other for more decades than either of us cares to admit, and I can tell you there is not a more dynamic woman in the State of South Carolina. She is being honored tomorrow principally because she is a leader and pioneer within South Carolina's broadcasting industry. But South Carolinians outside the industry know her better as an outstanding community leader, a shrewd businesswoman, a first-rate politician in the best sense of the word, and a tireless champion of economic development in Clarendon County. I will never forget her leadership, as chairman of the Clarendon County Council, in orchestrating local relief and recovery efforts in the wake of Hugo.

Mr. President, Betty Roper is a wonderful friend, a valued ally, and a superb leader in the South Carolina broadcasting industry. I extend my congratulations on the occasion of her induction to the Broadcasters' Hall of Fame—an honor she richly deserves.

TRIBUTE FOR BESS LOMAX HAWES

Mr. PELL. Mr. President, it is with the greatest pride that I rise today to salute an outstanding American who, for the past 15 years, has served this Nation by her commitment to the arts. Her service has enriched all our lives.

I am speaking of Bess Lomax Hawes who will be honored on January 31, 1992 by the National Endowment for the Arts, where she has worked with much distinction these past 15 years. On January 31, Ms. Hawes will receive the accolades of her colleagues at the Endowment and from members of the National Council on the Arts as she retires from the agency.

Mr. President, Bess Lomax Hawes was born in Austin, TX in 1921. Her father, John Lomax, grew up in the late 1800s in west Texas on a spur of the Chisholm Trail. He grew up admiring the songs, tales, and other lore of the hard-working cowboys of the Lone Star State. John Lomax went on to become a professor of English at the University of Texas, a banker, the director of the

Archive of American Folksong at the Library of Congress, and a pioneer in collecting American folklore. He championed the worth and dignity of American folk artists. He was a great discoverer and preserver of that part of our national character that is uniquely American.

John Lomax passed on his love of folk art to his four children; and Bess, the youngest, and her older brother Alan, made careers out of that admiration for grassroots America. Alan Lomax collected and preserved the best of American folk art, sharing it with the Nation through recordings, radio, publications, and later television that made great American folk artists such as Jelly Roll Morton, Huddie "Leadbelly" Leadbetter, and Roscoe Holcomb a valued part of our national heritage.

Bess Lomax Hawes also possessed the foresight to see that the future of American culture and life lay in the minds, hands, and voices of ordinary Americans. She had the wisdom to bring this to the attention of a broad audience. As a member of the Almanac Singers, along with her husband, Butch Hawes, Woody Guthrie, Pete Seeger, and others, she pioneered the folk song revival that attracted millions of Americans to Afro- and Anglo-American song. He authored "Charlie on the MTA" which was recorded by the Kingston Trio and became an American song favorite. She produced films like "Georgia Sea Island Singers," "Pizza Pizza Daddy-O" on black children's games, and "Say, Old Man, Can You Play the Fiddle?" on a Missouri fiddler living in California. In 1972, with Bessie Jones, she coauthored "Step it Down: Games, Plays, Songs and Stories From the Afro-American Heritage." That work is still a standard of folklore literature.

But, Mr. President, perhaps her most profound, far-reaching, and long-lasting contributions to American culture would come later. In 1975 and 1976, Bess Hawes' work on the Smithsonian Bicentennial Festival of American Folklife played an important role in setting the stage for a new national effort to identify, assist, and celebrate the extraordinary diversity of American folk art. In 1977, she joined the National Endowment for the Arts and developed its initial efforts at supporting American folk arts into a full-fledged discipline program at the agency. Through her vision and personal dedication, a national network of support for folk artists was created at the State and local levels. Her idea of a program to recognize our Nation's most outstanding traditional artists became reality when, in 1982, the National Heritage Fellowships were created. Ten years later, they remain the Nation's highest honor for our folk artists.

Mr. President, the efforts of the Lomax family to make American folk expression a central part of our national life already spans nearly the entire 20th century. And Bess Lomax's work will surely live on far into the 21st century. She has helped change the face of American life. She has recognized and helped tens of thousands of our Nation's folk artists, thereby enriching our own perception of our selves as Americans.

Mr. President, I appreciate this opportunity to present a brief profile of a woman who has devoted herself to the arts, who has preserved and gained recognition for an important segment of our national cultural heritage. She has immeasurably improved our whole world through these contributions. I am certain all of my colleagues join me in this salute to Bess Lomax Hawes on the occasion of her retirement from Government service with the National Endowment for the Arts and for her brilliant career in the traditional arts.

TRIBUTE TO CHIEF JUSTICE VINCENT L. MCKUSICK

Mr. COHEN. Mr. President, while the rule of law in our society seeks to ensure protection from human capriciousness, we must never forget that the purpose of law is to serve humanity. Justice may be blind, but she cannot remain deaf to the cry of the heart.

This is a tremendous responsibility but one that we expect our judges to carry out with confidence, intelligence, and sensitivity. We trust that our judges will never lose their own humanity when clothed in that black robe and will never forget the great goals that their administration of justice has the capacity to reach.

It is in that spirit that I call to the attention of my colleagues the distinguished career of one of Maine's finest legal minds, Vincent L. McKusick, the chief justice of the Maine Supreme Judicial Court.

As a judge, Chief Justice McKusick has never lost touch with the people the law is intended to serve, and as a public servant, he has devoted his every energy to giving the people of Maine a high court in which they can be confident. He will retire next month, after nearly 15 years at the helm of the supreme court.

Chief Justice McKusick's incisive and often historic opinions and his deep understanding of and respect for the law have earned him a solid reputation as a superb judge. Throughout his legal career, he has displayed integrity, fairness, intelligence and judiciousness. His decisions on the high court have been well-reasoned and artfully articulated.

Also noteworthy is Chief Justice McKusick's leadership in efforts to improve court procedures and facilities and to expand the court staff in order to cope with the supreme court's growing caseload. In 1976, the year before Chief Justice McKusick first took office, 279 cases were filed with the court. Just last year, the number of cases had reached a record 646 cases. Chief Justice McKusick's careful preparation for the future will undoubtedly have a lasting impact upon Maine's highest court.

A recent Bangor Daily News profile of Chief Justice McKusick and the paper's subsequent editorial, along with a Lewiston Sun-Journal editorial, pay wonderful tribute to his extensive contributions to the fair and efficient delivery of justice in Maine's Supreme Court.

Mr. President, I ask that the text of those articles be entered into the RECORD.

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

[From the Bangor Daily News, Jan. 13, 1992]

CHIEF JUSTICE MCKUSICK TO STEP DOWN

(By Jerry Harkavy)

PORTLAND.—Nearly 15 years after he left private practice to become chief justice of the Maine Supreme Judicial Court, Vincent L. McKusick looks ahead with enthusiasm to what he terms "my third career."

Lean and spry at age 70, McKusick said he intends to remain active in the law but "just how, I don't know." He has ruled out the idea of hearing cases part-time as an active retired judge but suggests that teaching is "a real possibility."

McKusick's second seven-year term of the court expired last September, but Gov. John R. McKernan extended it for six months, delaying his retirement until Feb. 28. McKernan is expected to nominate a new chief justice within a few weeks.

The law court's workload has risen sharply during McKusick's tenure, from 280 cases the year before he took office to 646 cases this past year. He says that without alternate mechanisms to resolve conflicts, the burden has fallen upon the courts.

"Society looks to the courts to do a lot more than in the past—and correctly so," he says, citing increased litigation in such diverse areas as child abuse, the environment and, most recently, real-estate foreclosures and other fallout from the recession.

Among his regrets is the lack of public awareness and sympathy for the needs of the courts as evidenced by the defeat of two statewide bond issues for construction of new court facilities.

Unlike schools, "the courts have no natural constituency," says McKusick, who is concerned about the cumulative impact of budget cuts that began two years ago and have left three vacancies on the courts.

McKusick's tenure over the judiciary has been marked by a modernization of court procedures that streamlined the flow of cases allowing the justices to handle the growing workload more efficiently.

Efforts to move the court to Augusta—Maine is the only state where the supreme court is located outside the capital—have been set aside because of the budget crunch, but McKusick thinks the move eventually will be made.

As his stewardship of the court draws to a close, McKusick's impact on the law is being assessed by Maine's legal community as it prepares to honor him for his accomplishments.

The Maine State Bar Association plans a banquet and ball Friday night to celebrate

McKusick's retirement. Earlier in the day, a panel moderated by L. Kinvin Wroth, former dean of the University of Maine School of Law, will examine the court's work during the McKusick years.

The Maine Law Review devoted nearly all of its most recent issue to the McKusick legacy, mixing tributes from such luminaries as Chief Justice William H. Rehnquist of the U.S. Supreme Court with lengthy articles about McKusick's development of rules of civil procedure and his contributions to structural changes within Maine's court system.

McKusick was reluctant to characterize the court's thinking during his tenure or say which of the more than 700 opinions he authored have had the greatest impact, suggesting it would be more appropriate for others to offer that assessment.

In a Maine Law Review article Portland attorney Eric Herlan described McKusick's common law jurisprudence as "Law as Integrity," a methodology that goes beyond particular precedents and draws upon general principles embodied in the legal tradition.

Herlan, a former law clerk for the chief justice, cited McKusick's landmark majority opinions that upheld cottage owners' right to the intertidal zone on Moody Beach in wells and allowed discontinuation of life-sustaining medical treatment in Maine's first "right-to-die" case.

McKusick's final weeks on the court will allow him to attend the National Conference of Chief Justices, of which he is a past president, deliver the annual "State of the judiciary" speech to the Legislature and draft a bill that would reinstitute mandatory retirement for judges who turn 71.

Mandatory retirement was dropped in 1984 as part of a change in judicial pensions, but McKusick says judges and the governor who must decide whether to reappoint them would benefit if it were brought back.

"When a judge finishes a seven-year term at age 68, the governor doesn't have to worry about whether he's going to have his buttons at 75. And similarly, for the judge who reaches the end of his term at 68, his changes of reappointment are increased," the chief justice said.

His own feelings on stepping down from the bench are shared by anyone who retires from a job he truly enjoys, he said.

"As he approahces the day, he's absolutely confident that he's indispensable, that he's at the height of his mental and physical powers, that of course he can't leave, they're unable to operate without him.

"That's why I think a mandatory retirement age is necessary," he said.

A Harvard Law School graduate who had clerked for Learned Hand and Felix Frankfurter, McKusick was a partner in one of Portland's most prestigious law firms but had no experience as a trial judge when Gov. James B. Longley picked him to head the law court in 1977.

"I had practiced law for 25 years, with great satisfaction," he recalled, "I had squeezed all the satisfaction out of it I could, and when I got to the bench I was confident it extended my working life in the sense of working at full throttle. . . .

"It's good to change, and maybe I'll be working at full throttle in my third career."

[From the Bangor Daily News, Jan. 14, 1992]

VINCENT L. MCKUSICK

Maine Chief Justice Vincent L. McKusick is going to retire next month, but before he leaves the bench he has a message for Maine: Society's greatly increased demand on the courts must be matched with commensurate resources and funding, or the system will not continue to function.

His words should be considered seriously. In his 15 years as chief justice of Maine's Supreme Judicial Court, Mr. McKusick has spoken with intelligence and understanding on the vast range of topics that delineate the human condition. His rulings will positively affect the state for decades to come.

The chief justice made historic rulings in such well-known cases as the Moody Beach decision and in Maine's first right-to-die case, and has been a perceptive commentator on countless issues of our time, including the death penalty. On the last count, he arrived at his decision for both philosophical and practical reasons. To "warehouse these people for life," he said, is "nowhere near as expensive" as the cost of going through the required appeals process.

What characterized his tenure, however, was the improvements he instigated to move cases through the court system more efficiently. Modernizing court-system procedure, lobbying for more clerks to handle the explosion in the number of cases and seeking new court facilities were just a few of the ways he led a system that must deal with a heavier burden each year.

One important way for the state to show its appreciation to Chief Justice McKusick is to follow through on some of his unfilled requests for expanded court services. Another is to enlarge alternative-sentencing programs that are shown to reduce recidivism.

A lucid and compassionate thinker is about to leave the employ of the state, but Maine can continue his work by showing more support for the court system he served so nobly.

[From the Lewiston Sun-Journal (ME)]

GOING WITH HONOR

The retirement of Chief Justice Vincent L. McKusick will leave Maine's highest court with a formidable void.

As of Feb. 28, the state's top jurist will hang up his robe after presiding over the Maine Supreme Judicial Court since 1977. It's only fitting that McKusick's retirement is being commemorated by the Maine Law Review.

While he may step down from the bench next month, his impact on Maine will be felt for generations to come. He has written more than 700 opinions, and his forthright approach will, no doubt, be emulated by many.

His philosophy of devoting 100 percent and not looking back carried him through 25 years of practice in a Portland law firm before he was appointed chief justice. That, in itself, is a story.

McKusick's grasp of Maine law became renowned during his years in private practice—so much so that he was appointed chief justice with no previous experience on the bench. Gov. James Longley recognized all the requisite characteristics to bestow the title of honor, and McKusick lived up to every expectation.

The legal community and Maine's entire judicial system may be at a loss once McKusick retires, but his 14 years on the bench will serve as a shining example for years to come.

PRESIDENT'S NUCLEAR INITIATIVES

Mr. PELL. Mr. President, President Bush is on the right track in his decision to cancel unilaterally several very expensive nuclear weapons programs which have become superfluous in the new strategic environment. But I believe we can cut strategic nuclear systems even deeper. Russian President Yeltsin's announcement of cuts today suggests that further reductions in these systems on both sides are possible.

The new package goes beyond the President's September proposal to negotiate the elimination of land-based strategic missiles with multiple warheads. The new package offers significant reductions in the strategic triad when taken together with the B-2 cancellation and should have an attractiveness to the Russians that could be the basis of a successful negotiation. I believe the administration is now demonstrating a greater realism regarding both our own economic crisis and the diminution of the former Soviet threat.

These are encouraging developments, but I believe that both we and the Russians can do more. President Yeltsin today announced that he would match President Bush's cuts in strategic nuclear systems. Let's keep the momentum going by proposing another round of cuts in these systems to be matched by the Russians.

Mr. President, the Foreign Relations Committee will soon be considering the START Treaty. The cuts in strategic systems announced yesterday and today by Presidents Bush and Yeltsin go beyond the requirements of the START Treaty. Accordingly, it may be advisable to adjust this treaty to reflect and lock in the new realities. More importantly, however, the Senate's consideration of START should be aimed at encouraging even deeper reductions. Moscow appears to be in a serious weapons cutting frame of mind, and we should take advantage of that to reduce nuclear weapons to the lowest level possible.

While I welcomed President Bush's announcement of cuts in strategic nuclear weapons, I was troubled by his unyielding stance on the very expensive and increasingly unnecessary SDI Program. Taken together with reports that the administration is backing away from the 1972 Antiballistic Missile Treaty, it would seem that the administration is still pursuing a program beyond what the ABM Treaty allows in pursuit of the chimera of what the President describes as a program to protect our country from limited nuclear missile attack. While on the surface, this goal appears attractive, any such deployment would be in truth a dubious proposition at best and would threaten to squander tens of billions of dollars.

It would make far more sense to redouble our efforts to halt the proliferation of nuclear weapons and the missiles to deliver them. At the same

time, we should recognize the changes in the strategic nuclear environment, including, in particular, the possible elimination of MIRV'd land-based missiles, and determine whether the planned Grand Forks, ND, ABM deployments to protect those MIRV'd missiles merits continued support.

In the meantime, we can continue research and development in the ballistic missile defense arena, continue to adhere to the ABM Treaty and pursue deeper cuts in strategic weapons. If the case can be made in future years that are affordable and effective defenses against limited nuclear attacks, we can take the necessary action. But now is not the time, while both sides are greatly reducing offensive nuclear weapons, to move precipitously with regard to ballistic missile defenses.

NEWLY INDEPENDENT COUNTRIES' CITIZENSHIP LAWS SHOULD REFLECT CSCE PRINCIPLES

Mr. PELL. Mr. President, during a recent trip to the former Soviet Union, I gained a heightened awareness of difficulties that have arisen with the proposed laws on citizenship in some of the newly independent countries. One such law is Latvia's draft law on citizenship. With its discriminatory residency requirements and its exclusion of certain groups from the process, the law has raised reservations among many human rights groups.

Under the draft law, citizenship appears likely to be a requirement for owning most kinds of property. Belarusan officials, in particular, expressed their concern that ethnic Belarusans who have lived in Latvia for many years would be frozen out of the citizenship process, and by extension, would not be able to own property. Ethnic Russians, the largest minority in Latvia, would also be adversely affected were this draft law—which still is at an early stage in the process—to be adopted.

Obviously, the process of building a new set of laws will be a slow and difficult one for many of the newly independent states of the former Soviet Union. Most of these states are either new members—or on their way to becoming members of the Commission on Security and Cooperation in Europe [CSCE]. Accordingly, I believe it important that as the new countries draft their citizenship laws, they respect the CSCE principles, especially with regard to equal rights for minorities. As member of CSCE, we have a responsibility to press them on this issue.

CONCLUSION OF MORNING BUSINESS

The PRESIDENT pro tempore. Is there further morning business? There being no further morning business, morning business is closed.

CABLE TELEVISION CONSUMER PROTECTION ACT

The PRESIDENT pro tempore. The Senate will resume consideration of S. 12, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 12) to amend title VI of the Communications Act of 1934 to ensure carriage on cable television of local news and other programming and so forth and for other purposes.

The Senate resumed consideration of the bill.

The PRESIDENT pro tempore. The Senator from Hawaii [Mr. INOUYE].

Mr. INOUYE. Mr. President, I rise today in support of S. 12, the Cable Television Consumer Protection Act of 1991.

Mr. President, before I proceed with my remarks, I want to thank all of the Senators on the committee for all of their work on this legislation, particularly the author of this bill, Senator DANFORTH, and the chairman of our committee, Senator HOLLINGS. I also want to thank Senators FORD, GORE, GORTON, LIEBERMAN, and METZENBAUM for their contributions to the measure.

The bill we are considering today is very similar to S. 1880 which, as you recall, was approved by the Commerce Committee in June 1990 by a vote of 18 to 1.

The focus of this bill, S. 12, like S. 1880, is to address consumers' problems with rates and services while at the same time promoting competition. The 1984 Cable Act, which ironically was coauthored by the chairman of this committee, Mr. HOLLINGS—and I had the privilege of being one of the cosponsors—was designed to help promote competition in the video marketplace by relaxing many of the regulatory restrictions on the cable industry. It became known as the Cable Deregulation Act. This 1984 act has achieved many of its objectives.

Over the past 7 years, the cable industry has grown dramatically and today we find that most of America is wired to receive cable. Almost 90 percent of the homes in the country are covered by cable systems, and over 60 percent of these homes subscribe to cable service. System capacity has increased. The average cable system today offers about 36 channels and this number is steadily increasing.

So it is no longer the fledgling industry that existed in 1984. Programming choices have also grown significantly since the act was passed and today it is the dominant video distribution medium.

But I believe that the cable industry has begun to take advantage of its popularity. In certain instances, I most respectfully suggest that rate increases have been excessive and, for many systems, customer service has been abominable.

Programmers have argued that they cannot get carried on cable systems without relinquishing control of their product. In addition, competing video distributors allege that these programmers refuse to deal with them. In general, it appears that the cable industry now possesses undue market power which is used to the detriment of consumers, programmers, and competing video distributors. These concerns are addressed by this legislation.

As chairman of the Communications Subcommittee, I knew last Congress that we had to address these matters expeditiously, and I immediately began a series of hearings. In the last 3 years, my subcommittee held 13 hearings on cable-related issues. We listened to over 50 hours of testimony from 113 different witnesses. Out of this exhaustive examination, an overwhelming majority of the committee concluded that legislation was necessary to correct these problems.

These conclusions are reflected in the legislation we are considering today.

Incidentally, the bill passed the committee by a vote of 16 to 3.

This legislation has two goals: To promote competition in the video industry and to protect consumers from excessive rates and poor customer service where no competition exists. This legislation also addresses the concerns of consumers, programmers, and competitors about the market power of the cable industry. At the same time, it continues to permit the cable industry to grow and bring to the American public a new array of programming and other services. So, we believe this bill represents a balanced package.

For the record, let me now summarize the major provisions of the legislation.

On cable rates, S. 12 gives the FCC authority to regulate basic rates in the absence of effective competition. Effective competition is defined as the availability of a competitive multichannel video distributor to a majority of cable subscribers, and to which 15 percent have actually subscribed.

It requires the FCC to establish national guidelines and to ensure that any cities that choose to regulate basic rates do so only within the FCC guidelines.

Currently, the FCC is only empowered to regulate the basic tier of programming services. In an effort to circumvent legislation, many cable systems have retiered to move programming services out of the basic tier.

The basic tier is generally made up of those programs that many can get for free: ABC, NBC, CBS. At this moment, the cable industry does not pay for those programs.

But yet, you and I are charged for those programs. As noted in the Wall Street Journal, the edition of January 15, 1992, many cable systems have created tiers that only contain three broadcast signals and C-SPAN; three major networks and C-SPAN, four channels.

However, less than 10 percent of subscribers actually purchase this limited basic tier. Thus, if the only tier that is regulated is this limited basic, very few subscribers would be protected; 90 percent not protected.

To ensure that the regulation in this bill is meaningful, S. 12 requires that if less than 30 percent of the subscribers take the basic tier, the FCC's guidelines will apply to the next most popular tier to which 30 percent subscribe.

This we believe will ensure meaningful regulation of cable rates and cut off the cable industry's efforts to circumvent the intent of the bill.

In addition, S. 12 includes what could be called a "bad actor" provision.

This bill gives the FCC authority to regulate rates for tiers of programming other than basic, if it receives a complaint that makes a prima facie showing that a particular rate increase is unreasonable, and

This will give the FCC the authority to regulate in individual cases where cable operators impose excessive increases on subscribers.

Mr. President, I want to note that S. 12 does not permit regulation of programming services offered on a perchannel basis, such as HBO and Showtime.

The need for this provision and this legislation is bolstered by the July 1991 survey of cable television rates and services by the General Accounting Office.

This GAO report demonstrates that S. 12 is needed now more than ever. Cable rates for the most popular basic cable tier of programming have increased 61 percent since deregulation went into effect in 1986, while the rates for the lowest priced tier increased by 56 percent.

During the same 4½-year period, the cost of consumer goods only rose by only 17.9 percent; 17.9 percent for the cost of consumer goods, and over 60 percent for cable.

This problem of excessive rate increases is not limited to one part of the country or to the major cities. Mr. President, it is happening all over the United States.

Just for the record, I would like to cite a few examples so we get a flavor of what I mean by rate increases.

Since 1986, cable rates have increased in Indianapolis, IN, 163 percent; in Kansas City, KA, 112 percent; in Portland, OR, 150 percent. This is while the cost of living went up 16.9 percent, and the cable rates went up 150 percent in Portland; in Shreveport, LA, 289 percent; in Bergenfield, NJ, 372 percent; in Cincinnati, OH, 152 percent, and in December of last year in this city, it went up another 43 percent.

Finally, Mr. President, in our own backyard, the backyard of Congress of the United States, Montgomery County, MD, rates have increased since 1986 by 1364 percent.

According to GAO, "The average monthly rates for the lowest priced basic cable service increased by 9 percent, from $15.95 to $17.34 per subscriber" from December 1989 to April 1991.

During this same period, one would assume that because of the hike in rates, the subscriber would receive more channels. That is a logical conclusion.

But the report shows that during that same period, the average number of channels offered on the lowest priced tier decreased by one channel: pay more but receive less.

Much has been made of the fact that this bill allows the FCC to regulate more than the basic tier.

But recent practices of the cable industry demonstrate that the consumer would not be protected if only the basic tier were regulated.

In fact, in many communities, consumers are paying more today for the basic tier and getting fewer channels than they received in 1986.

In my city, in Honolulu, my constituents paid $12 for 30 channels in 1986.

Today, they pay $12.95 not for 30 channels, but for 14 channels, less than half of what they received in 1986. On the island of Maui, consumers paid $11.56 for 34 channels in 1986. And today, they pay $14.95 for nine channels. They pay more for less than a third of what they had 5 years ago.

Mr. President, this is true in other parts of the country as well. In East Bay, CA, in 1986 consumers paid $9.95 for 26 channels. In 1991, they paid $20.40 for 21 channels.

In Naples, FL, in 1986 consumers paid $9.66 for 30 channels. Today, they pay $15.95 for 11 channels.

Mr. President, I could go on and on.

But on again I come back to our backyard, Montgomery County, subscribers receive one-fifth the number of channels they received in 1986 and pay over five times more.

This is a consumer bill. All of us here have at one time or another, in the last 6 months, made eloquent statements and speeches about how we must protect the consumer. Last evening, the President of the United States spoke eloquently on what he plans to do to protect the consumers of the United States, to give them a fair break.

The cable industry has recently been touting the availability of its new low-priced basic tiers. That has been advertised. Yet, when GAO employees posing as consumers called 17 of the systems with the new low-priced tiers, 8 of those systems did not even inform GAO of the existence of those tiers. They do not want consumers to buy those tiers. They do not make that much money.

The report also demonstrates that the FCC's June effective competition decision does not address the problem of runaway cable rates. The FCC ruled that effective competition exists when there are six over-the-air broadcast signals up from three. This will permit local authorities to regulate the rates for basic cable service when there are fewer than six over-the-air broadcast systems. According to the GAO report, under this definition, 80 percent of cable subscriber rates would not be subject to rate regulation.

Finally, Consumer Reports magazine recently found that cable rates have increased at a rate almost triple the rate of inflation since deregulation.

As a result, consumer satisfaction with cable is lower than any service industry. Any why has this occurred, Mr. President? I think the reason is rather obvious. It is cable's market power. An August 6, 1991, staff study released by the Department of Justice concluded that 50 percent of the cable rate increases since deregulation are a result of cable's market power. As a result, the bill, S. 12, also includes provisions to promote competition to cable and to reduce cable's market power.

Now let us turn to access to programming. The access to programming provisions in this bill are designed to encourage competition. I have been told by all of my colleagues at one time or another that competition is the essence of the free enterprise system. We are all for competition. But, Mr. President, you will hear speakers tell you that competition is not good for the consumer.

These provisions provide others with access to programming owned by cable operators. For mutichannel video distributors, it also prohibits these cable programmers from discriminating in the price, terms, and conditions. This is identical to the provision that was in S. 1880 last Congress. In addition, this provision prohibits cable operators from requiring a financial interest in programming as a condition of carriage and would ensure that satellite distributors of programming do not discriminate against home satellite dish owners.

By this I mean we have found that cable operators would tell a programmer, "You want to show your program on my company time? You may do so if you give us 51 percent interest in your company." If that is free enterprise, I do not want any part of it, Mr. President.

Let us get to retransmission consent. This has been a matter of some controversy, retransmission consent. These provisions give broadcasters the right to control the use of signals by cable operators. In addition, the bill retains what has been called a traditional must carry. Earlier this month, Mr. Jim Mooney, president of the National Cable Television Association, was quoted in Communications Daily as stating that the cable industry can live with either retransmission consent or must carry. This is precisely what this bill requires. Broadcasters—and I

am speaking of local broadcasters, not NBC in New York or CBS in New York or ABC in New York; I am talking about channel 9 here, channel 4, or channel 7—these local network broadcasters must choose either to accept must carry on their local cable systems and waive their retransmission rights or to keep their retransmission rights and wave must carry.

On the issue of retransmission consent, I want to respond once again to the cable industry's campaign of misinformation about its effect on consumers' cable rates. The cable industry has attempted to mislead consumers through newspaper ads, bill stuffers, and advertisements on their systems. All of us have seen this. I have received these circulars in my bill. One fallacy they promote is that S. 12 will allow the TV networks to add a "20-percent surcharge to cable subscribers' bills." I hope that the NCTA will study the measure. Nothing could be further from the true intent and effect of S. 12. Mr. Mooney's admission that the cable industry can live with retransmission consent further demonstrates the disingenuous nature of these allegations.

Mr. President, we believe that the retransmission consent provisions of this bill are straightforward. They simply provide that when a local system forgoes the option of must carry protection, it may utilize its retransmission rights to negotiate with the local cable system over the terms and conditions of its carriage on the system. In other words, broadcasters will have the option of being treated like any other cable programmer. At this moment, cable operators negotiate with cable programming services for the right to carry these program services. Gone are the days when the broadcasters received their revenues from advertisers and cable received their revenues solely from subscribers. Today, as we all know, cable competes with broadcasters for local and national advertising.

Cable has also asserted that retransmission will cause cable rates to increase. The GAO report states that the price per channel of programming for the lowest-priced tier increased 55 cents in the past year, and this lowest-priced tier is the tier of programming that contains over-the-air broadcast signals—ABC, NBC, CBS—which cable operators today receive for free. These cable companies are not paying for any of these signals. They just pluck them off the air. But when they retransmit to us, we pay for it. Thus, subscribers are paying an average of 58 cents per channel for broadcast programming that is free to cable. Cable does not have to pay for the production of these programs. They do not have to pay for the news format. They get it free.

The retransmission provisions of S. 12 will permit local stations, not national networks, as I have indicated, to control the use of their signals, and they do not contain any formula for retransmission fees or surcharges.

On the contrary, the committee report specifies that in its proceeding implementing retransmission consent, the FCC must ensure that local stations' retransmission rights will be implemented with due concern for any impact on cable subscribers' rates.

Mr. President, to eliminate any doubt on this issue, we will soon be offering a managers' amendment to the bill to make certain that retransmission consent does not result in rate increases. In addition, the FCC is also required to regulate the rates for the basic tier—this is the tier that contains the broadcast signals—to make certain that those rates remain reasonable. Thus, the FCC has a clear mandate to ensure that retransmission does not result in harmful rate increases that we have seen flourishing throughout this Nation.

Moreover, the bill is completely silent on what the negotiations between cable operators and broadcasters may entail. Mr. President, they may negotiate for money or for nonmonetary consideration, such as channel position. For example, those of us who have been using free television all our lives, we know that channel 4 is NBC, channel 5 is Metromedia, channel 7 is ABC, and channel 9 is CBS, but when you get on cable, it depends on the cable company.

And they can change it at will. Now that could be one of the items that the local broadcast company would like to negotiate. Maybe the NBC affiliate would say let us go back to our old number, channel 4 so no one will be confused. It could also involve joint advertising, promotional opportunities, and other forms of competition.

Finally, on this issue of retransmission, it has been asserted that S. 12 will impinge on the rights of program producers and that it conflicts with the cable compulsory license. Mr. President, that is not true. The committee report states "that nothing in this bill is intended to abrogate or alter existing program licensing agreements between broadcasters and program suppliers or to limit the terms of existing or future licensing agreements.

In other words, this provision in no way limits the rights of program producers to control the use of their product.

As to the effect on the compulsory licenses, it amends the Communications Act but it does not alter the Copyright Act or the applicability of the compulsory license. That matter comes with the jurisdiction of the Judiciary Committee, and it is my understanding that the Registrar of Copyrights, at the request of the Judiciary Committee, is reviewing the compulsory license and a report is due in February.

Mr. President, there has not been a comprehensive review of the cable compulsory license in many years, so I believe a review is long overdue and I wish at this time to commend Senator DECONCINI for initiating the process.

So in brief may I say that S. 12 will benefit all TV viewers whether they subscribe to cable or not by helping to restore a local television marketplace that functions competitively. Competition is good. It has not hurt free enterprise.

Instead of causing the blackout of television signals, it will eliminate the cable industry's present absolute power over the signals it provides or denies to its subscribers.

Instead of driving up rates as we have seen over the past 4½ years, S. 12 will ensure that the FCC or local governments maintain control over these rates in the absence of effective competition to local cable systems.

Mr. President, we all recognize that this measure is not without controversy. The cable industry and the administration oppose the bill. The cable industry obviously believes that the bill is not needed and it will argue that it will stifle the industry's growth.

The administration has also taken the position that we should permit the telephone companies to provide cable services as well as own and control programming.

The issue of telephone entry into cable is one that the committee is considering separately from this legislation. In fact, we are now in the process of holding a hearing on the bill submitted by Senator BURNS on this issue next month.

Telephone entry in many ways is much more controversial than this bill, and it may interest you to know, Mr. President, it is opposed by the cable industry.

Mr. President, before I close, I just want to note that in the last week, in the last few days, we have experienced a blitz by the cable industry seeking support for the so-called alternative or substitute. At this moment, Mr. President, none of us in the U.S. Senate have seen the text of this substitute and so we are at a loss as to how to argue for or against it.

This measure has been on the desk here since June of last year. We have given the ultimate maximum opportunity for one and all to study, choose, digest this measure and at the last moment, at the 11th hour, this alternative and substitute is up. However, we have been advised about some of the provisions that we should anticipate in this bill and what we know about it leads us to believe that it will do nothing to protect consumers.

On rate regulation it is our understanding that the substitute will allow the FCC to regulate the basic tier and defines that tier narrowly to include

the local broadcast signals, C-SPAN I and II, and public access channels. That means that cable systems will not be subject to any effective regulation since many cable systems have already changed their programming offerings to create just such a broadcast tier.

According to the Wall Street Journal, when cable systems retier, often less than 10 percent of cable subscribers will actually take this tier. Thus the substitute would regulate a tier consumers do not want. Moreover, the bulk of the programming in this tier will be the broadcast signals, programming that is now available over the air for free.

Our bill, in contrast, will give the FCC the authority to protect consumers against excessive rates for the most popular tier of programming. And it is impossible for Congress to protect against all the creative ways that cable operators will find to avoid regulation. Therefore, it is imperative that the FCC have the authority to step in to protect consumers against future abuses, and we believe that S. 12 will provide that protection and the substitute does not.

The authors of the substitute claim that their bill, the one that we have not seen, would promote competition. Yet they delete the most important procompetitive provisions in S. 12, access to programming and nondiscrimination provisions. For many years, Mr. President, we have worked to ensure that the 3 million Americans primarily in rural America have the ability to receive programming via home satellite dishes.

The committee has found that cable operators who own program services have consistently denied dish owners and other multichannel video services programming or made the programming available at prices much higher than those paid by cable operators.

The access to programming provisions will ensure that satellite dish owners and wireless cable subscribers will have access at reasonable prices, like any one of us.

S. 12 does not require cable programmers to give their programming away for free or even to make it available at the discount rate. It only requires that it be made available and that the price not be discriminatory. And discounts of this amount are not unheard of.

When cable first began, we gave cable operators the broadcast programming for free. That was in the cable deregulation bill. S. 12 could have imposed a much harsher remedy for the cable industry in order to free up programming.

For instance, we required the networks to divest ownership of their diverse companies through the financial interest and syndication groups.

We are not requiring cable operators to divest ownership of their programming interests. In other words, we believe S. 12 takes a reasonable approach to the problem of access.

The supporters of the alternative contend that they have provisions designed to promote competition. Mr. President, I suggest that a cursory examination of these provisions show that there is absolutely no foundation for that contention.

Let us go to expansion of the rural telephone exemption. The act currently permits telephone companies to provide cable in communities with fewer than 2,500 residents. The substitute will raise that exemption to 10,000. In many States with large rural populations, cable systems already serve those communities with less than 10,000 people. Moreover, the substitute does not prohibit telephone companies from buying out the existing cable systems. Thus, some communities, instead of getting competition, will just get a new monopoly owner.

Lifting the multiple ownership rules. This provision will lift an FCC rule that limits the number of broadcast stations one company can own to 12 AM, 12 FM, and 12 TV stations.

This provision has nothing to do with competition. It will simply permit further concentration of ownership in the broadcast industry and thus reduce the diversity of views available on the air waves.

Mr. President, we await the introduction of the alternative or the substitute. We would like to study that, but we have not had the opportunity. So I wish to urge all of my colleagues to read the GAO report and to look beyond the rhetoric being employed by the cable industry. I urge all of my colleagues to vote against the substitute and support S. 12.

So, Mr. President, if I may at this juncture, I will offer the managers' amendment to the bill. This managers' amendment contains technical changes and the retransmission provision, which I referred to in my statement. I understand that this amendment is acceptable to the author of this measure, Senator DANFORTH.

AMENDMENT NO. 1498

(Purpose: To make perfecting amendments)

Mr. INOUYE. Mr. President, with the approval of the author of this measure, I send to the desk an amendment to make perfecting amendments.

The PRESIDENT pro tempore. The Chair understands that the amendment is to the committee substitute.

Mr. INOUYE. Yes, sir.

The PRESIDENT pro tempore. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Hawaii [Mr. INOUYE] proposes an amendment numbered 1498.

Mr. INOUYE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

Strike all on page 66, line 11, through page 67, line 14, and insert in lieu thereof the following:

"(20)(A) the term 'local commercial television station' means any full power television broadcast station, determined by the Commission to be a commercial station, licensed and operating on a channel regularly assigned to its community by the Commission that, with respect to a particular cable system, is within the same television market as the cable system (for purposes of this subparagraph, a television broadcasting station's television market shall be defined as specified in section 73.3555(d) of title 47, Code of Federal Regulations, as in effect on May 1, 1991, except that, following a written request, the Commission may, with respect to a particular television broadcast station, include or exclude communities from such station's television market to better effectuate the purposes of this Act);

"(B) where such a television broadcast station would, with respect to a particular cable system, be considered a distant signal under section 111 of title 17, United States Code, it shall be deemed to be a local commercial television station upon agreement to reimburse the cable operator for the incremental copyright costs assessed against such operator as a result of being carried on the cable system;

"(C) the term 'local commercial television station' shall not include television translator stations and other passive repeaters which operate pursuant to part 74 of title 47, Code of Federal Regulations, or any successor regulations thereto;

On page 68, line 3, strike "and" and insert in lieu thereof "or".

On page 86, line 24, insert "any one" immediately before "service".

On page 87, lines 3 through 4, strike "or any person having other media interests".

Strike all on page 87, line 6, through page 88, line 11, and insert in lieu thereof the following:

CUSTOMER SERVICE

SEC. 10(a) Section 632(a) of the Communications Act of 1934 (47 U.S.C. 552(a)) is amended—

(1) by inserting "may establish and" immediately after "authority";

(2) by striking ", as part of a franchise (including a franchise renewal, subject to section 626),"; and

(3) in paragraph (1), by inserting immediately after "operator" the following: "that (A) subject to the provisions of subsection (e), exceed the standards set by the Commission under this section, or (B) prior to the issuance by the Commission of rules pursuant to subsection (d)(1), exist on the date of enactment of the Cable Television Consumer Protection Act of 1991".

(b) Section 632 of the Communications Act of 1934 (47 U.S.C. 552) is amended by adding at the end the following new subsection:

"(d)(1) The Commission, within 180 days after the date of enactment of this subsection, shall, after notice and an opportunity for comment, issue rules that establish customer service standards that ensure that all customers are fairly served. Thereafter the Commission shall regularly review the standards and make such modifications as may be necessary to ensure that customers of the cable industry are fairly served. A franchising authority may enforce the standards established by the Commission.

"(2) Notwithstanding the provisions of subsection (a) and this subsection, nothing in this title shall be construed to prevent the enforcement of—

"(A) any municipal ordinance or agreement, or

"(B) any State law,

concerning customer service that imposes customer service requirements that exceed the standards set by the Commission under this section.

Strike all on page 94, line 3, through page 95, line 19, and insert in lieu thereof the following:

"(b)(1) Following the date that is one year after the date of enactment of this subsection, no cable system or other multichannel video programming distributor shall retransmit the signal of a broadcasting station, or any part thereof, without the express authority of the originating station, except as permitted by section 614.

"(2) The provisions of this section shall not apply to—

"(A) retransmission of the signal of a noncommercial broadcasting station;

"(B) retransmission directly to a home satellite antenna of the signal of a broadcasting station that is not owned or operated by, or affiliated with, a broadcasting network, if such signal was retransmitted by a satellite carrier on May 1, 1991;

"(C) retransmission of the signal of a broadcasting station that is owned or operated by, or affiliated with, a broadcasting network directly to a home satellite antenna, if the household receiving the signal is an unserved household; or

"(D) retransmission by a cable operator or other multichannel video programming distributor of the signal of a superstation if such signal was obtained from a satellite carrier and the originating station was a superstation on May 1, 1991.

For purposes of this paragraph, the terms 'satellite carrier', 'superstation', and 'unserved household' have the meanings given those terms, respectively, in section 119(d) of title 17, United States Code, as in effect on the date of enactment of this subsection.

"(3)(A) Within 45 days after the date of enactment of this subsection, the Commission shall commence a rulemaking proceeding to establish regulations to govern the exercise by television broadcast stations of the right to grant retransmission consent under this subsection and of the right to signal carriage under section 614, and such other regulations as are necessary to administer the limitations contained in paragraph (2). The Commission shall consider in such proceeding the impact that the grant of retransmission consent by television stations may have on the rates for basic cable service and shall ensure that rates for basic cable service and shall ensure that rates for basic cable service are reasonable. Such rulemaking proceeding shall be completed within six months after its commencement.

"(B) The regulations required by subparagraph (A) shall require that television stations, within one year after the date of enactment of this subsection and every three years thereafter, make an election between the right to grant retransmission consent under this subsection and the right to signal carriage under section 614. If there is more than one cable system which serves the same geographic area, a station's election shall apply to all such cable systems.

"(4) If an originating television station elects under paragraph (3)(B) to exercise its right to grant retransmission consent under this subsection with respect to a cable system, the provisions of section 614 shall not apply to the carriage of the signal of such station by such cable system.

"(5) The exercise by a television broadcast station of the right to grant retransmission consent under this subsection shall not interfere with or supersede the rights under section 614 or 615 of any station electing to assert the right to signal carriage under that section.

"(6) Nothing in this section shall be construed as modifying the compulsory copyright license established in section 111 of title 17, United States Code, or as affecting existing or future video programming licensing agreements between broadcasting stations and video programmers.".

Strike all on page 101, lines 5 through 7, and insert in lieu thereof the following:

"(A) any such station, if it does not deliver to the principal headend of the cable system either a signal of −45 dBm for UHF signals or −49 dBm for VHF signals at the input terminals of the signal processing equipment, shall be required to bear the costs associated with delivering a good quality signal or a baseband video signal;

Strike all on page 108, line 20, through page 109, line 5, and insert in lieu thereof the following:

"(3) The signal of a qualified local noncommercial educational television station shall be carried on the cable system channel number on which the qualified local noncommercial educational television station is broadcast over the air, or on the channel on which it was carried on July 19, 1985, at the election of the station, or on such other channel number as is mutually agreed on by the station and the cable operator. The signal of a qualified local noncommercial educational television station shall not be repositioned by a cable operator unless the operator, at least 30 days in advance of such repositioning, has provided written notice to the station and to all subscribers of the cable system. For purposes of this paragraph, repositioning includes deletion of the station from the cable system.

On page 112, lines 3 through 9, insert "or 615" immediately after "614" each place it appears.

On page 113, lines 3 through 5, strike "For purposes" and all that follows through "unreasonable.".

On page 69, line 7, strike "Rederal" and insert in lieu thereof "Federal".

On page 78, add "and" at the end of line 7.

Strike all on page 96, lines 24 through 25, and insert in lieu thereof "local commercial television station; and".

On page 98, line 7, strike "carriers" and insert in lieu thereof "carries".

Mr. DANFORTH addressed the Chair.

The PRESIDENT pro tempore. The Senator from Missouri [Mr. DANFORTH].

Mr. DANFORTH. The amendment is acceptable on this side.

The PRESIDENT pro tempore. The question is on agreeing to the agreement.

The amendment (No. 1498) was agreed to.

Mr. INOUYE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DANFORTH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. METZENBAUM addressed the Chair.

The PRESIDENT pro tempore. The Senator from Ohio [Mr. METZENBAUM] is recognized.

Mr. METZENBAUM. Mr. President, today the Senate finally considers legislation aimed at reining in the monopoly power wielded by the cable industry. I congratulate Senators INOUYE, DANFORTH, and HOLLINGS for their leadership in bringing this measure to the floor. This action is welcome and long overdue.

From the moment the 1984 Cable Act became law, consumers have been at the mercy of an unregulated monopoly. The 1984 Cable Act stands as a monument to the folly of knee-jerk deregulation.

The act was built on the absurd premise that deregulating local monopolies would lead to lower prices and more competition. That worked as badly as our deregulation of the airline and telephone industries. In both instances, the public suffered. I regret to admit that I supported deregulation of those two industries, but I oppose deregulation of cable.

The results of cable deregulation have been a disaster: Higher rates, poor customer service, more vertical integration, and excessive concentration. Complaints about cable come from every part of the country: from Ohio, from California, Tennessee, West Virginia, as well as here in Washington, DC.

Customer service in the cable industry is as bad as it could possibly be. Breakdowns occur with regularity. Customers frequently complain about being unable to reach their cable company by telephone. Telephone inquiries often are answered by an automated system more complicated than useful. And when a human being is finally reached, the response is frequently indifferent and uncooperative.

If a service person actually comes to your home, it is often a nice guy who knows little about solving your problem. I know that the cable companies are delivering bad service at an ever escalating price, because I hear complaints from consumers all over the country, and because I am a customer myself.

In most industries, Mr. President, if service was bad, or the price was too high, you could switch to another company; but the normal rules of the market do not apply to the cable industry. Today, 99 percent of consumers who want cable have no opportunity to choose among competing cable companies. And for the last 5 years, almost every cable system in the country has been exempt from rate regulation by the cities. That occurred because we here in the Congress made it possible and, unfortunately, we did so at the behest of many of the city leaders themselves.

But the bottom line is that virtually no cable system is subject either to competition or regulation. There are no constraints on the prices charged for cable service. Consumers are com-

pletely unprotected. It is no wonder that cable rates have soared since deregulation took effect in 1987.

According to the General Accounting Office, cable rates nationwide have increased by over 60 percent since deregulation, more than three times the rate of inflation. Millions of cable consumers have been subjected to rates of over 100 percent since deregulation.

Two years ago, a representative of the Consumer Federation of America testified at a hearing held by my antitrust subcommittee that cable consumers were being overcharged by as much as $6 billion annually. Unfortunately, Mr. President, in this industry, members tell a great deal of the story. In Dayton, OH, rates have gone up 106 percent since deregulation. In Cincinnati, some subscribers have experienced hikes of 152 percent since deregulation. In Youngstown, rates are up 80 percent. The story is the same around the country: Lynchburg, VA, 122 percent; New York City, 95 percent; Albuquerque, NM, 116 percent; Hollywood, FL, 106 percent; Santa Ana, CA, 140 percent.

I will not put Members of this body to sleep by reciting all of the increases across the country, but the list goes on and on.

Why have cable TV rates risen at such an alarming rate? Because the cable industry can hike them with impunity. There is no competitor to undercut them, and there is no regulator to restrain them. An economist with the Department of Justice estimated that about half of cable's profits are the result of its monopoly power. In other words, 50 percent of cable's net revenues are the direct result of the unregulated monopoly power which we have given this industry.

The cable television monopolies have had one long party for the last 5 years, and it has cost consumers billions of dollars in overcharges. It is time for Congress to say that the party is over.

It is my understanding that some Senators will be offering a substitute for S. 12. This substitute would cripple—literally cripple—the effort to protect consumers from abuses by the cable monopolies, and so it apparently has the blessing of the cable industry. I say apparently because Monday's Washington Post and Tuesday's Wall Street Journal both have stories which say that while the cable industry is telling Senators to support the substitute, it is saying privately in internal memos that it would oppose S. 12, even if the substitute passes.

I think that is another example of the arrogance of the cable monopolies and their lobbyists here in Washington. They are not interested in seriously negotiating a solution to cable's monopoly problems.

They urge Senators to support a substitute bill which would gut cable reform, and then they say privately that they will not even support the bill if their sham substitute passes.

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The substitute will not reform cable's monopoly abuses. In fact, the substitute should be called "the Cable Television Monopoly Maintenance Act." It is a gift to the cable monopolies and a slap in the face to consumers. I hope that this body overwhelmingly defeats the substitute.

If the Senate supports the substitute, we will be telling the country that we are less interested in protecting consumers and far more interested in protecting the special privileges enjoyed by an industry with a powerful lobby here in Washington. I will have much more to say on the substitute when it is offered, but I firmly believe that a vote for the substitute is a vote for the cable monopolies and a vote against consumers.

Mr. President, the cable industry has not been content with simply raising consumer prices at will. It also has sought to stifle potential competition from alternative multichannel technologies such as wireless cable and the satellite dish industry.

A key part of the cable industry's strategy is to control the popular cable program channels which are carried on systems around the country. Ten of the 15 most popular basic cable networks are owned or controlled by multisystem cable operators. Let me repeat that: 10 of the 15 most popular basic cable networks are owned or controlled by the big cable companies. Multisystem cable operators control virtually all of the regional sports networks around the country, which have been siphoning sports programming from free TV to cable. And cable companies also control four of the five top pay movie services.

This vertical integration has led some operators to discriminate in favor of programming in which they have equity interests. It also has harmed the viability of cable's potential competitors. Representatives from both wireless cable and the satellite dish business have testified to my Antitrust Subcommittee that the cable industry's control over programming as seriously hampered their ability to do business. The big cable companies frequently have refused to sell program channels they control to these potential competitors, or have done so only on unfair or discriminatory terms.

Let me give you an example. A distributor of programming to home satellite dish owners recently testified that he had to pay 460 percent more for programming than a comparable cable company. Wireless cable operators are shut out from Turner Network Television. And some wireless operators are subjected to "red-lining." This occurs when a cable programmer refuses to allow a wireless operator to distribute a channel to customers who live in areas already served by a cable company. That is monopolistic, anticompetitive and yes, anticonsumer. It is a direct effort to prevent head-to-head competition, the bulwark of the entire free enterprise system.

The cable industry has taken other steps to stifle potential competition. It has invested heavily in new technologies like direct broadcast satellite [DBS] in order to prevent that technology from competing head-to-head with cable companies. Two years ago, I, along with Senators GORE, LIEBERMAN, AND SPECTER, sent a letter to the Justice Department urging them to look at the potential anticompetitive consequences of cable's move into DBS. News reports indicate that both the Justice Department and State antitrust authorities are investigating whether the cable industry has attempted to blunt competition from alternative technologies like DBS and wireless cable. I am pleased to see that cable's move into DBS is being closely examined, but I wish the antitrust enforcement officials would move with greater speed.

There are other examples of abusive business practices by cable. TCI, the Nation's largest cable operator, employed a so-called negative option in order to launch its new pay movie service, Encore. TCI put Encore on all of its cable systems and notified its subscribers that they would be charged $1 per month for the new service. Customers who did not wish to receive Encore had to contact TCI and tell the company not to charge them for a program channel which they had never ordered. In other words TCI's attitude was: We are automatically entitled to more money from our customers; our subscribers have an affirmative duty to tell us that they do not want to pay more money for something which they did not request.

How absurd. How arrogant. Only a monopoly could act so arrogantly toward its customers. Fortunately, TCI halted this practice after a lawsuit challenging it was filed by the States.

Mr. President, TCI is the largest cable company in the country, providing service to about one out of every five cable subscribers in the country. It is exhibit No. 1 in the case for reregulation of the cable industry. An article in Monday's Wall Street Journal details the various ways in which TCI has tried to suppress competition and dominate the cable industry. Senator GORE already has placed this article in the RECORD, and I urge my colleagues to look at it.

Mr. President, abusive marketing and business practices are a direct result of the kid-gloves regulatory treatment accorded the cable industry. We should not be surprised by these tactics. Cable is an industry which is accountable to neither competition nor regulation.

While I believe S. 12 begins to move us in the right direction, although not nearly far enough, I am advised that

the bill will be attacked by supporters of the cable industry. They may insist that cable lacks monopoly power. But that view is not even shared by the cable industry. Viacom, one of the top vertically integrated cable companies in the country, filed a lawsuit against another big cable company, Time-Warner. In its suit Viacom stated that:

Each cable operator is a monopolist in its local market or possesses a monopoly share approaching 100 percent.

The suit went on to allege that Time-Warner had "abused monopoly power" in local cable television markets throughout the country.

TCI filed a brief in a tax matter in which it asserted that:

A cable operator serving a city has a monopoly in the sense that customers desiring cable service will have no choice regarding the provider of that service.

TCI's brief went on to say that;

There is no goodwill in a monopoly. Customers return, not because of any sense of satisfaction with the monopolist, but rather because they have no other choices.

Mr. President, that is arrogance that is cocky. That is absurd, if we here in the Senate permit it to continue. The American people have no protection unless we in Congress step into the breach on their behalf.

Since 1988, my Antitrust Subcommittee has been chronicling the anticompetitive and anticonsumer abuses of the cable industry. We have held three hearings, put out a report on the programming access problems faced by cable's potential competitors, and kept a close eye on the growing vertical integration and horizontal concentration within the industry. Nearly 3 years ago I introduced—along with Senators GORE and LIEBERMAN—the first bill in Congress aimed at reregulating the cable industry. This year I introduced two cable bills aimed at protecting consumers and promoting competition in cable. I am also an original cosponsor of the bill before us today, S. 12—and I am pleased to say that this legislation incorporates a number of ideas contained in my bills.

The bill we are considering would regulate rates for basic cable service in areas where cable is not subject to effective competition. The bill defines effective competition as another multichannel provider such as a second cable system or a wireless cable system.

In anticipation of cable reform legislation, many operators are shifting popular cable channels—such as ESPN, TNT, and USA—off the basic tier in order to prevent such networks from being regulated. This retiering is an obvious effort by cable to shield the most popular cable program channels from any kind of price accountability. S. 12 contains two provisions designed to blunt the anticonsumer impact of retiering. First, the bill states that if fewer than 30 percent of a cable system's customers take only the basic tier, the Commission and local franchising authorities may regulate the tier of service which is taken by at least 30 percent of subscribers. Thus, operators will not be able to escape rate regulation simply by creating a minimal basic tier composed solely of over-the-air broadcast channels. The bill also allows cities and consumers to file rate complaints with the FCC whenever rates for channels on higher tiers of service are unreasonable. I urged the inclusion of both these provisions and I am most pleased to see that the managers of the bill and the committee have included them in the bill.

The other key component of the bill is the program access provisions. Under the bill, vertically integrated cable programmers like HBO, Showtime, and TNT are forbidden from "unreasonably refusing to deal" with alternative technologies such as wireless cable and the satellite dish industry. The bill also instructs the FCC to issue rules limiting horizontal concentration and vertical integration in the industry.

This bill is not perfect. I do not believe the managers would claim that it is. It does not go nearly as far as I think it should. I think the regulatory responsibilities should be shared more evenly between the FCC and local authorities. I am concerned that the FCC will be too kind to the cable industry and too tough on consumers. I also believe that there is more that we could do to prevent retiering.

But on the whole, the bill is a good piece of legislation worthy of the Senate's support. The bill gives consumers and competitors the opportunity to hold the cable industry accountable for anitconsumer and anticompetitive behavior. And for that, the sponsors of this bill—Senators HOLLINGS, INOUYE, and DANFORTH—are to be congratulated.

There are some who say that prospects for enactment of a cable bill are bleak because neither the industry nor the White House want legislation. But I can not believe that Congress will turn its back on consumers simply because the cable industry has a powerful lobby here in Washington. As for the White House, I do not believe that the President, who is in serious political trouble, will turn his back on millions of Americans who are being subjected to billions of dollars in overcharges by the cable monopolies.

The cable industry opposes S. 12 for one reason, and one reason only: The bill begins to rein in the power of an industry which is an unregulated monopoly. That may cause distress to an industry which has grown accustomed to wielding monopoly power; but it will bring much-needed relief to consumers.

By passing this legislation, Congress can say to the cable industry: The party is over. You can not raise prices at will or unfairly stifle competition. It is time to play by the same rules which govern everyone else.

I yield the floor.

The PRESIDING OFFICER (Mr. DIXON). The Senator from Washington.

AMENDMENT NO. 1499

(Purpose: To prohibit cable operators from charging subscribers for services and equipment not affirmatively requested by name)

Mr. GORTON. Mr. President, I have an amendment at the desk and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Washington [Mr. GORTON] proposes an amendment numbered 1499.

Mr. GORTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

At the appropriate place, insert the following new section:

SERVICES AND EQUIPMENT NOT AFFIRMATIVELY REQUESTED

SEC. . Section 623 of the Communications Act of 1934 (47 U.S.C. 543), as amended by section 5 of this Act, is further amended by adding at the end the following new subsection:

"(i) A cable operator shall not charge a subscriber for any service or equipment that the subscriber has not affirmatively requested by name. For purposes of this subsection, a subscriber's failure to refuse a cable operator's proposal to provide such service or equipment shall not be deemed to be an affirmative request for such service or equipment.".

Mr. GORTON. Mr. President, I have listened with great care to the remarks of my distinguished friend and colleague from Ohio, and I wish him to know that this first amendment goes to precisely one of the concerns which he raised, the so-called negative option. I would like to inquire through the President whether my friend and colleague from Ohio would like to be considered a cosponsor of that amendment.

Mr. METZENBAUM. Indeed, I am happy to join my colleague.

The PRESIDING OFFICER. Without objection, the RECORD will show cosponsorship by the distinguished Senator from Ohio.

Mr. GORTON. Mr. President, for the last several years I have worked with my distinguished colleague from Missouri, my friend from Hawaii, and many other members of the Senate Committee on Commerce, on the bill which we have before us today and on its many predecessors.

Since the bill was reported by a vote of 16 to 3 last May, however, two new developments have come to my attention which are the subject of this amendment and of the one which will immediately follow it. Since both have been agreed to, I am going to speak to both of them at the same time, and then we can deal with them without another speech.

This first amendment, the one before the Senate right now, is in response to a marketing ploy which TCI employed in the State of Washington, and elsewhere, last year.

TCI launched a new movie channel called Encore. The company expected that 60 to 70 percent of all TCI subscribers would take this new service.

This marketing expectation was dependent upon a simple premise that the consumer either would not realize that he or she had begun to subscribe to Encore, or that he or she would not bother to prevent charges from accruing to the account. You might ask, how could a consumer be unaware of purchasing a new service? The answer is quite simple. Under TCI's plan, the cable subscriber would have automatically purchased the service unless that subscriber called TCI and physically canceled it.

This practice, which was much more common in a number of areas when I was attorney general of the State of Washington, is known as a negative option. It has been abandoned by most businesses under most circumstances, sometimes voluntarily and sometimes under the pressure of States' attorneys general offices. Its success relies on the fact that most customers do not scrutinize their junk mail with great care, and they do not look at bill inserts with great care, and they just simply throw away the negative option which they received.

So the first amendment I am offering, one which is before us right now, will prevent any cable company from offering services or equipment by means of using a negative option. At the suggestion of the Washington State attorney general's office, I broadened the amendment from its original language pertaining to video programming to include both services and equipment. The attorney general's office made the suggestion because TCI apparently had tried previously to market its entertainment guide by the use of a negative option. This amendment will make it clear that Congress does not want the public duped into paying for any cable service program, service, equipment, or anything else, without consciously knowing they are purchasing that service and making a decision to do so.

The second amendment, which will follow on the first one, addresses the issue of subscriber privacy. Several months ago, I learned that in some cable systems, anyone can gain access to a cable subscriber's billing account simply by knowing the subscriber's telephone number.

For instance, in Spokane, served by Cox Cable, anyone can call the main number and talk to Nadine—an automated voice, by the way—who will be more than happy to tell the caller if your neighbors have been paying their bills on time, provided, of course, that you are able to supply your neighbor's phone number. Nosy neighbors serviced by Viacom in Seattle can gain such a similar service just as easily.

My second amendment would require cable systems take appropriate steps to ensure that only a subscriber can gain access to his or her account. A simple means to accomplish this would be to assign a personal identification number known only to the subscriber.

Mr. President, I have discussed these amendments with both the majority and minority managers, and I believe they have been accepted. I will ask first for the acceptance of the first one, and then ask that the second be read and accepted without further interruption.

The PRESIDING OFFICER. Is there any further discussion concerning the first amendment offered by the distinguished Senator from Washington? The Senator from Hawaii.

Mr. INOUYE. Mr. President, I have had the opportunity to discuss this matter with the author of the amendment and the manager of this side, and find no objection. We are prepared to support it.

Mr. DANFORTH. Mr. President, it is acceptable on this side.

The PRESIDING OFFICER. Is there any further discussion concerning the first amendment offered by the distinguished Senator from Washington?

If not, the question is on agreeing to the amendment.

The amendment (No. 1499) was agreed to.

Mr. GORTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1500

(Purpose: To protect the privacy of cable television subscribers)

Mr. GORTON. Mr. President, I ask for the immediate consideration of my second amendment.

Mr. INOUYE. Mr. President, we have looked over the second amendment, and we find it acceptable.

Mr. DANFORTH. It is acceptable on this side.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Washington [Mr. GORTON] proposes an amendment numbered 1500.

Mr. GORTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

At the appropriate place, insert the following new section:

PROTECTION OF SUBSCRIBER PRIVACY

SEC. . Section 631(c)(1) of the Communications Act of 1934 (47 U.S.C. 551(c)(1)) is amended by inserting immediately before the period at the end the following: "and shall take such actions as are necessary to prevent unauthorized access to such information by a person other than the subscriber or cable operator".

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1500) was agreed to.

Mr. GORTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PACKWOOD. Mr. President, as most people know, I plan to offer an amendment to this bill. And I must confess, the amendment is not quite drafted. It is in the legislative counsel's office. As it was initially drafted, it would have been out of order.

I have no intention of delaying this bill. I agree to go ahead; I will not filibuster. I do not like the bill, but my amendment would make it acceptable. I do not physically have it in my hand. For those Members who want to see it, I have a summary of what I think will be 98 percent of the amendment. I do not think the 2 percent is going to be a relevant factor.

Having said that, that is just in the form of an announcement. I am trying to deal in good faith. I just physically do not have the amendment to present.

With that, although I see the Senator from Mississippi, I have some comments. But if he wants to talk now, he may go ahead. I will yield the floor for the moment.

The PRESIDING OFFICER. The Senator from Oregon yields the floor.

The Senator from Mississippi is recognized.

Mr. LOTT. Mr. President, I rise with mixed emotions about this legislation, S. 12. I will have an amendment to offer in a moment. I would like to make some general comments first, and then I will offer that amendment.

I remember years ago, in the early eighties, maybe in the late seventies, when I was serving in the other body, people from the cable industry in my State of Mississippi would come by to visit with me and ask for recognition, in effect, of their industry, and ask for support in trying to provide broadcast accessibility to Mississippi. Many areas in our State could not get television stations because they were too far off. We could not get any coverage at all if we did not have cable. And then, of course, subsequently, the satellite dishes helped.

But I viewed them at that time as a rising, innovative industry that could provide service and information to people in my rural State. I viewed them as the underdogs. I was sympathetic to them and wanted to help them. I thought it was going to be good for

cable to provide another vehicle of information beyond just the three networks.

So over the years, I clearly did support the cable industry, and I did support the 1984 Cable Communication Policy Act, which set in motion what I think has been truly a revolution.

The cable industry, in response to that legislation, and in the spirit of entrepreneurship and innovation, developed and delivered to the American consumer a diversity and depth of programming that had previously not been imagined. They have done a magnificent job.

As I listen to much of the debate today, I feel like they are being accused of being such bad boys. I acknowledge that there have been areas in which they made mistakes. They have done things they should not have done, and they should have done some things better. I think it is important to take a minute here and look at what they have done.

Just this past year, we received a live view of the world that we could not have even imagined just a few years ago. We were there in the Persian Gulf. We watched it night after night. It was incredible what we saw.

My wife and I like to watch some of the programs on wildlife. There are so many options now. You can sit there with that control device and move from channel to channel to channel, and it is a great education process. It is a very positive thing for America, and I think that revolution has only begun. Ten years from now, we will be much further down the road because of modern technology that is coming along. Cable will have to change itself rapidly, because developments are going to be getting ahead of them if they do not: Fiber optics, what the telephone industry can offer, and many new things that are in the process.

The industry has created 100,000 jobs since the 1984 act was passed. There has been a tremendous explosion in cable groups and services that they are providing. So I think we need to say, first of all, a great thanks to the cable industry for what they have done.

Have they made some mistakes? Absolutely. In some areas, the service has been atrocious. We have all experienced it. I have experienced it. I have had my television cable hookup flick off because of one bolt of lightning; it is off 30 minutes, an hour, longer.

There have been instances when I would call a particular cable company's office and get either an answering machine or no answer. There have been instances when the people in my State of Mississippi were not happy that they could not get service from another station, maybe even in another State, which they had been used to watching in the past.

There have been instances where the rates have gone up way too fast. But we must remember that rates had been artificially held down by regulations and controls before 1984.

I was involved as a young lawyer many years ago in trying to get a cable franchise, working with a city trying to explain to them what it was all about. They did not understand. They did not want to hear it, but, if they did want to hear it, they were looking for revenue for their particular city.

I think, clearly, there have been problems with rates, but there have been some reasons for it. Once we deregulated them, they did go up in their rates, some of them a legitimate amount, some of them too far. But they have been improving that now. As an industry, they are providing better service, better assessability. They are getting a grip on rates. The increase in rates has slowed down.

I am for competition. Let us open it up. Let us let everybody get in there and provide service. That is the answer. Competition will hold those rates down.

I understand the need for program access. I think that while there is a right of proprietary ownership, there is also a right for that programming to be available. I have heard some instances where one cable station quit carrying a program, but when a competitor tried to get that program, even though it was not being carried, it was being denied. That is wrong. That is the kind of problems we have had.

I will vote for all kinds of new competition and for opening up the process, but if we start reregulating, if we start going back to what we had before 1984, I fear we are going to "shoot the goose that laid the golden egg." Regulation and reregulation is never the answer.

I have learned over the years that regulation is not pure and perfect. I voted to deregulate the airline industry. If I could take that vote back, I would take it back. And I voted for deregulating trucking. I think it has had some benefits. But, generally speaking, we should err on the side of not having reregulation and controls that stifle competition, expansion, growth, and development, and that is what this is going to lead to, I fear.

What is driving all of this? One is some anger by consumers and by Congressman and Senators because of the excessive rates in some cases and an arrogance, in some instances, by the cable owners. When we have gone to them and said, "You are not providing the right service" or "there is a problem here," they have said. "That's tough. We don't have to answer to you guys any more." That is what made Congressmen and Senators mad.

The other thing is broadcasters want an opportunity to be able to negotiate a fee for retransmission. Everybody has pretty much signed off on that, as I understand. The cable people and the broadcasters have an understanding. I think a provision of that nature is in both bills. That is really the engine that has been pulling this thing. But behind this engine is lined up a whole bunch of cars that are going to cause more trouble.

Now, one of the things that really bothers me is an area that I am going to offer an amendment with regard to—subscriber bill itemization. First of all, do we want the cities and municipalities to deal with a very complicated industry and set the rates? On what basis? Would politics come into play? Would the needs of the city come into play beyond just being able to have the people offered this service? The fact is sometimes the rates have gone up because of hidden, unidentified increases in fees or taxes which the cable has to pay and the cable company passes on to the consumers, and it is not explained. So I will have an amendment that will at least say the cable companies can identify on the bills those fees and taxes charged that drive up the rates. At least let the people know. Let us at least have openness in billing. I think that would be an important improvement, but it is one of the types of problems I see still existing in S. 12.

Now, there is another problem. And it is really related to turning this whole thing back over to the cities. I realize in S. 12 there is a process whereby the FCC can take that rate-setting back. There is a process where it can give it to the cities. But when you look at the history, the record of the cities and municipalities in this area, I think it is one of the things that led us to the problems we had before 1984. There are many horror stories of how the rates were set, how the franchises were granted. In one instance, in Sacramento, the applicant had to promise to plant 20,000 trees in order to win the local cable franchise. Do we want that? In several cities, including, I understand, Miami and Chicago, the cities extracted early up-front payments of several million dollars in anticipated franchise fees from the local cable companies. That is no way to be doing this business.

Should we be sensitive to broadcasting problems? Absolutely. Do we want to make sure that satellite dish owners have access, an opportunity to get what is provided by cable and broadcasting? Absolutely. Let us do that. But, also, in the process, let us not put the cable companies in such a bind they are not going to be able to move forward and make progress, or pay the bills they already owe because they have improved their system so much.

I do not think this legislation is ready for final action. I did not think so when it came out of committee even though I voted for it. I said at the time I think this is a mistake; we have not massaged it enough.

Now, I know the distinguished Senator from Missouri and the outstanding

leader from Hawaii will say we have been working on this thing for 3 years. You can work on it 10 years. If you do not get it where it is ready to be voted on, you need longer. Maybe somewhere between S. 12 and the present substitute there is the Holy Grail we are looking for in this area. I think what we are going to do, though, if we pass this bill without some amendments and without further consideration, is mess up everything; there are going to be, in my opinion, a lot of losers and not many winners.

Let us look at what we can do to further find a middle ground, a common ground that will allow the cable industry to continue to grow and improve the way they have done the last 8 years, at the same time assisting them in curing some of the abuses that they have had to deal with and I think they are dealing with now.

AMENDMENT NO 1497

(Purpose: To permit cable operators to itemize on subscriber bills not only franchise fees, but also other taxes and regulatory costs.)

Mr. LOTT. Having said that, Mr. President, I would like to offer my amendment that I have at the desk dealing with the subscriber bill itemization to give the cable companies an opportunity to itemize these so-called hidden costs, to explain to the people what is involved in the charges so they will know it is not just the cable company jacking up the prices.

I understand the managers of this bill are willing to accept the amendment. I would like to offer the amendment at this time.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Mississippi [Mr. LOTT] proposes an amendment numbered 1497.

Mr. DANFORTH. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The amendment is as follows:

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

SUBSCRIBER BILL ITEMIZATION

SEC. . Section 622(c) of the Communications Act of 1934 (47 U.S.C. 542(c)) is amended to read as follows:

"(c) Each cable operator may identify, in accordance with standards prescribed by the Commission, as a separate line item on each regular bill of each subscriber, each of the following:

"(1) The amount of the total bill assessed as a franchise fee and the identity of the franchising authority to which the fee is paid.

"(2) The amount of the total bill assessed to satisfy any requirements imposed on the cable operator by the franchise agreement to support public, educational, or governmental channels or the use of such channels.

"(3) The amount of any other fee, tax, assessment, or charge of any kind imposed by any governmental authority on the transaction between the operator and the subscriber.".

Mr. INOUYE. Mr. President, I have had the opportunity to discuss this matter with the author of the amendment. There is nothing in this law that would prohibit carrying out of the intent of this amendment. However, I believe this amendment will clarify that. So we support it.

Mr. DANFORTH. Mr. President, while I, of course, had hoped the speech of the Senator from Mississippi endorsing the legislation would be perhaps somewhat more enthusiastic than it turned out to be, his amendment is acceptable on this side.

The PRESIDING OFFICER. Is there further discussion regarding the amendment offered by the distinguished Senator from Mississippi?

Mr. LOTT. Mr. President, I thank the distinguished Senator from Missouri for his remarks. Passage of this amendment will certainly encourage me to consider it further and in his usual inimicable way he will find ways to make progress in the passage of this legislation.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1497) was agreed to.

Mr. LOTT. I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1501

(Purpose: To provide for designation of channel capacity for commercial programming from a qualified minority programming source)

Mr. INOUYE. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Hawaii [Mr. INOUYE] proposes an amendment numbered 1501.

Mr. INOUYE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 83, between lines 20 and 21, insert the following new subsection:

(d) Section 612 of the Communications Act of 1934 (47 U.S.C. 532) is amended by adding at the end the following new subsection:

"(i)(1) Notwithstanding the provisions of subsections (b) and (c), a cable operator required by this section to designate channel capacity for commercial use may use any such channel capacity for the provision of programming from a qualified minority programming source (if such source is not affiliated with the cable operator), if such programming is not already carried on the cable system. The channel capacity used to provide programming from a qualified minority programming source pursuant to this subsection may not exceed 33 percent of the channel capacity designated pursuant to this section. No programming provided over a cable system on July 1, 1990, may qualify as minority programming on that cable system under this subsection.

"(2) For purposes of this subsection—

"(A) the term 'qualified minority programming source' means a programming source which devotes significantly all of its programming to coverage of minority viewpoints, or to programming directed at members of minority groups, and which is over 50 percent minority-owned; and

"(B) the term 'minority' includes Blacks, Hispanics American Indians, Alaska Natives, Asians, and Pacific Islanders.".

Mr. INOUYE. Mr. President, this amendment carries out an intent that all of us support. This is to encourage, to enhance, and to promote carriage of minority programs. I have discussed this matter with the manager, Mr. DANFORTH, and he, I believe, supports it.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. DANFORTH. That is correct, Mr. President. It is acceptable.

The PRESIDING OFFICER. Is there any further discussion regarding this amendment?

The question is on agreeing to the amendment.

The amendment (No. 1501) was agreed to.

Mr. INOUYE. I move to reconsider the vote.

Mr. DANFORTH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BREAUX addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

AMENDMENT NO. 1502

(Purpose: To add a subsection to section 614 of the Communications Act of 1934 as amended by this bill)

Mr. BREAUX. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Louisiana [Mr. BREAUX] proposes an amendment numbered 1502.

On page 103, after line 24, add the following:

"(g) Nothing in this section shall require a cable operator to carry on any tier, or prohibit a cable operator from carrying on any tier, the signal of any commercial television station or video programming service that is predominantly utilized for the transmission of sales presentations or program-length commercials.

Mr. BREAUX. Mr. President, the cable legislation that is pending before the Senate is going to be hotly debated on the question of rate regulation, the question of the involvement of the local communities in helping to deter-

mine rates that are fair. The cable bill also says that cables that carry broadcast signals to local communities must ensure that the public has access to all of the local broadcast stations.

One of the provisions that is in the chairman's bill, I think in a substitute that will be offered to that, is a provision that basically requires that cable operators set aside channels on their cable system to carry the local affiliates, to ensure that the people in a community have ABC, NBC, CBS, the Fox network, the public television, and the other public broadcast stations on that cable system. So when you turn on your cable system at night you can get the local news, you can get your local stations, you can get the networks, and you can be fully tuned in to what is happening in commercial television.

I think that is good. I think that is appropriate. I think that is proper.

There is one feature that disturbs me a great deal. It is something that is relatively new; that is broadcast stations that really broadcast commercials 24 hours a day. All of us flipping through our cable channels or our television channels have come across these broadcast stations that say, well, we are the shopping network type of program, 24 hours a day. You turn them on and they are selling the zircon rings, food shoppers, dresses and everything that you can possibly imagine. People watch them. People purchase those products. And I think that is totally appropriate and proper.

The thing that concerns me, however, and the thing that my amendment addresses, is to raise the question of whether this is something that must be carried by cable systems. My amendment certainly does not prohibit a cable system from carrying these 24-hour stations that broadcast commercials on a 24-hour-a-day basis. If they want to carry them, if the public demands this type of programming, so be it. They have the right to do it.

But what the legislation says in the main bill pending before the Senate at this time, the main thrust of that dealing with this is that there are certain things that cables have to carry. There is no discretion. That is the must-carry provision in the legislation.

I object to that because I do not think that these types of 24-hour stations that do nothing but broadcast commercials ought to be given that greater privilege of the must-carry status.

They will argue that, well, these stations are meeting the public interest because the public wants to see this. I would suggest that the public interest standard that communications legislation governed for years went much further than that. As an example, when we talked about the privilege of having a broadcast license which, after all the spectrum belongs to the public—it does not belong to any person—there were certain standards that communication policies and communications acts set up in order to make sure that these people who had a broadcast license, served the needs of the public. They talked about public interest. They talked about promoting diversity of views.

We talked about keeping people informed. Your local broadcast TV station in the city of Chicago or anywhere in Illinois or in Louisiana goes through a great deal of time and effort and planning to meet the public needs of a community, to meet that public interest test. They have local news, sometimes three times in an evening and several times in the morning and perhaps one time at noon. They have local features on the local community.

These stations give access and time to charitable organizations within the community to try and promote events in the local community. All of this is done by these local broadcast stations in order to meet this public interest test, this public standard of serving the needs of the community, because after all they have been given something, the spectrum, the ability to broadcast over the public airwaves. So, therefore, it is appropriate and proper that they be required to meet some public need and necessity in the public community.

As I have said before, these stations that we all are familiar with are being broadcast now. They have a vast listening audience. No one that I can think of has any difficulty in finding one of these channels. Many cable companies run them because they want to, because there is a market for them.

I would suggest to this body that when we give the must-carry privilege to a broadcast station, we have to be a little bit more selective than giving it to any station and every station in America.

I would suggest that a station that broadcast commercials 24 hours a day or maybe 23 hours a day, interspersed with the reprogramming of the same so-called public interest program, does not meet that test. They provide no weather, they provide no local news, they provide no local coverage of current events within a community. The only thing they do is run commercials. Some people like that. Some people will sit in front of a television set at 3 o'clock in the morning and watch them sell zircon rings for $29.95 plus shipping, and the shipping cost sometimes costs more than the product they are buying.

There are groups and organizations in this country that are very concerned about what is happening. The Consumer Federation of America, who support this amendment, among others, are very concerned that what is happening is that people are buying television stations just to run commercials 24 hours a day or 23 hours a day and now, lo and behold, this legislation says that not only are they going to have the right to broadcast, they are going to have to broadcast, they will have to carry.

I would suggest that is a step in the wrong direction. Should they be able to broadcast? That is the FCC's determination. But here, in determining whether they have to be carried on a cable network and have to be carried by every cable network, I think is going far too far.

I am really concerned that if we say to these stations that you have to be carried, what are we telling all of those other local television stations that spent a great deal of time, a great deal of effort, and a great deal of money putting in a local news department, putting in weather men and women, putting in people who do nothing but make sure their station meets the public need and necessity of their local communities?

Why do they not all just go to 24-hour commercials, if that is the way to make money? The heck with the public interest, the heck with what is good for the community. I can make money and the cable companies have to carry my station that does nothing but broadcast commercials. Why do all of us not just do that?

Is that the direction in which we are headed? Is that what we want for communications systems in this country, all to be commercial stations running nothing but commercials?

My amendment says, Mr. President, very simply, that nothing in this act shall require a cable operator to carry on any tier, or prohibit a cable operator from carrying on any tier, the signal of any commercial television station or video programming service that is predominantly utilized for the transmission of sales presentations, or program-length commercials.

What we are talking about is a program that consists of nothing but commercials. My distinguished chairman of the subcommittee was generous and fair in allowing a separate hearing on this issue. We had folks who owned these 24-hour-a-day commercial stations that broadcast commercials come and testify and to try and make their point as to why we should give them the special privilege of must-carry. They worked hard at trying to convince the committee. Certainly, they did not convince this Senator that they were appropriately conferred a must-carry status. They tried to make the case that, "Well, we serve the public interest, because we do not run commercials all of the time. Sometimes we have as much as an hour out of 24 hours that is devoted to something else."

Mr. President, it was almost to the point of being ridiculous, in this Senator's opinion, that they would argue that a station that reserves 1 hour out

of 24 for talking about or showing a program with a veterinarian discussing heart worms was a public service. Yet, we see examples of these commercial stations that at 2 o'clock in the morning will run a public service program of a veterinarian talking about heart worms in animals and saying, "Well, we met our public interest test. We do not run commercials all of the time. By golly, just last week, we had 3 hours in the whole week talking about heart worms."

Mr. President, I suggest that that does not meet the public interest standard, the public interest test. No one can argue, I think, with a straight face and say these types of stations are providing the diversity of public interest, local community information, that I think is required. And I think that the Communications Act used to require, before this FCC got involved with it, what a local population really demands, and what the public is entitled to, because, after all, we are talking about the public airwaves. They cannot argue to this body that, well, we have different commercials so, therefore, there is diversity. We do not just sell zircon rings; we sell clothes and radios. That is not the diversity we are talking about—23 hours a day of nothing but commercials, although they may be different commercials. That is not the diversity that the Communications Act, since the 1930's, talked about.

We were trying to encourage stations that use the public airwaves to meet the public interest. I think that it is not sufficient to say that, well, because people like to watch these 24-hour-a-day commercial stations, they now are justifiably given a higher status in the legal spectrum of being deserving of must-carry status.

Regardless of how anybody feels about the legislation before us, whether you are for the committee substitute, or whether you are for the substitute that will be offered, as I understand it, later, I think we can find a common interest here in saying that no matter what we do on this cable legislation, let us not make the mistake and open the door so that all of our local TV stations around this Nation will proceed to convert to nothing more than stations that run commercials almost nonstop 24 hours a day.

Without my legislation, my amendment to the committee bill, I think that we will see the foot-in-the-door type of an approach. We will be sending the signal that we do not care about local diversity; we do not care about local news; we do not care about local interest programming for a station. Do not do that anymore.

All of you have been worried about this for so long, to meet this public interest test, and that is not necessary. Just run commercials and do it on a 24-hour-a-day basis, and we will protect you. We will elevate your status in the legal system to must-carry.

I think that is wrong. Thirteen cosponsors of this legislation also think that it is wrong. Senators BENTSEN, BIDEN, HEFLIN, DASCHLE, SHELBY, WOFFORD, ROTH, SPECTER, KASTEN, SYMMS, LOTT, BURNS, COATS, all agree that these stations ought to have the right to exist; they ought to have a right to broadcast their signals. But when you are requiring cable companies to carry ABC, and NBC, and CBS, and Public Television, and other things that are covered by must-carry, there is a limit. There is a limit. It should not be just carte blanche, that anybody that goes out and buys a station can get must-carry status.

It is clear in my mind that what is happening is that some of the folks who have these shopping stations, who want to broadcast 24 hours a day, are now going out around the country and buying basically low-powered stations just so they can stick their foot in the door of this bill. So that once they grab that license, which is a public item, that is a public airway, and once they pay money for it, now they can say: You have to carry us, cable company. There has to be a must-carry provision that applies to us. I think that is wrong, Mr. President.

I know there will be others who want to talk on this, and I certainly have no difficulty in having this set aside, if the substitute is prepared to be offered or if other amendments come in. The chairman asked for amendments to be brought to the floor and offered, and I am doing that now. This amendment will be considered at some point as an amendment to either—which it is now—the committee substitute, or perhaps to the substitute that will be offered. At the appropriate time, I will ask for the yeas and nays and would be prepared to do that when there are more Members on the floor. At the present time, I yield the floor.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I have the greatest respect for my friend, the junior Senator from Louisiana. We served together in the other body and have worked closely together here on many different issues. But I have to say to my colleagues in the Senate, and to my friend from Louisiana, that he is wrong on this issue. This amendment is a clear case of content regulation.

Mr. President, should Congress be determining what the public watches on television sets in the privacy of their living rooms? I do not think so. We here inside the beltway should not become police officers for the rest of the Nation for what they can or cannot watch.

There are lots of advertisements that I think are pretty bad that I wish were not on when I want to watch a sporting event or some other program on television. But I do not think that the Presiding Officer, or any other Senator, should have the right to determine what can or cannot be advertised.

This amendment offered by the junior Senator from the State of Louisiana makes a subjective judgment based on content. What will be next? This network does, in fact, spend a great deal of its time having people—Vanna White, for example, is one of the stars of this network. She sells things on this program, and she has a big audience.

I have been advised at one time she was ill and numerous phone calls came in and said, "Where is Vanna?" Now what right do we have to say that she cannot be on this program? And that is, in effect, what we are doing.

Mr. BREAUX. Will the Senator yield?

Mr. REID. I am happy to yield.

The PRESIDING OFFICER. The Senator yields for a question from the Senator from Louisiana.

Mr. BREAUX. How does the Senator interpret that anything in my amendment prohibits Vanna White from being on a broadcast TV station? She can go on a TV station and let them broadcast as many times as they want. I am not preventing Vanna White—I never want to prevent Vanna from being on television.

Mr. REID. Well, the Senator would unintentionally be doing that because this television network that the Senator is, in effect, trying to ban from the must-carry provision is different than any other and exempting it from must-carry would prevent her from being on the cable systems. She could still do her program, but it would not be in keeping with the rest of the law that governs all other TV networks.

Mr. BREAUX. If the Senator would further yield, we are not talking about only one network. Any network that predominantly just broadcasts commercials would be prohibited from getting must-carry.

The point I am making and asking the Senator to respond to is, we are not telling anybody they cannot broadcast commercials on TV stations 24 hours a day. All the amendment says is that a station that does predominantly nothing but commercials should not be elevated to must-carry status. They can still have their television station. They can still broadcast 24 hours a day.

Mr. REID. But that, Mr. President, is the whole point of my opposition to the amendment. Why should this network be treated any differently than any other? Why should there be this exemption? I mean, are we going to determine it on the basis of how good the advertisements are or how good the programming is to sell a product? Or what period of time is used during a program to sell a product?

The amendment offered by the Senator from Louisiana makes a subjec-

tive judgment on content. What will be next? Will we, the U.S. Senate and the House of Representatives, decide that religious programming should be banned from cable access? Will we want to take children's cartoons off the air? Or only certain kinds of cartoons?

Mr. President, I do not really think this is different than book burning—maybe a little different in degree, but the same principle. We are saying, "We don't like this programming so nobody else should watch it either." And that is wrong.

I believe, contrary to what has been put forward, that this amendment will jeopardize the constitutionality of must carry. Content regulation is a clear assault on the first amendment. In fact, the amendment currently before us approaches a bill of attainder. We are taking away the right of access from a legitimate business.

This is a legitimate business. It may be different than NBC or ABC or C-SPAN, but it is something that millions and millions of people watch and they like to watch. If they do not like it, they can turn it off, switch channels.

Cable operators are the gatekeepers to America's living rooms. Cable is in more than half of the households in this country, and that percentage is growing. If it is not on cable, more than half the people will not see it.

For example, TCI and Comcast, two very large cable operators, control their own version of a home shopping type program called QVC. This puts these large cable companies in direct competition with the Home Shopping Network. Of course, they do not want to carry it.

Channel 14, a black station right here in Washington, carries Home Shopping. TCI will not carry channel 14 as a result. Therefore, this local station, predominantly owned by African-Americans, can only reach less than half their audience. This is not right.

Many local stations carry program-length advertising. For example, many real estate businesses have half-hour shows to display the houses they have for sale. They buy the time. That is what the whole program is about.

Now I personally am not much into watching those kinds of programs. I am not really much into watching these home shopping programs. I do not think I have ever watched one for more than a minute or two. But I can turn the channel, as I do, or I can turn off the TV set.

I should have the right, if I want to watch a real estate presentation for a half-hour, hour, or 15 minutes, or I should be able, if I care to, Mr. President, to watch Home Shopping for as long as I want or as short a period of time as I want. There should not be an exception to this one network because of the type of programming it is.

Who are we going to go after next? Local stations need this revenue to survive. The Home Shopping Network employs 6,000 people nationwide and is affiliated with about 80 stations beyond the 12 they own. In this economy, should we be legislating more people out of work? I think not. Home Shopping Network is a legitimate, a viable, and a good business.

We should be creating jobs here in Congress, according to what we were told last night in the Chamber across the Hall. And I agree with what President Bush said. We should not be eliminating jobs.

The Home Shopping Network should be treated like any other broadcaster. They meet all the FCC criteria with regard to public service. They are a legitimate business, they provide a service people want, and they deserve to be treated fairly.

People have a right to choose what they watch. If we do not provide must-carry for Home Shopping we will be limiting their choice without their consent. This, I think, is unfair. It is not right. And some would say it is unconscionable.

This amendment, Mr. President, should be defeated.

I yield the floor.

Mr. PRESSLER addressed the Chair.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. PRESSLER. Mr. President, I rise to say that I feel very strongly that this amendment by my colleague from Louisiana would not be in the best interests of broadcasting.

What happens, I think we all know, is that when a cable company owns a part of a shopping network, that network is allowed on the air—I think that is the case in the District of Columbia—but the other ones are not or other competition. I think what we are doing here is that we are ensuring competition.

Now, a cable company can own a part of a shopping network and, if that is the case, then they will let that one on the air but no other. And that is really what we are talking about here in the baldest of terms.

So by virtue of this legislation, the competition would also be on the air. And a network, if owned in part by the cable TV, could not be favored. I think that is what it really boils down to.

So we want that competition. I think the bill, as written, is very good in this area, and I strongly oppose this amendment.

Mr. BREAUX addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. BREAUX Mr. President, I just want to make a couple of comments. I do not want to interfere with anybody else's desire to be recognized, and I will be happy to yield in just a moment.

I want to put a statement in the RECORD from the Consumer Federation of America. They do not have an ax to grind in this. They do not represent a cable company. They do not represent a network. They do not represent a broadcast station. But they are concerned about the interests of the American people.

The Consumer Federation, in support of what we are trying to do—and I will submit their letter for the RECORD—says they are very concerned that the scarce public resource that we are talking about, the public airways, is being used for full-time home shopping. "In exchange for the free use of this resource, broadcasters agree to serve as 'public trustees,' and promise to place the public's needs ahead of their own."

That is what stations who get broadcast licenses are supposed to follow, that type of standard, a public interest standard, not just their pocketbook standard.

And that is why you see the Consumer Federation of America, which does not have an ax to grind, they do not have a dollar in this fight, they do not have an economic interest in this fight, but they do have an interest. That interest happens to be the American consumer. That is why they support what we are trying to do along with other groups and organizations, like the Media Access Project which watches what is coming out over the airways; National Cable Television Association, which does have an interest in this; Small Rural Cable TV Association—in support of this.

The only other point I would make is that we are not trying to keep these companies that have 24-hour commerical broadcasts, broadcasting one ad after the other, off the cable system. My amendment says nothing in the bill shall require or deny a station, which does nothing but broadcast commercials, from being on a cable network.

What we are saying is let us be neutral. Many cable systems already carry these shopping type of programs. Some of the cable systems carry more than one. They do it because they think it is the right thing to do. It serves the needs of the people.

My point is that we should not make them do it. We should not mandate them doing it. They have the right to negotiate with a cable company to get on their system. If they do not, they can just broadcast, just like any other broadcast station that is not on a cable system.

My amendment is supported by the Consumer Federation of America and other interest groups that do not have a dog in this fight, from an economic standpoint. The reason they support this amendment is because it does serve the public interests. After all, we are talking about communications. We are talking about the public interest because we are talking about the public airwaves.

I think the bottom line is that nothing in my amendment prohibits a home

shopping type of program from being on the cable system. It just says the cable system does not have to require them to have space on that cable system.

Mr. GRAHAM. Will the Senator yield for a question?

Mr. BREAUX. I will be happy to.

Mr. GRAHAM. Reading the amendment, it states:

Nothing in this section shall require a cable operator to carrying on any tier, or prohibit a cable operator from carrying on any tier, the signal of any commercial television station or video programming service that is predominantly utilized for the transmission of sales presentations or program-length commercials.

Would that require the cable operator to apply a consistent standard? That is, if there were, let us say, three channels which came under the definition of "predominantly utilized for the transmission of sales presentations or program-length commercials," they would have to include all three? Or could the cable operator say I will carry two but not all three? Or one but not all three?

Mr. BREAUX. As long as the cable operator, under my amendment, has the right to carry a station or a broadcast signal that is predominantly a 24-hour-a-day commercial broadcast station, that does nothing but broadcast commercials, that cable operator has the right to decide to carry them or not carry them.

They would also, in my interpretation, have the right to decide which they would want to carry or which they would not want to carry.

Mr. GRAHAM. So the Senator is saying, in my hypothetical, if there were three stations that met the definition, the cable operator could decide that he would carry A and B but not C?

Mr. BREAUX. He could carry none of them, he could carry one of them, or he could carry all of them.

Mr. GRAHAM. If the theory is that there is something perverse about this type of broadcasting that does not warrant it being given the status of must-carry, why should the cable operator be able to make two decisions: First, whether he wants to carry any or all of that type of programming; and, then, second, the right to pick and choose among similar cable operators?

Mr. BREAUX. I think the theory behind the bill—and others may be able to speak to that—requiring must-carry for the networks, NBC, ABC, CBS, public television, or what have you, is that these programs on those stations meet the public interest, meet the public necessity, meet the standards by which a normal station is given a broadcast license: Serving the public interest, local community's interest, with a diversity of programming which includes everything that occurs in the local community, news, weather, sports, plus entertainment programming. It is a diversity coming from those type of networks and those type of signals.

Therefore, must-carry is appropriate for those type of signals that meet that spectrum of public interest requirements.

My amendment says that a station which does nothing but broadcast commercials 24 hours a day is not a station that is deserving of a requirement that it must be carried.

They can be carried or they do not have to be. But they should not be forced to be carried.

Mr. REID. Will the Senator from Florida yield for a question?

Mr. GRAHAM. Could I continue to ask a couple of more questions of the Senator from Louisiana?

Mr. REID. Of course.

Mr. GRAHAM. My concern is what we have really done here is we have put the individual cable operator in the position of exercising economic discrimination. The allegation has been made that the effect of this would be that those over-the-air or cable-generated predominantly advertising channels which have an economic affiliation with the cable system are going to be preferred, and that those that do not have an affiliation with the cable system will be precluded.

It would seem to me that, as the Senator explains the amendment, it would allow that type of economic discrimination.

Mr. BREAUX. I would respond by saying to the Senator from Florida, two points essentially. No. 1, they can do that already. Cable companies decide right now, without must-carry, what type of programming they put on. Many cable companies put programs that they produce on their cable systems. So it is already the current system where they make an economic decision on what they are going to show.

If they have an interest in the program, they may be more inclined to show that program. If it is a cable program that has a great deal of interest in their community, that they do not own, they would probably also put that one on their cable system.

My point is that it is wrong for this Congress to force a cable company to put on their system a station that does not in any stretch of the imagination meet the traditional public interest, public need and necessity test.

If they want to do it, let them do it. But do not make them to it. And that is why the Consumer Federation of America says this is the wrong thing to do and they support this amendment.

Mr. REID. Will the Senator from Florida yield for a question?

Mr. GRAHAM. Mr. President, I request the floor for purposes of yielding to a question and then making a statement.

The PRESIDING OFFICER (Mr. GORE). The Senator from Florida is recognized.

Mr. GRAHAM. I yield to the Senator from Nevada.

Mr. REID. Under the amendment as it has been submitted, does the Senator know whether a company that offered 12 hours and not 23 hours, or whatever the case might be, would they be subject to this discriminatory legislation?

Mr. GRAHAM. The language of the amendment states "* * * is predominantly utilized for the transmission of sales presentations or program-length commercials." The word "predominantly" is not defined.

Mr. REID. Predominantly could mean different things to different people, could it not?

Mr. GRAHAM. I suppose it could even mean a plurality of time. Let us say you broadcast 10 hours of commercials, 6 hours of weather, and 6 hours of other programming, that since the predominant—the plurality of your time would be in commercials, that you would be potentially subject to this definition.

Mr. BREAUX. Will the Senator from Florida yield back to me so I can elaborate on that point?

The intent of "predominantly utilized for the transmission of sales presentations or program-length commercials," the purpose in defining it that way is to give the Federal Communications Commission, which enforces these rules and standards, the direction from the Congress to what is intended.

As far as the exact number of hours, the Federal Communications Commission could be involved in determining what is predominantly a commercial broadcast station.

There is flexibility in there for fairness. But I think it is clear what we are trying to accomplish, and the FCC sees no problem with taking that definition and applying it to the circumstances that are in effect in the business today.

Mr. REID. If I could—I recognize the Senator from Florida has the floor—it seems to me, and I am asking the Senator from Florida if he might agree, that this is very typically what we do—that is, the Congress does. We pass a law that says "predominant" and then we ask the administrative agency to define what we mean when we do not know what we mean.

Mr. GRAHAM. That would be true except, in this case, unless there is something beyond what is printed in the amendment, it looks to me as if the judgment is going to be made not by a governmental agency such as the FCC, but will be made by the cable operator as to whether the program is "predominantly utilized for the transmission of sales presentations," and then the judgment having determined it meets that standard, whether to keep it off the air or not. I do not see a directive for the FCC to generate a consistent standard of regulation that can be used to make that determination on predominantly utilized.

Mr. REID. I was responding to the answer from the sponsor of the amendment.

I will ask the Senator from Florida one additional question. There is no dispute TCI and Comcast are large cable operators and control their own version of a home-shopping-type program with no limited hours. It is called QVC. Under this amendment, they could do anything they want to do, but yet this network would be discriminated against. Is that your understanding?

Mr. GRAHAM. Mr. President, that appears to be the way the amendment is structured. You do not have to apply a consistent standard. If you think that your viewers should be screened from having to view any of these programs, that is one issue.

But what, as I gather, is going to occur here is the cable operator will pick and choose which channels to allow on the air and which to shut down, and there is going to be a strong economic incentive to only allow on the air those channels in which the cable operator has an economic interest.

Mr. REID. I appreciate the Senators yielding for questions.

Mr. GRAHAM. Mr. President, I believe that we have here a clear case of economic discrimination. The Senator from Louisiana correctly points out that the current law allows cable operators to do exactly what they would be allowed to do if his amendment were adopted. That is the reason that we are considering this legislation, is dissatisfaction with the current law.

One of the aspects of that dissatisfaction with the current law is the fact that cable operators are not currently required to provide access to their systems to all of the FCC-licensed stations within their broadcast area. That is one of the significant objectives of this legislation, an objective that would be compromised if this amendment were to be adopted.

Second, we are not talking here about rogue, pirate television stations. All of these stations have an FCC license or they would not be operating over the air unless they were licensed and regulated pursuant to FCC standards. I assume, thereby, that the FCC has applied its consistent standards of public interest in granting and continuing the license to these stations.

I believe that we are going down a very slippery slope if Congress now has to say we are going to establish another set of standards and values on program content beyond that which we have previously assigned the FCC to make. As the Senator from Nevada suggested, if today the judgment is that we should keep off the air a station that broadcast predominantly these 30-minute programs of people telling you how to sell real estate, or how to make a fortune in the gold market, or all of the other areas, stations that have that as their predominant programming, tomorrow are we going to say that our standards of religion are such that we should preclude a particular sect from having access to the must-carry provision, that we are going to put them at a secondary and inferior status in terms of our own standards of what is appropriate content?

I believe that we made a wise judgment in placing this standard with the Federal Communications Commission requiring them, through a very open and arduous process, to establish standards for broadcast licensees and then to enforce those standards. And we would be making a serious error if we were to impinge upon that judgment.

I believe that the issue was raised in the letter from the Consumer Federation about the limitation on numbers of channels. The fact is the technology of most cable TV systems today is of a massive explosion of the ability to deliver channels. The company that I am particularly familiar with in Florida has indicated that they are about to put on several channels reserved for pay-for-view in order to take advantage of that new market opportunity.

I do not believe that there is any reasonable issue here that cable TV capacity is going to be strained by enforcing a consistently applied, must-carry provision for all of the FCC- licensed programs within the particular area.

Finally, Mr. President, I return to the very serious issue of economic exclusion and the congressional involvement in program content. We are about to establish a legislative standard that is extremely vague, a service that is predominantly utilized for the transmission of sales presentations or program-linked commercials.

Just recently, we celebrated a 40th anniversary in America. It was the 40th anniversary of the NBC program "Today." There were many critiques written of the 40-year experience of "Today." One of the recurring criticisms of the "Today" program was that throughout its period, it has been excessively—I think the term was used somewhere between puffery and pandering, in the sense that it promoted the programs and interests of the National Broadcasting Co. in its own program content.

Are we going to say that a program like the "Today" show would fall under the category of being essentially a sales presentation or program-linked commercial for its own network because of someone's characterization of its propensity to use its content to advance the interests of the network? I believe that would be a serious error for the Congress to involve itself in that issue.

Mr. President, we are moving in a proper path in terms of assuring access to cable TV for all legitimate FCC-licensed broadcasters. We should not compromise the attainment of that objective by the adoption of this amendment.

The PRESIDING OFFICER. Who seek recognition? The Senator from South Dakota.

Mr. PRESSLER. Mr. President, I would like to direct a question to the author of the amendment when he returns to the floor.

Let me, first of all, add a few remarks. I am very much concerned about the precedent this type of amendment would create. Is it now time for Congress to begin to regulate what Americans choose to watch? I think not. This amendment is clearly subjective content regulation.

As I understand, the networks affected directly by this amendment are considered by the FCC to be regular stations licensed by the FCC and meeting all the FCC qualifications. The argument being made here today is that limited spectrum should not be taken up by home shopping services.

I could ask the same question, whether the 1,000th rerun of "Happy Days" should take up spectrum space. The must-carry provisions in S. 12 have been carefully drafted. To single out these stations alone for exclusion of must-carry provisions would make these very provisions subject to constitutional challenge.

I would like to ask the author of the amendment two questions: First, would carriage of any over-the-air station under S. 12 jeopardize in any way the carriage of other cable services?

Mr. BREAUX. Mr. President, I would respond to the Senator by saying there is a limited number of channel space available on cable systems, which is one of the reasons why I am offering my amendment. If we have to require that ABC, NBC, CBS, public television, and others be carried on the cable system, and also require that we carry stations that do nothing but broadcast commercials, I am very concerned that the space on these cable systems will not be sufficient.

So you may see a cable system carrying 24 hours of commercials, and eliminating public television, or NBC, for that matter.

It is one of the reasons why the amendment is being offered. We should not force a cable system to carry a station that does nothing but broadcast commercials.

Mr. PRESSLER. But is it not true that there are a vast number of slots available? For example, in the District of Columbia the cable channels, I do not believe, have ever been filled, as far as I can tell from my cable which I receive at home.

Mr. BREAUX. That is true in some areas. In many areas it is not true.

Mr. PRESSLER. In what areas is it not true?

Mr. BREAUX. Crowley, LA, my hometown.

Mr. PRESSLER. It has been my observation that there is spectrum available in most cable situations.

Mr. BREAUX. That is simply not true. The spectrum is getting smaller and smaller as we have more and more programming and stations and networks that are being formed on a day-to-day basis. I would offer my amendment if there was unlimited space on the spectrum for a cable company. I would offer my amendment if a cable had 100 channels and it only had 5 being used. I do not think we ought to elevate the status of the station that broadcasts nothing but commercials to a must-carry status. It is the public interest we are talking about, which I do not think we meet.

Mr. PRESSLER. I think the principle that no cable services would be taken off the air is a true principle; is that not correct?

Mr. BREAUX. In some cases, yes, and in other cases, no.

Mr. PRESSLER. Let me ask my friend how he would deal with the cable monopoly situation. I note the Wall Street Journal had a long article the other day about TCI. I ask unanimous consent that the Wall Street Journal article be printed in the RECORD.

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

[From the Wall Street Journal, Jan. 27, 1992]

CABLE CABAL: HOW GIANT TCI USES SELF-DEALING, HARDBALL TO DOMINATE MARKET

(By Johnnie L. Roberts)

ENGLEWOOD, COLO.—In many ways, Tele-Communications Inc. is a classic tale of bootstrap entrepreneurship. From a tiny company struggling in the scrubland of West Texas. TCI has built itself into the world's biggest cable-television enterprise. One of every five American cable users is wired into TCI in one way or another, and about 20% of the industry's entire revenue flows to this behemoth.

To many of its rivals and customers, through, TCI represents not the best but the worst in American business—a monopolistic, strong-arm bully, they say, that squeezes other cable operators, denies free competition to programmers and flagrantly disrupts the plans of rivals. The "ringleader" in the "cable Cosa Nostra" is what Sen. Albert Gore Jr. of Tennessee calls TCI. Contends Mel Cohen, the mayor of Morganton, N.C., where TCI operates a cable system: "TCI is trying to crush our city government."

TCI, which owns more than 1,000 cable systems, is also very tightly controlled. Bob Magness, TCI's founder and chairman, and John C. Malone, its chief executive, built and dominated the company in part through internal self-dealing, an investigation by The Wall Street Journal shows. In one case, the two sold to TCI a group of Utah cable systems the company apparently already owned.

GETTING CONTROL

Their stock transactions—often only partially disclosed in federal filings and usually unavailable to other shareholders—may or may not have violated securities laws; the law prohibits corporations from withholding important information from shareholders. But the objective of the dealings appears clear. Through these and other transactions, the two men built one of the most influential and feared companies in the television industry, and granted themselves effective control over it. Many contend that consumers ultimately paid the price, as TCI worked to squelch competition in the cable industry.

TCI emphatically denies engaging in any questionable transactions with its top two officers, or anyone else for that matter. Any suggestion that "when we paid Magness and Malone shares we were paying them for assets we already owned is false," a spokesman says. He cautions, however, that the denials and elaborations are based on the "collective recollection" of TCI executives, and that he didn't consult Messrs. Magness and Malone, who declined to be interviewed specifically about the transactions. Further, the company says it was unable to retrieve records from storage that bear on the internal stock dealings.

The spokesman says allegations the company is a bully in the market are also false. He says TCI just tries to offer the best service at the best possible price, amid rising competition.

For his part, Mr. Malone does say in an interview that, in general, TCI's transactions with its top officials are merely a way of supplementing salaries and teaching top brass about different aspects of the cable business. "TCI has one of the lowest, if not the lowest, salary structures in corporate America," he said. The deals have "allowed us to build wealth over time."

Messrs. Magness and Malone are paid a bit under $500,000 a year each and control a combined 36% of shareholder votes in TCI. When TCI spun off some assets into a company called Liberty Media Corp.—a move designed to answer charges that TCI had become too dominant—the two executives quickly acquired 56% of the voting shares of that company, too. The market value of their combined holdings is nearly $700 million.

The accumulation of that wealth and the sheer girth of TCI will undoubtedly draw the interest of the U.S. Senate this week, as lawmakers begin debating whether the cable industry has become monopolistic and whether additional regulation is needed. TCI and Liberty Media operate in 48 states and dwarf their next-largest rival, Time Warner Inc. TCI alone generates cash flow of $1.7 billion a year—more than ABC, CBS, NBC and the Fox network combined. Annual revenue approaches $4 billion. TCI and Liberty owns stakes in four of the top 10 cable channels and have an interest in nine of the top 25, including Cable News Network, Turner Broadcasting System, Turner Network Television, the Discovery Channel and Black Entertainment Television.

The company's critics say TCI's vertical integration—ownership of both the local cable systems and the channels that provide programming for those systems—gives it unfair power and is one of the best arguments for greater regulation of the industry. The company's outside shareholders, however, couldn't be happier. A dollar invested in TCI stock in the mid-1970s is worth more than $800 now. TCI has "given us a tremendous return," says Keith Hartman, with Associated Communications Corp., an investment company in Pittsburgh. Associated's $7 million investment in TCI in 1979 has swelled to well over $300 million. If TCI were sold today it would probably fetch at least $15 billion.

No shareholder has benefited more than Bob Magness, a cigar-chomping, rough-hewn rancher who started TCI with the purchase of a single system in Memphis, Texas. At age 68, he is worth over $500 million. For all his wealth, Mr. Magness eschews the life style of the rich and famous. For two decades he has lived in a modest ranch house atop a plateau overlooking Denver. "You go to his house for dinner and everyone takes his shoes off, more or less," says Rudy Wunderlich, a friend. The cable magnate has been known to shift a cigar to a corner of his mouth, resting it there while eating a T-bone steak. "He ain't very happy in a tuxedo," another friend says.

These days, Mr. Magness spends little time on TCI's day-to-day affairs. He raises horses and collects Western art, passions he pursued with his first wife and business partner, Betsy. She died in 1985, and he has since remarried.

He formed his cable company in 1956. As lore has it, Mr. Magness, a short and rugged Oklahoman, sold some cattle for funds to buy the franchise in Texas. (A franchise is the right to build and operate a cable system, and is usually awarded by local authorities.) From there, he and Betsy began collecting cable systems in Montana, Nevada, Colorado and Utah.

FINDING SUPPORT

By the mid-1960s, Mr. Magness needed backers. He found two in Salt Lake City—the Gallivan family, which owns the local newspaper, Salt Lake City Tribune, and the Hatch family, owners of local television station KUTV. (The family isn't related to that of Sen. Orrin Hatch.)

The investment by the Hatch family would prove problematic years later, when the federal government barred "cross-ownership" of local TV stations and cable systems in the same community. But with the families' help, Mr. Magness incorporated TCI in 1968 and took it public in 1970.

By 1973, though, TCI was flirting with bankruptcy: Mr. Magness, it seemed, lacked the skill to build and manage TCI as a modern enterprise. So he turned to Mr. Malone, a young Connecticut native and Yale-educated financial virtuoso who was then the president of a TCI supplier.

Shortly after taking over as TCI's president, Mr. Malone summoned TCI's impatient lenders to a meeting, the story goes, and gave them an ultimatum: either back off or take over the company. The lenders backed off, and TCI was able to refinance. Its quest for expansion resumed, fueled by mountains of new debt.

Today, Mr. Malone, age 50, is cable's most visible and formidable figure. He crafted the industry's $560 million rescue of Ted Turner's debt-laden business in 1987, which enabled TCI to gradually take a 25% stake in Turner Broadcasting System Inc.

Yet for all of his influence, the soft-spoken, Mr. Malone remains a stranger to many in the field. Says cable broker Bill Daniels, who shares a skybox atop Denver's Mile High Stadium with Mr. Malone: "I just don't know anyone close to him."

Mr. Malone, who holds two master's degrees and a doctorate in operations research, has served as TCI's strategic thinker and financial alchemist, deftly managing the company as a portfolio of cable assets and buying, shifting, marrying and decoupling them in ways that boosted their value. More than any other industry executive, Mr. Malone pulled the financial community onto the cable bandwagon, getting Wall Street to focus on the business's surging cash flow.

But that higher profile had a downside: it increased the chances that TCI might become a target of corporate raiders.

That risk grew in 1979 as Salt Lake City's Hatch family prepared to sell off its sizable stake in TCI to comply with the ban on cross-ownership. "With the Hatches gone.

[Mr. Malone] felt the company was more vulnerable," says James Hoak Jr., a former executive at Heritage Media, a TCI-owned group of cable systems.

What to do? TCI started to address the problem in 1979 by creating a new class of stock, Class B shares, that had 10-to-1 voting power over the more widely held Class A shares. Now TCI had only to find a way to get the bulk of the Class B shares into friendly hands—such as those of Messrs. Magness and Malone.

Thus began a series of transactions so complex they almost seemed designed to befuddle. First, the Hatch family's TCI stake was acquired by an investment concern called Tele-Communications Investment Inc., which after the transaction controlled 24% of TCI Class B voting stock and 43% of the weaker Class A shares. Through a previous transaction, TCI owned half of that investment company, so TCI's management thus controlled half of the investment company's vote. But TCI management apparently was looking for a way to gain an even tighter grip on TCI.

Messrs. Magness and Malone embarked on a bout of labyrinthine self-dealings that ultimately would have TCI pay them a huge chunk of the super-voting shares. In one case, the dealings involved four separate companies with almost the exact same name—two owned by Messrs. Magness and Malone, two owned by TCI—and the swapping of Utah cable franchises and systems among them.

BACK AND FORTH

Acting through small subsidiaries, TCI first bought up franchises around Salt Lake City. Then TCI transferred the franchises—it isn't exactly clear how—to separate Magness and Malone companies with almost the same names as the TCI units. Later, TCI bought the Magness and Malone entities—even though TCI had owned some of the franchises in the first place.

The price: nearly one million of the super-voting Class B shares, which TCI paid to Messrs. Magness and Malone over five years. The stock, amounting to 13% of all shareholder votes by early 1991 and worth about $140 million at the time, essentially gave the two top executives enough voting power, when added to their existing stakes, to block any move they didn't like.

Records don't make it clear, but it appears the transactions could have gone one of at least two ways: Messrs. Magness and Malone paid only a small sum for TCI's Utah franchises and sold them back at a huge profit; or the pair received the franchises free and sold them back to the company. Either way, the transfers weren't disclosed to the Securities and Exchange Commission.

What is known about the transactions is this:

The deals began in 1979. Because of the cross-ownership ban, and because the Hatch family stake in TCI hadn't yet been sold. TCI couldn't pursue any new cable systems in the Salt Lake City market, the company said in public filings. TCI nonetheless wanted the unawarded Utah franchises in "friendly hands," Mr. Malone recalled in an interview.

So the TCI board urged Messrs. Magness and Malone to form their own private company to pursue the Utah franchises, with the idea that TCI would ultimately buy the properties from the executives. They and their immediate kin set up a new entity: Community Cable of Utah Inc.

APPLYING FOR FRANCHISES

TCI, it turns out, had a subsidiary that used that same name as a trade name. Through last subsidiary, and despite the ban on cross-ownership, TCI had already applied for and received quite a few Utah cable franchises, government records show.

For example, in 1979 the towns of Spanish Fork, Sandy, Salem, and Payson City all awarded franchises to a TCI subsidiary known as Community Cable of Utah Inc. But this Community Cable of Utah, records show, was registered in Nevada. The Magness and Malone-owned Community Cable was incorporated in Utah and was, legally, a separate and unrelated entity.

All of these franchises, however, would end up belonging to Messrs. Magness and Malone. Records don't make clear how this happened.

In February 1981, after the Hatch family stake in TCI had been sold, TCI acquired Messrs. Magnese and Malone's Community Cable of Utah, paying them and their family members 360,000 Class B shares of TCI. The company's assets, listed in disclosure documents, included at least one of the very same franchises and the system built under it—Sandy—that TCI's Community Cable unit had acquired a few years earlier. The assets also included 260,000 shares of Class A stock.

TCI executives give contradictory accounts of how TCI's Sandy franchise ended up as the property of Messrs. Magness and Malone. First, Bernard Schotters, a TCI spokesman, said the franchise had belonged to the two executives to begin with, but that Sandy officials insisted on naming the TCI subsidiary as the official owner.

Then, he and another spokesman, Robert Thomson, revised the explanation to say that TCI, indeed, had first owned the Sandy franchise, but had "assigned" it to another Magness and Malone entity, Community Television of Utah. In return, Messrs. Magness and Malone "paid" TCI by granting TCI the right of first refusal to buy the Sandy property back.

But local records show that Community Television of Utah isn't owned by Messrs. Magness and Malone—it is yet another unit of TCI. The various explanations, moreover, contradict a filing TCI made with Sandy officials in the late 1980s: In it, TCI said it had received the Sandy franchise back in 1979, when TCI was telling shareholders that it was federally barred from doing so because of the crossover restrictions. Today, in explaining its past actions, TCI says it was wrong to tell shareholders that it couldn't own a franchise; in fact, TCI says, it was permitted to seek a franchise, but not to own and operate the cable system built under the franchise.

TCI and its two top officers and their families, who now were flush with the additional 360,000 Class B shares, then repeated the self-dealing. What they gained, again, was greater control of TCI itself. Here's how it worked:

In selling their Community Cable to TCI, the two men held back five cable systems covering 12,000 homes in central Utah. TCI never identified the specific systems in public filings. But records indicate they were the franchises that had been granted to TCI's Community Cable of Utah through a 100%-owned TCI unit. In any case, Messrs. Magness and Malone now owned them and shifted them into yet another new entity with the same name, TCI says today. This version of Community Cable of Utah was registered in Colorado.

In April 1983, they exchanged the five systems for a 21% stake in a new TCI company formed to make acquisitions. TCI valued the assets of their Community Cable of Utah at $3.8 million. The acquisition company, meanwhile, went on to buy another cable system.

In December 1985, TCI bought out the two men's stake in the acquisition company. The price: 600,000 shares of Class B stock in TCI, worth almost $23 million. On the same day, TCI paid them another 50,000 Class B shares, valued at $1.9 million, to acquire another 21% stake the two men had in yet another TCI entity, which had purchased a cable system in Buffalo, N.Y. That 21% stake had cost the two just $210,000 only a year earlier, according to TCI proxy statements.

TCI's two spokesmen, Messrs. Thomson and Schotters, provide contradictory explanations for the turn of events.

First, Mr. Schotters said TCI itself obtained most of the live Utah franchises in question—despite TCI's earlier claim, in proxy statements, that it wasn't allowed to do so. He said TCI, it turns out, was allowed to seek franchises—it just couldn't build and own the systems. Messrs. Magness and Malone did the building outside of the TCI corporate umbrella with TCI financing, he said. But he added that TCI isn't sure whether it ever transferred ownership of the systems to the two men.

Later, the TCI spokesmen said the Magness and Malone company had been awarded at least two of the franchises involved by Utah authorities. But local records show all five Utah franchises were directly awarded to TCI's subsidiary. TCI can't explain whether it transferred the rights to its top two executives—or when, or for what price.

Combined and adjusted for stock splits, the more than one million Class B shares that TCI paid Messrs. Magness and Malone over the years became 10.5 million Class B shares as of January 1991—before Liberty Media was spun off—with almost $140 million and equal to about 13% of all TCI shareholder votes.

Today the Magness and Malone combined holdings give the two veto power over any decisions at both TCI and Liberty Media, thanks in part also to substantial payment of Class B shares they've received under their employment contracts.

PLAYING TOUGH

As the two men built their empire, leaving behind this maze of dealings, they were slowly developing a reputation for hardball tactics with local governments and rivals. Six years ago, for example, TCI began waging war on Morganton, N.C., population 28,000.

The battle was over the company's cable franchise in Morganton, which was expiring and which the town council decided not to renew. Service was "atrocious," Mayor Mel Cohen charges today, and the town began studying whether to build its own cable system.

TCI argued that government ownership would be illegal and countered by suing Morganton, asking $35 million in damages. The town won, but TCI has been appealing the decision ever since, continuing to collect $1.3 million a year in local cable revenues. At one point, TCI offered to sell the system to a buyer group. But the town balked after learning one of the buyers was partly owned by TCI.

Then last year, TCI hired a lobbying firm that formed "Citizens Opposed to City-owned Cable." The group gathered petition signatures to force a vote by citizens on whether the cable system should be owned privately or by the government. Morganton officials contend there was a catch: The petition included a measure—drafted by TCI—that would have virtually guaranteed TCI a lifetime franchise if the vote was in favor of private enterprise. The local board of elections rejected it, and another court battle was on.

Undeterred, TCI targeted Mayor Cohen and an incumbent town councilman for defeat in elections last Oct. 8, the mayor says. The TCI-funded citizen group ran as many as three newspaper ads a day in the three weeks preceding the election. One pictured two buzzards sitting on an electric line and read: "Morganton politicians are sitting high on the perch."

WINNING THE ELECTION

All told, TCI spent about $144,000 on the campaign—dwarfing the $400 to $600 the incumbents say they each spent to get re-elected. In the end, the mayor and the councilman both were re-elected.

TCI's Mr. Thomson generally confirms the events in Morganton but says he expects the two sides to settle the dispute. "We anticipate calmer heads will prevail," he says.

TCI has played a similar form of hardball with its rivals. Its source of power lies in the fact that the sheer size of its systems can make or break a new channel—and keep a rival channel from reaching many American households. That size also gives it enormous leverage in demanding lower prices from independent channels.

The company's move into programming began in earnest in 1979 when it invested $180,000 in a start-up called Black Entertainment Television. From the mid-1980s on, TCI acquired stakes of 5% to 50% in American Movie Classics, the Discovery Channel, the Family Channel, and Turner Broadcasting and its three cable outlets, Cable News Network, Turner Network Television and Superstation TBS.

Critics say TCI displayed its power last year when it fought to win control of the Learning Channel, an award-winning educational channel that was 51%-owned by troubled Financial News Network Inc.

FNN was bound for bankruptcy-court proceedings, and it put the Learning Channel up for sale. Several bidders emerged, including the Public Broadcasting System, the Lifetime cable channel—and Discovery Channel, 49%-owned by TCI.

Initially, analysts estimated the Learning Channel might be worth $80 million or more. But as FNN's woes worsened, offers dropped. Lifetime offered $40 million, out-bidding TCI's Discovery, and began negotiating a final deal. Then TCI elbowed in. TCI's Mr. Malone suddenly decided that the Learning Channel had declined in quality, and he ordered TCI's local cable systems—which accounted for as many as one-third of the channel's total subscribers—to dump the service.

That, of course, made the Learning Channel a less attractive property to the bidders at Lifetime, which is owned by Capital Cities/ABC Inc., Viacom Inc. and Hearst Corp. Executives from Hearst and ABC descended on Mr. Malone in Denver and pleaded with him to keep the Learning Channel on TCI systems, according to officials with Lifetime. They outlined plans to improve the channel and pledged to freeze the rate paid by TCI systems for the channel for two years.

But Mr. Malone said TCI couldn't promise it would carry the redone channel if the sale went through, according to people familiar with the meeting. Today Mr. Malone says he had worried that a bankruptcy judge might force TCI to continue carrying the channel. He also says that, in his opinion, Lifetime's revival plans weren't firm. "We wanted to put them on notice that we have no obligation to carry" the channel, he says. He also said TCI was concerned that the Learning Channel would raise its rates after it was acquired by Lifetime.

Lifetime soon abandoned its bid. A short-time later, the Learning Channel got another buyer—TCI's Discovery Channel, which snapped up the Learning Channel for $31 million. After making some programming changes, TCI decided it was fine after all, keeping it on many, though not all, TCI systems. TCI's chief operating officer, J.C. Sparkman, says that TCI "had nothing to do with whether Lifetime or Discovery" acquired the Learning Channel, and that TCI did nothing untoward during the bidding.

GETTING ON THE SYSTEM

Another rival has also complained about TCI's extensive control over both the medium and the message. Home Shopping Network's chief executive, Roy M. Speer, charged in testimony to congressional subcommittees last year that TCI "systematically refuses" to carry Home Shopping on TCI systems because of its own sizable stake in a rival channel, QVC. (Liberty now holds the QVC stake.)

Home Shopping managed to sign up only 3.7% of TCI's subscriber base, although its sign-up rate was 47% for most other top cable operators, the service said in a 1990 filing with the Federal Communications Commission. Home Shopping said TCI was thus depriving it of hundreds of millions of dollars in revenue and was increasing its costs.

Mr. Speer declined to be interviewed. But in his testimony he detailed years of alleged discrimination by TCI. TCI's Englewood, Colo., system once told Home Shopping it couldn't carry the network because it competes with QVC, Mr. Speer said. In 1988, TCI directed two systems it had acquired in Pasco County, Fla., to cancel Home Shopping and replace it with QVC, he said. In April 1990, TCI's top California manager told Home Shopping there was "no way" his systems could carry it, given that TCI had a stake in QVC, Mr. Speer charged.

TCI denies it discriminates against Home Shopping but declines to comment further. In a letter last summer to Sen. Daniel K. Inouye of Hawaii, TCI said it believes it is Home Shopping's largest carrier, accounting for one-quarter of Home Shopping's viewers.

The fortunes of QVC, meanwhile, are soaring. While Home Shopping Network posted an $8.9 million loss on one-time charges in its most recent fiscal year, QVC reported almost $5 million in profit in the first half on $391 million in sales, which were up almost 22%.

If TCI can be hard on rivals, it sometimes is no more gentle with consumers. Last summer it launched Encore, a low-priced movie channel, using the "negative option"—subscribers all had to pay extra for it unless they explicitly told TCI they didn't want it. The company figured that putting the burden on customers to say no promised to corral 80% of TCI households for Encore. It also says it had to use the strategy because of technical limitations in many of its cable systems. A Texas newspaper called the strategy "sneaky," others said it was anti-consumer, and a judge halted it. At least 10 states sued, and TCI had to abandon the gimmick nationwide.

But the setback was something of an exception. Usually TCI gets its way. In 1985, for example, when General Electric Co.'s NBC network set plans for an all-news cable channel, officials assumed it "couldn't happen without TCI," recalls Lawrence K. Grossman, president of NBC News at the time. But in the end, TCI merely played NBC off against CNN, whose programming the cable company was already carrying. According to Mr. Grossman, TCI used a proposed alliance with NBC to get price breaks from CNN, and then backed away from the NBC proposal.

Several years later, NBC tried again. By this time, TCI had taken a stake in Turner Broadcasting. To win TCI's support, NBC promised that its new channel, CNBC, would focus on business and finance instead of running an all-news format that would compete with Cable News Network, say people familiar with the transaction. NBC also agreed to pay TCI $20 million for a fledgling TCI channel called Tempo. Sen. Gore, in a 1989 Senate hearing on media ownership, called that payment a "shakedown" by TCI.

NON-COMPETE PROVISION

NBC Chairman Robert Wright and TCI scoffed at the shakedown allegation, and TCI denied it had forced NBC to avoid competing with CNN. But Mr. Wright testified that most cable companies "required, if you will," a non-compete provision and said it "wasn't exactly what we would have preferred." TCI and NBC have since joined in several business ventures.

Afraid that TCI's dual role in owning cable systems and channels would prompt the federal government to try to break up the company, Messrs. Magness and Malone conceived a plan that would appear to do just that—while letting them retain total control of the empire.

Last year TCI spun off $605 million of assets in the form of a new company, Liberty, and sold Liberty to TCI shareholders by giving them the option of swapping some of their TCI shares for shares in the new company. But TCI set up Liberty as a second vertically integrated company with cable systems of its own.

What's more, Liberty purports to be an independent company, but it employs mostly TCI people, has Mr. Malone as its chairman, and has five TCI executives on its board of six directors.

"This so-called spinoff should be renamed 'All in the Family,'" said a critical staff report to the Senate Commerce Committee.

Liberty shares have more than tripled in price from an original $230 to $770 a share in less than a year of trading. The swift rise has some analysts wondering whether the appreciation is warranted. "It is ridiculously overvalued," contends Frederick A. Moran, president of Moran Asset Management Inc., a money management company. He recently advised clients to dump Liberty shares.

Messrs. Magness and Malone own 56% of Liberty's shareholder votes and were able to grab such a dominant stake because many other shareholders in TCI didn't elect to participate in the swap.

EXPANDING INFLUENCE

Under Mr. Malone's control, Liberty has been especially generous to him; he owns 164,000 shares worth $126 million. Records show he obtained 100,000 Liberty shares through options in lieu of salary in one fell swoop, even though his contract at the time limited him to 20,000 shares a year for the next five years. In October, Liberty directors let Mr. Malone exercise all of the options at once.

Exercising the option cost Mr. Malone $25.6 million, but he had to put up only $100,000 in cash, according to Liberty filings with the SEC. Moreover, Mr. Malone raised the money by selling part of his personal stake in Liberty's QVC channel back to Liberty. He gave the company a $25.5 million note for the rest of the stock, with a low annual interest rate of 7.54%. Mr. Malone later paid off part of the debt by giving Liberty some of his TCI stock.

To lessen their risk when Liberty was spun off, Messrs. Magness and Malone structured the deal to insulate themselves from any losses, even if it meant damaging Liberty itself. Under the terms they set—which weren't available to Liberty's outside shareholders—Liberty must arrange the purchase of stakes held by the two executives and the Gallivan family, the early TCI backer, at a guaranteed price if these shareholders are ever forced by regulators to divest. The guaranteed price is an average of the stock's price over a specific trading period.

"The actions [Liberty] may be required to take in order to satisfy such obligations . . . could have an adverse effect on the company's business, financial condition and prospects," the company warned in SEC filings.

Mr. PRESSLER. If a monopoly such as that owns a portion of the shopping network, what is to prevent it just adding to its monopoly? How would my colleague deal with the monopoly issue? The cable monopoly would never allow any other shopping network onto its system if they owned a portion or had some economic relationship with another shopping network. This is exactly what they are doing now in many systems.

Mr. BREAUX. My amendment does not in any way affect antitrust laws. We do not amend the Antitrust Act. Nothing is changed in existing antitrust laws. If they are violating antitrust laws by doing that now, they will be violating it after my amendment. I suggest that a cable company would put a competitive home-shipping type of program on if the public demanded it, if they thought they could make money doing it. If they thought they would not make money doing it, they would not put it on. Nothing in my amendment affects antitrust laws. If it is illegal today, it would be illegal after the amendment is adopted.

Mr. PRESSLER. Nothing in the amendment affects the antitrust laws, that is true, but under the current system a monopoly has complete control to block out anybody else. That is exactly what is happening. I suggest to my friend that, indeed, this amendment will add to the monopoly problem.

Mr. BREAUX. If that is illegal today, it would be illegal tomorrow. If it is legal today, it is still legal after my amendment. My amendment does not affect that. If what they are doing is an antitrust violation, it is illegal and they should be prosecuted for it, but this amendment does not touch that.

Mr. PRESSLER. Mr. President, in conclusion, I am in disagreement with my friend on that point because I think his amendment will add to the monopoly problem substantially. The large cable companies which own a part of shopping networks will just allow those networks on the air, and, unless S. 12 passes, other competitors do not have a chance. There would be no competition. I am also totally puzzled by the stand of the Consumer Federation of America. It seems to me that the more competition, the more alternatives for the consumers. I yield the floor.

Mr. DANFORTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. DANFORTH. Mr. President, I think the arguments against this amendment have been pretty well made. I do not know whether Senator GRAHAM, of Florida, intends to offer a second-degree amendment or not. I strongly oppose the present amendment in the form it takes right now for the reasons already given by other Senators.

First of all, in connection with the colloquy just engaged in by Senator PRESSLER and Senator BREAUX, I am not sure how efficacious the antitrust laws are under this situation. I am a long way from practicing law and much less antitrust law. I am not sure that a unilateral refusal to deal would constitute a good antitrust case.

But in the point of fact what is being done right now and what was pointed out by the Wall Street Journal article that was just put in the RECORD is a very real problem. It is a problem which does lock out a competitor in the home shopping area. TCI, which is the largest of the cable companies, according to the article in the Wall Street Journal, "'Systematically refuses' to carry Home Shopping on TCI systems because of its own sizable stake in a rival channel, QVC." That is the quote from the Wall Street Journal article.

So in point of fact without must-carry applying to the home shopping stations, the home shopping stations will have no access to TCI cable companies. I do not know if they have a good antitrust case or not. I do know that even the best antitrust case takes years to get through the courts.

The second point, which is a broader point and a very important point, does have to do with content regulation and does have to do with whether we on the floor of the Senate want to make qualitative distinctions among various kinds of TV programming. Do we want to say that if there is such a thing as must-carry, then that must-carry privilege extends to certain kinds of television content and not to other kinds of television content? That is what this amendment would do. It would say that there is certain content of television programming that we do not like and that we want to treat differently from other kinds of television programming. That, to me, is a highly questionable process for the Senate to enter.

For those two reasons, I oppose the amendment that has been offered by the Senator from Louisiana.

Mr. BREAUX. Will the Senator yield for a question? The Senator raised the question, and I think the Senator from South Dakota also referenced TCI company which is Telecommunications, Inc. This issue, as both Senators will remember, was raised in our hearings in the committee. The question I would like to ask is that the information I have—it may be the Senator's information is different. If it is, I think we ought to have it on the record. The letter from TCI to Senator PRESSLER says:

We believe TCI is Home Shopping Network's largest cable affiliate. Home Shopping Network has access to over 60 percent of the TCI subscribers. On TCI's owned and operated system and on the Storia system that TCI manages, Home Shopping Network programming may be seen by 3.5 million subscribers out of a total of 6.8 million.

That is, 60 percent plus of TCI subscribers get Home Shopping Network. The reference was made on the floor that somehow TCI is preventing Home Shopping Network from competing on their system. This letter says just the opposite, that 60 percent of the TCI subscribers get Home Shopping Network over their cable system. Is that incorrect information?

Mr. DANFORTH. Mr. President, responding to the Senator, I can simply read from the Wall Street Journal article, which has been placed in the RECORD. And I will read the article.

This is a quote:

Another rival has also complained about TCI's extensive control over both the medium and the message. Home Shopping Network's chief executive, Roy M. Speer, charged in testimony to congressional subcommittees last year that TCI "systematically refuses" to carry Home Shopping on TCI systems because of its own sizable stake in a rival, QVC. (Liberty now holds the QVC stake.)

Home Shopping managed to sign up only 3.7% of TCI's subscriber base, although its sign-up rate was 47% for most other top cable operators, the service said in a 1990 filing with the Federal Communications Commission. Home Shopping said TCI was thus depriving it of hundreds of millions of dollars in revenue and was increasing its costs.

Mr. Speer declined to be interviewed. But in his testimony he detailed years of alleged discrimination by TCI. TCI's Englewood, Colo., system once told Home Shopping it couldn't carry the network because it competes with QVC. Mr. Speer said. In 1988, TCI directed two systems it had acquired in Pasco County, Fla., to cancel Home Shopping and replace it with QVC, he said. In April 1990, TCI's top California manager told Home Shopping there was "no way" his systems could carry it, given that TCI had a stake in QVC, Mr. Speer charged.

TCI denies it discriminates against Home Shopping but declines to comment further. In a letter last summer to Sen. Daniel K. Inouye of Hawaii, TCI said it believes it is Home Shopping's largest carrier accounting for one-quarter of Home Shopping's viewers.

The fortunes of QVC, meanwhile, are soaring. While Home Shopping Network posted an $819 million loss on one-time charges in its most recent fiscal year, QVC reported almost $5 million in profit in the first half on $391 million in sales, which were up almost 22%.

That is really all I know. I would say that however the facts turn out, with-

out having must-carry available to Home Shopping, the fate of Home Shopping is really in the hands of TCI or other cable companies. And, therefore, it is a matter of simply relying on the good graces of the cable operator.

I might say as a general rule that those who say that we should not pass this legislation, that there should be no possibility of regulating the cable companies or no meaningful possibility of regulating the cable companies, are saying very much the same thing. They are saying that cable companies should be trusted; that cable companies will do the right thing without being hemmed in in any way either by competition or by regulation.

I think that the story in the Wall Street Journal 2 days ago shows what all of us know intuitively, and what all of us know intuitively is that if there is a monopoly that is unregulated, that monopoly is going to be abusive. That is what is at stake, I think, in this amendment.

Mr. BREAUX. Of course, that is the whole thrust of the bill of the chairman and the ranking minority member—to regulate cable companies. I am all for a degree of regulation. I think it is appropriate. But the point about Home Shopping Network not being able to make it without must-carry, I ask the Senator, the figures when we had them before the committee showed that they had grown from net sales of $160,000 in net sales in 1986 to nearly $1 billion in net sales in 1990. They did that without must-carry.

Before we start crying for Home Shopping Network not having must-carry, they are doing very well. I think the Senator would have to agree with those kind of net sale figures. That is without must-carry.

Mr. DANFORTH. Of course this is disputed in the article that I just read from. I would simply say that it is an abuse, in the opinion of this Senator. It is an abuse for a cable operator to be able to say we will accept a program from our affiliate company, QVC, and run that on our cable, and we will exclude a competitor.

For those who believe, as I believe, that competition is the real answer, not regulation, the point is we should open the door for competition. And under the present state of affairs, competition can be precluded by the operation of the cable company.

It is not the intention of the sponsors of this legislation to regulate for the joy of regulation. That is not the intent. As a matter of fact, under the law that we have, the ability of a municipality to regulate rates sunsets if there is another multichannel provider.

Similarly, the whole reason for providing in the legislation what is not provided in the substitute, namely for nondiscrimination in the case of vertical integration, and the case of providing some limits on horizontal expansion by cable companies—the whole purpose of those provisions which are in the bill and not in the substitute—is to increase competition and to provide for a vital competitive system.

Some people who claim that they are taking the conservative position by being against any and all regulation, it seems to me, myself, therefore, say that what they are for is a competitive marketplace. But if we end up passing legislation that does not further the cause of a competitive marketplace and which has a severely stunted regulatory system such as in the proposed substitute, they are asking for a system which is simply a continuation of the status quo, namely unregulated monopoly.

Mr. PRESSLER addressed the Chair.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. PRESSLER. Mr. President, I would like to point out that the letter sent to me, also, I believe, says that a subsidiary of TCI owns over 20 percent of QVC. It is true, as my friend says, that TCI does carry Home Shopping on many of its affiliates. But the point is wherever they want to control, they can exercise their monopoly power. They can, and they do.

I think this is the significant point that we must remember.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

Mr. BREAUX. Mr. President, I rise because I thought that there were other speakers on the amendment who are on the floor.

Mr. PRESSLER. Mr. President, I wish to speak on the main bill. I have a short statement if I can do that.

The PRESIDING OFFICER. The Senator from Louisiana has the floor.

Does the Senator seek recognition?

Mr. BREAUX. I seek recognition.

Do other Senators seek to speak on the amendment?

Mr. BURNS. Mr. President, I have a short comment on this amendment.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BURNS. Mr. President, I would just, in this debate on this particular amendment, say I am supportive of the amendment as it is offered by the Senator from Louisiana. Whenever you take a level playing field, and whenever we start talking about regulation and deregulation and this type of thing, I would say then QVC would, under the must-carry rule, have sort of the best of both worlds.

They have over-the-air shopping, and have been allowed to take advantage of the cable operation as well. Maybe we would have to go out, and if Home Shopping Network wanted to purchase a station, they could not be denied the purchase of that station just because of content.

I am a broadcaster, and I think probably we went through this same debate whenever we were talking about children's TV, that there were many of us in the Congress that did not like 30-minute-long commercials. In both—the children's programming and the commercials—the program content was just basically one long commercial.

I just do not believe that this fulfills the traditional and accepted format of broadcasting as we know it in this country; in other words, offering local broadcast news, weather reports, emergency conditions, and items like this that broadcast companies usually offer to a community.

So I support the amendment, because of the fact that I have a big problem with seeing not only 30-minute-long commercials but also hour-long commercials, and it would probably disrupt the traditional broadcast as we know it in our own local communities.

I congratulate the Senator from Louisiana for the amendment, and I yield the floor.

Mr. BREAUX. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. GRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, I rise for the purpose of explaining a second-degree amendment that I will offer. I want to give an explanation before offering it.

Mr. President, the issue here is who should decide on the appropriateness of an FCC licensed over-the-air station, to secure the benefits of the must-carry provisions in S. 12.

The amendment which has been offered says that decision should be made by the cable operator under a potentially economically discriminatory set of circumstances. That is, that the cable TV operator could elect to allow one or more, but not all of the programs that have a similar, predominantly advertising, format to their content.

I believe that that clearly raises the specter of; A, economic discrimination by the cable operator to the benefit of a cable channel or over-the-air channel, with which they have an economic tie; B, involves the Congress in a very serious issue of content determination beyond that which has already been reached by the FCC.

Therefore, Mr. President, I will offer a second-degree amendment which would direct the FCC within 90 days to commence the process of reviewing broadcast television stations—whose programming consists predominantly of sales presentations—to determine whether they are serving the public interest, convenience, and necessity. The Commission shall take into consideration in the viewing of such stations, the level of competing demands for the

channels allocated to such stations, and the role of such stations in providing competition to nonbroadcast services offering similar programming. In the event that the Commission concludes that one or more of such stations are not serving the public interest convenience, and necessity, the Commission shall allow the licensees of such stations as reasonable period within which to provide different programming, and shall not deny such stations a renewal expectancy due to their prior programming.

AMENDMENT NO. 1503 TO AMENDMENT NO. 1502

(Purpose: To require an inquiry by the Federal Communications Commission concerning broadcast television stations whose programming consists predominantly of sales presentations)

Mr. GRAHAM. Mr. President, I believe that this amendment would keep this issue where it should be, and that is before the FCC, which will be applying a consistent, not an economically discriminatory, standard. Therefore, I send to the desk a second-degree amendment.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Florida [Mr. GRAHAM] proposes an amendment numbered 1503 to Amendment No. 1502.

Mr. GRAHAM. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

At the appropriate place, insert the following new section:

USE OF CERTAIN TELEVISION STATIONS

SEC. . Within 90 days after the date of enactment of this Act, the Federal Communications Commission shall commence an inquiry to determine whether broadcast television stations whose programming consists predominantly of sales presentations are serving the public interest, convenience, and necessity. The Commission shall take into consideration the viewing of such stations, the level of competing demands for the channels allocated to such stations, and the role of such stations in providing competition to nonbroadcast services offering similar programming. In the event that the Commission concludes that one or more of such stations are not serving the public interest, convenience, and necessity, the Commission shall allow the licensees of such stations a reasonable period within which to provide different programming, and shall not deny such stations a renewal expectancy due to their prior programming.

Mr. GRAHAM. Mr. President, the amendment is as I described it. It directs the FCC to commence an inquiry to determine whether broadcast television stations which consist predominantly of sales advertising are serving the public interest, convenience, and necessity, and provides for steps that would be followed, should the FCC—in a consistently applied administrative procedure, subject to judicial review—reach a determination that those standards of public interest, convenience, and necessity are not in fact being maintained.

Mr. BREAUX. Will the Senator yield for a question?

Mr. GRAHAM. Yes.

Mr. BREAUX. This amendment says basically that the FCC shall make an inquiry whether the stations are meeting the public interest, convenience, and necessity test.

Is it the intent of the Senator in offering this that that inquiry shall make a determination that they are in fact meeting that test and describing how they are meeting that test?

Mr. GRAHAM. The FCC, under its standards of licensure, will make a judgment as to whether the station is serving the public interest, convenience, and necessity on the basis upon which stations are licensed. If a station is found to meet those standards, then it would qualify as a must-carry station under the provisions of S. 12.

Mr. BREAUX. If the Senator will yield, this is the point I am making on the amendment: is it the interpretation of the author that they can come back and say yes, without spelling out how they are meeting the public interest, convenience, and necessity.

Mr. GRAHAM. The FCC has, as a core part of its responsibility, to make judgments under congressional authorization, as to which licensees meet those standards of public interest, convenience and necessity, and they would be required under this inquiry to determine—determine being a word of administrative and legal significance—to make a determination that a station whose programming consists predominantly of sales presentations are meeting the public interest, convenience, and necessity test. The answer to the question is yes.

Mr. BREAUX. Would the author of the amendment agree to a unanimous-consent amendment to his amendment which would say after the word necessity: "and how they are doing so"?.

Mr. GRAHAM. I think that is subsumed in the word determine. The FCC has to make a determination, which is a legal finding, that a station which consists predominately of sales presentation is serving the public interest, convenience, and necessity.

Mr. BREAUX. So it is the author's intent that it would be a requirement that they would spell out what they are doing that meets these public tests?

Mr. GRAHAM. That they would make a determination, as they would in any other case of making such a finding, and that it would be a publicly arrived at and a publicly available statement of the basis upon which they would reach that judgment.

Mr. BREAUX. Mr. President, this amendment completely eliminates my amendment. Of course, I am sure that is the intent of the author to do that. It is not surprising, and I respect him for it.

The problem with the amendment of the Senator from Florida is that this FCC, as lackadaisical as they have been in approving broadcast licenses, has already made that determination. They made the determination that these stations that do nothing but broadcast commercials 23 hours a day are meeting the public interest and necessity test. That is how they got the license in the first place. That is the problem.

The FCC has already approved the licenses for these local broadcast stations, allowing them to do nothing but broadcast commercials 23 hours a day; and in order to give them the license, they had to make the determination that they are meeting the public interest and necessity test. This FCC has already done that. And that is the reason why we have a problem. I suggest that a television station that uses the public air waves is supposed to meet the public interest tests and public necessity test, because it is the public air waves, and it is not meeting that standard when the only thing they do is broadcast commercials 23 hours out of a 24-hour period.

My amendment says that at least do not elevate them further by giving them must-carry status. We should not say that a station that does not have weather, does not have sports, does not have local news, does not have national news, does not have international news, stock market reports, music, any kind of discussion of any type of value other than we are selling these rings, and these dresses, and suits, and shoes, should have to be elevated to a must-carry status. Should a cable company have the right to carry them if they want to? Of course. Does my amendment prohibit them? Of course, it does not.

What we are doing now is saying, without my amendment, that a cable company absolutely has to carry a station that does nothing but broadcast 23-hour-a-day commercials, even if that means that they will have to knock out other programming that has valid entertainment or public value.

I just think that when you see the Consumer Federation of America saying how concerned they are that these full-time home shopping stations would be elevated to must-carry status, that is wrong. I think that is why you see these groups that do not have any economic interest in this battle supporting this amendment.

We could argue all day long about the three broadcast networks that have these home shopping networks. But we all know, quite frankly, they are making millions of dollars doing this. Some what to put the others out of business. They want to be the only survivor.

When you have interest groups that have no economic dog in this fight, like

Consumer Federation, you see that we truly are talking about the public interest. And the public interest is served by saying that they should not be elevated to must-carry status.

With all due respect to my good friend from Florida, who says I am going to offer a substitute that will require the FCC to make this determination as to whether these stations meet the public interest and necessity test, this FCC—which so many Members have severe complaints about, which is the reason why we have a cable bill up here for many Members—is not qualified to make that decision.

They have already made it. They said that is a public interest and necessity station that meets all the requirements. I would like to see them specifically tell this Senator and all of us how a station that does 23 hours a day of commercials, interspersed with one 60-minute slot on heartworms and a veterinarian's recommended cure, is meeting the whole public interest and necessity test.

Is this what public interest is all about? I suggest that it is a lot more than that and, therefore, the substitute amendment should be defeated.

Mr. DANFORTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. DANFORTH. Mr. President, I support the second-degree amendment offered by the Senator from Florida. I think it is the more prudent way to proceed, to allow the FCC to study this matter, rather than adopting the Breaux amendment which I think is a big step toward content regulation.

I ask for the yeas and nays on the Graham amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is not a sufficient second.

AMENDMENT NO. 1503, AS MODIFIED

Mr. GRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, I ask unanimous consent to modify the amendment which I have submitted in the form that is currently at the desk.

The PRESIDING OFFICER. The Senator has a right to modify the pending amendment.

The amendment (No. 1503), as modified, is as follows:

In the pending amendment, on line 2 beginning with "nothing" strike through line 7 and insert the following:

Within 90 days after the date of enactment of this Act, the Federal Communications Commission shall commence an inquiry to determine whether broadcast television stations whose programming consists predominantly of sales presentations are serving the public interest, convenience, and necessity. The Commission shall take into consideration the viewing of such stations, the level of competing demands for the channels allocated to such stations, and the role of such stations in providing competition to nonbroadcast services offering similar programming. In the event that the Commission concludes that one or more of such stations are not serving the public interest, convenience, and necessity, the Commission shall allow the licensees of such stations a reasonable period within which to provide different programming, and shall not deny such stations a renewal expectancy due to their prior programming.

Mr. GORE. Mr. President, I rise to support the second-degree amendment. I do so, in part, because I share our colleague's concern about the failure of the Federal Communications Commission to ensure that owners of local broadcast licenses meet reasonable public interest standards.

It is a fact that the FCC has, over the past 13 years, totally abandoned the principle that holders of licenses for precious broadcast spectrum perform in a manner that is in the public interest. Year after year the Reagan-Bush administrations, through their FCC appointees, have whittled away at this principle, established so firmly in the 1934 Communications Act and bipartisan actions until 1981.

Abandonment of protections for children, abandonment of the fairness doctrine, proposals to auction off radio spectrum to the highest bidder, the list goes on and on.

Mr. President, the amendment by our colleague from Florida approaches this problem from the right direction. I am troubled that the practical effect of the Breaux amendment would be to further stifle competition, to further enhance the monopoly powers of most vertically-integrated and most anticompetitive, intimidating cable company—TCI.

The natural effect of the Breaux amendment would be to deny cable carriage to a home shopping service which has had no choice but to acquire a local broadcast license in order to be carried by these cable companies intent to keep an independent shopping service off the air.

Whether or not you like home shopping channels on cable, you have to be skeptical about the motivations of a company such as TCI and its subsidiary shopping service, in refusing to carry a competitor.

I eagerly support the second-degree amendment to force the FCC to strengthen the public interest standard for local broadcasters, whether for mostly commercial programming, such as home shopping channels, or for any other local broadcaster.

But to use the must-carry rules to give a competitive advantage to a cable-owned channel against one which has avoided the acquisitive clutches of companies such as TCI is simply wrong.

I urge our colleagues to support the Graham second-degree amendment to the Breaux amendment.

Mr. DANFORTH. Mr. President, I ask for the yeas and nays on the Graham amendment.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. DANFORTH. Mr. President, Senator DOLE would like to speak for about 3 or 4 minutes on an unrelated subject, and I believe he is expected on the floor momentarily.

Mr. LEAHY. Will the Senator from Missouri yield?

Mr. DANFORTH. Yes.

Mr. LEAHY. Mr. President, I tell my colleagues who are waiting for the distinguished leader, I do have an amendment that I understand is acceptable.

I am wondering if, in the 3 or 4 minutes we are waiting, the managers and the distinguished Senator from Florida would be willing to entertain a unanimous-consent request to set aside the pending matter to allow my amendment—and I assure the managers I will take no more than 3 or 4 minutes.

Mr. INOUYE. No objection.

Mr. LEAHY. I make that unanimous-consent request.

The PRESIDING OFFICER. Without objection, the pending first-degree and second-degree amendments are temporarily set aside, and the Senator from Vermont is recognized for the purpose of offering an amendment.

AMENDMENT NO. 1504

(Purpose: To amend the Communications Act of 1934 to require cable television operators to provide notice and options to consumers regarding the use of converter boxes and remote control devices, and to assure compatibility between cable systems and consumer electronics)

Mr. LEAHY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Vermont [Mr. LEAHY] proposes an amendment numbered 1504.

Mr. LEAHY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

On page 111, between lines 21 and 22, insert the following:

NOTICE AND OPTIONS TO CONSUMERS REGARDING CABLE EQUIPMENT

SEC. . The Communications Act of 1934 (47 U.S.C. 151 et seq.) is amended by adding after section 624 the following new section:

"NOTICE AND OPTIONS TO CONSUMERS REGARDING CONSUMER ELECTRONICS EQUIPMENT.

"SEC. 624A. (a) This section may be cited as the 'Cable Equipment Act of 1992'.

"(b) The Congress finds that—

"(1) the use of converter boxes to receive cable television may disable certain functions of televisions and VCRs, including, for example, the ability to—

"(A) watch a program on one channel while simultaneously using a VCR to tape a different program or another channel;

"(B) use a VCR to tape consecutive programs that appear on different channels; or

"(C) use certain special features of a television such as a 'picture-in-picture' feature; and

"(2) cable operators should, to the extent possible, employ technology that allows cable television subscribers to enjoy the full benefit of the functions available on television and VCRs.

"(c) As used in this section:

"(1) The term 'converter box' means a device that—

"(A) allows televisions that do not have adequate channel tuning capability to receive the service offered by cable operators; or

"(B) decodes signals that cable operators deliver to subscribers in scrambled form.

"(2) The term 'VCR' means a videocassette recorder.

"(d)(1) Cable operators shall not scramble or otherwise encrypt any local broadcast signal, except where authorized under paragraph (3) of this subsection to protect against the substantial theft of cable service.

"(2) Notwithstanding paragraph (1) of this subsection, there shall be no limitation on the use of scrambling or encryption technology where the use of such technology does not interfere with the functions of subscribers' televisions or VCRs.

"(3) Within 180 days after the date of enactment of this section, the Commission shall issue regulations prescribing the circumstances under which a cable operator may, if necessary to protect against the substantial theft of cable service, scramble or otherwise encrypt any local broadcast signal.

"(4) The Commission shall periodically review and, if necessary, modify the regulations issued pursuant to this subsection in light of any actions taken in response to regulations issued under subsection (i).

"(e) Within 180 days after the date of enactment of this section, the Commission shall promulgate regulations requiring a cable operator offering any channels the reception of which requires a converter box to—

"(1) notify subscribers that if their cable service is delivered through a converter box, rather than directly to the subscribers' televisions or VCRs, the subscribers may be unable to enjoy certain functions of their televisions or VCRs, including the ability to—

"(A) watch a program on one channel while simultaneously using a VCR to tape a different program on another channel;

"(B) use a VCR to tape two consecutive programs that appear on different channels; or

"(C) use certain television features such as 'picture-in-picture';

"(2) offer new and current subscribers who do not receive or wish to receive channels the reception of which requires a converter box, the option of having their cable service installed, in the case of new subscribers, or reinstalled, in the case of current subscribers, by direct connection to the subscribers' televisions or VCRs, without passing through a converter box; and

"(3) offer new and current subscribers who receive, or wish to receive, channels the reception of which requires a converter box, the option of having their cable service installed, in the case of new subscribers, or reinstalled, in the case of current subscribers, in such a way that those channels the reception of which does not require a converter box are delivered to the subscribers' televisions or VCRs, without passing through a converter box.

"(f) Any charges for installing or reinstalling cable service pursuant to subsection (e) shall be subject to the provisions of Section 623(b)(1).

"(g) Within 180 days after the date of enactment of this section, the Commission shall promulgate regulations relating to the use of remote control devices that shall—

"(1) require a cable operator who offers subscribers the option of renting a remote control unit—

"(A) to notify subscribers that they may purchase a commercially available remote control device from any source that sells such devices rather than renting it from the cable operator; and

"(B) to specify the types of remote control units that are compatible with the converter box supplied by the cable operator; and

"(2) prohibit a cable operator from taking any action that prevents or in any way disables the converter box supplied by the cable operator from operating compatibly with commercially available remote control units.

"(h) Within 180 days after the date of enactment of this section, the Commission, in consultation with representatives of the cable industry and the consumer electronics industry, shall report to the Congress on means of assuring compatibility between televisions and VCRs and cable systems so that cable subscribers will be able to enjoy the full benefit of both the programming available on cable systems and the functions available on their televisions and VCRs.

"(i) Within 1 year after the date of enactment of this section, the Commission shall issue regulations requiring such actions as may be necessary to assure the compatibility interface described in subsection (h).".

Mr. LEAHY. Mr. President, this is a bill that is long overdue. Thanks to the concerted efforts of the distinguished floor managers, Senators INOUYE and DANFORTH, Senator HOLLINGS and others including Senators GORE, METZENBAUM, and LIEBERMAN, we are now within reach of passing a bill that can bring relief to beleaguered cable consumers and a much needed boost to competition.

THE CABLE MONOPOLY

Let there be no mistake. The root of the problem in the cable industry is that cable is an unregulated monopoly, and you do not need to be a rocket scientist to know that that means trouble. It means prices on a one-way ticket up. It means service that ranges from mediocre to worse. It means cable companies that can treat you any way they want with no fear of a competitor that will sell you a better product and no fear of a cop on the beat to keep the monopoly in line.

Just ask the citizens of Vermont, where cable rates rose 48 percent between 1986 and 1990; or the citizens of Newark, NJ, where cable rates rose 130 percent in that period; or the citizens of Jefferson City, MO, where rates rose 186 percent.

The industry's voluntary actions and self-imposed service standards do not change a thing. An unregulated monopoly will, as sure as the Sun rises, revert to form—raising prices and cutting corners with no fear of a competitive response. And you can bet that if the threat of this bill had not been hanging over cable's head for the past 2 years, we would not have seen even the modest steps that cable is so quick to boast about.

THE CABLE BILL—S. 12

S. 12 is a good bill that strikes the right balance between regulation and competition. It regulates rates only as long as a cable system is a monopoly, phasing out regulation as soon as bona fide competition takes hold. It encourages competition by telling programmers that are controlled by cable operators that they must sell their programming to cable competitors at a fair price. If competitors like satellite and wireless cannot get fair access to crown jewel programming like TNT, CNN, or Showtime, then competition is doomed.

THE CABLE SUBSTITUTE

Cable, meanwhile, is supporting a Trojan horse substitute, hoping to derail this legislation. The substitute itself is flatly unacceptable. It would gut the rate regulation provisions of S. 12 and eliminate the procompetitive provisions that guarantee programming to satellite and wireless.

Meanwhile, cable acts as if requiring it to make its programming available at a fair price to potential competitors is a monstrous injustice. But the industry has a short memory. In 1976, if Congress had not granted cable the right to transmit broadcast programming for a small fee, the industry never would have made it out of the cradle. Cable was able to grow precisely because it was given access to programming that others created. Now that the shoe is on the other foot, cable operators howl at the idea that they should make programming available to upstart competitors.

Nor is there a God-given right for cable to be vertically integrated in the first place. Congress could—and perhaps should—have proclaimed long ago that cable operators could not own or control programmers. If cable systems and cable programmers had remained in separate hands, many of the anticompetitive problems we now face could have been avoided. But given the vertically integrated world we live in now, with most top programmers owned by cable operators, the least we can do is demand that cable's competitors have access to programming on fair terms. To do less is to consign those competitors to defeat and America's consumers to the whims of monopoly power.

CABLE EQUIPMENT BILL

Mr. President, the main thing that the absence of competition allows a monopoly to do is ignore the best interests of its customers. We all know that when competition is lively and vigorous, companies leapfrog each other to provide consumers the best

and most user-friendly choices. Look at computers. Look at long distance telephone service. Look at televisions and VCR's. But when the consumer is captive, monopolies can do what is best for monopoly and let the customer be damned.

That is exactly what has happened in the world of cable equipment. Cable operators have every right to try to protect the security of their premium programming. But they show little regard for their customers when they choose a means of protection that will sabotage the customer's television and VCR. Thanks to the converter box, you will not be able to watch a program on one channel while taping another; or tape two consecutive programs on different channels; or take advantage of the picture-in-picture feature on your new cable-ready TV; or even use the TV's remote control unit. In other words, you will not be able to use any of those features you paid for. But as far as the cable company is concerned, that is your hard luck.

It is not as though scrambling were the only way for cable operators to protect their premium channels. Other means of signal protection exist such as trapping. Moreover, there are new technologies on the drawing board now that may make it possible for companies to scramble without disabling the functions of televisions and VCR's. But with no need to beat out competitors or satisfy regulators, cable has had no incentive to worry about the customer's problems—and will continue to have no incentive unless we provide it.

In November, I introduced legislation to begin correcting the cable equipment problem and I am today offering the substance of my bill as an amendment to S. 12.

My amendment is designed to create more user-friendly connections between cable systems on the one hand and televisions and VCR's on the other so that consumers will actually get to use the TV and VCR features they paid for.

It would provide an incentive to cable operators to use technology that does not interfere with the functions of televisions and VCR's;

It would require cable operators to give customers the option of having all unscrambled channels connected directly to a cable-ready TV or VCR, avoiding the converter box wherever possible;

It would require cable operators to allow customers to buy their own remote control units from any source rather than having to pay $3 or $4 a month—month after month, year after year—for a remote control that probably does not cost more than $30; and

It would direct the FCC, in consultation with representatives of the cable and consumer electronics industry, to devise a means of assuring that cable systems and televisions and VCR's will connect in a compatible manner that allows consumers to get the benefit of the programming available on cable and the features available on televisions and VCR's.

The effort to create a user-friendly connection between cable systems and consumer electronics is more important now than ever before. New technologies that are beginning to come on line—such as digital compression, which packs more programs onto a single channel—will force more and more consumers to rent converter boxes and lose the full benefits of their televisions and VCR's. The time to insist on new standards that will create a consumer-friendly environment for years to come is now.

CONCLUSION

President Bush has been bending over backward lately to show that he understands times are tough and that he cares about hard-pressed average Americans. Here is an opportunity to show it. I realize, of course, that our country's economic problems are much bigger than cable television. But 55 million cable households have been paying too much to get too little for too long. Every month, year in and year out, they are getting ripped off by inflated cable bills. Instead of trying to gut this legislation, instead of promising to veto it, instead of standing up for America's No. 1 unregulated monopoly, let the White House show it cares by standing up for the American consumer.

Mr. LEAHY. Mr. President, I ask unanimous consent that the distinguished Presiding Officer, Senator GORE, be added as a cosponsor of my amendment.

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

Mr. LEAHY. I yield to the Senator from Hawaii.

Mr. INOUYE addressed the Chair.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, I have had the opportunity to discuss this measure with the author of the bill, and we are prepared to accept it.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. DANFORTH. The amendment is acceptable, Mr. President.

Mr. GORE. Mr. President, I want to offer my strong support to the Senator from Vermont for his amendment. He was among the first to realize that the practice of local cable scrambling would be a devastating blow to television consumers everywhere.

Cable-ready televisions and video recorders have been a real boon for consumers, but that technology is in serious jeopardy.

It is obvious what is going on here, cable operators don't like consumers having some control over the cable signal once it comes into their homes, so they plan to require that the consumer completely rewire his home and then rent a decoder box from the cable company, in some cases at an outrageous price.

Moreover, it is patently clear to those of us concerned about the siphoning of programming from free, over-the-air television to fit cable's pay-per-view strategy. The Congress must soon take a very close look at this corporate strategy, one that may be inherently anticonsumer. I for one plan to ask the chairman of the Commerce Committee, and the chairman of the Communications Subcommittee to hold hearings this year on the program siphoning issue, in particular the problem of sports siphoning.

For now, Mr. President, Senator LEAHY'S amendment is a solid step in the right direction, to slow this aggressive effort by the cable companies to render obsolete millions of televisions and video recorders in their pursuit of new cash-flow.

The PRESIDING OFFICER. Is there further debate on the amendment?

If not, the question is on agreeing to the amendment.

The amendment (No. 1504) was agreed to.

Mr. LEAHY. Mr. President, I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LEAHY. I thank the distinguished Senator from Florida for his courtesy and the distinguished managers of the bill for their typical and well-established courtesies.

Mr. PRESSLER addressed the Chair.

The PRESIDING OFFICER. The Senator from South Dakota is recognized.

Mr. PRESSLER. Mr. President, if indeed, we are waiting for a few minutes, I ask unanimous consent to make a statement on S. 12.

The PRESIDING OFFICER. The Senator is entitled without unanimous consent to speak on the bill.

The Senator from South Dakota is recognized.

Mr. PRESSLER. Mr. President, I rise in support of S. 12, the Cable TV Consumer Protection Act. This legislation represents a fair and comprehensive approach to the problems faced by millions of consumers. I want to thank Senator DANFORTH for his personal leadership on this issue. And without the guidance of Chairman HOLLINGS and Senator INOUYE, consideration of this important consumer legislation would not have been possible.

This bill contains many provisions I have included to prohibit cable television operators from discriminating against smaller cable operators, or other multichannel video programming distributors, with regard to price, terms, conditions, or availability of programming.

Small, independent cable operators, home satellite dish distributors, and

wireless cable operators have had to compete for years against the larger cable television operators for programming on an unfair playing field. The vertically integrated multisystem operators [MSO's] have long had a lock on programming. Outsiders find there is no way to join the MSO/video programmer club.

The cable giants have a strangle hold on programming and will not let go.

Access to programming is a serious problem for rural South Dakotans. Some programmers have absolutely refused to make programming available to those home satellite dish distributors who serve rural backyard dish consumers. Discriminatory pricing and refusals to deal with rural home satellite dish owners penalize consumers in the smallest towns and the farms and ranches in south Dakota and America. Today, satellite dish consumers pay 500 percent more for television programming than consumers using other technologies.

Sections 640 and 641 of this bill comprehensively address this problem by ending the practices of discriminatory pricing and refusals to deal with rural home satellite dish consumers. These sections are by far the most important portions of this bill. They will foster competition. Let me explain exactly what these sections will do.

First, national programmers affiliated with cable operators would be barred from refusing to deal with other multichannel video providers. They would be required to deal with groups of small and independent cable operators which form purchasing groups, on terms similar to those given to the giant cable systems. These provisions are procompetition.

Let me just say, that if all States had cable operators like my friends in South Dakota, we would not be here today. The problem we face, however, is that large cable TV operators have created a unregulated monopoly—a monopoly accountable to no one which competes with no one. S. 12 is needed to increase competition and restrain cable rates.

As a Republican, I favor vigorous and effective competition as opposed to regulation. Consumers favor competition as well. In Milbank, SD, we have two competing cable TV operations. As a result, cable subscribers in Milbank pay 50 percent less for their cable service than surrounding communities.

I, too, had shared the desires of Senator DANFORTH and Chairman HOLLINGS to examine closely any serious proposals or alternative approaches. The alternative legislation that I understand will be offered later in the debate, however, says nothing about program access for many of South Dakota's small and independent cable operators and rural home satellite dish owners across America.

This bill also contains a carriage option provision, which I support. The must-carry provisions of S. 12 are very clear. Implementation of local signal carriage rules is essential for the preservation and further development of services which local broadcasters have initiated.

I urge my colleagues to support our efforts to bring competition to the cable marketplace.

What we have now is an unregulated monopoly. We want to have competition. Indeed, there have been many good things done by the cable industry. They have wired our Nation in part. There are positive aspects. But we can have an even more positive outcome with the passage of this legislation.

Mr. President, I ask unanimous consent to have an editorial from the Wakonda Times printed in the CONGRESSIONAL RECORD.

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

[From the Wakonda (SD) Times, Jan. 16, 1992]

CABLE TV INDUSTRY NEEDS COMPETITION

It's the business of business to make money, and it's difficult, even un-American to complain when a business succeeds and is profitable. Indeed, the more profitable the better, according to the great American tradition.

There are some exceptions. We regulate the profits of those industries that clearly monopolize the marketplace. For the most part, this regulation focuses on utilities, such as the telephone company, natural gas and electric suppliers where the demand is inelastic. That is, the price can skyrocket but consumer use remains stable.

And in some instances, such as natural gas, it is beneficial to a community to have but one supplier. Duplicating the distribution system of a natural gas pipeline would be an inconvenience (torn up streets, for example) and inefficient.

The South Dakota Public Utilities Commission oversees regulated industries. It sets a reasonable profit margin to protect consumers—approximately 12 percent—and carefully scrutinizes the companies financial records to determine if they are being run efficiently and in the best interest of consumers.

Which brings us to the cable TV industry.

It is arguable whether cable TV is a "necessary" industry for consumers. Laska Schoenfelder, a member of the PUC, compares cable TV to the telephone. While most people could get along without telephones or cable TV, they are inclined to retain those services once they are accustomed to them.

There is little argument, however, on the issue of whether cable TV is a monopoly. In South Dakota, only one city, Milbank, has two competing companies.

We don't know for sure whether these monopoly companies are gouging their customers. Since cable TV is unregulated, they do not have to disclose their financial records or defend their profit margins to any public body.

This unusual situation—an unregulated monopoly selling a much sought after service—has created some interesting facts and figures, and raises an interesting question.

Why are the rates of South Dakota's largest cities so similar? The companies serving Huron, Brookings, Mitchell, Aberdeen, and Sioux Falls charge between $19 and $20 per month for basic service. Yankton and Vermillion get similar service for $22.

In that one instance where there is competition, in Milbank, cable TV subscribers there get a nearly identical package as Vermillion subscribers, but for $10.45 a month less, a savings of almost 50 percent.

Another interesting example is Beresford, where cable TV service is provided by the city. Subscribers there get 22 channels for $12.55. That's a good price by South Dakota standards. Furthermore, the Beresford cable TV systems pays its own way and also provides a tidy profit ($90,000 in 1991) for the city.

However, as we reported last week, state law currently does not allow most municipalities to enter the cable TV business. That law should be changed. If there is anything the TV industry needs in South Dakota, it's at least the possibility of competition.

Furthermore, in a city like Vermillion which is property tax poor and sees many of its sales tax dollars drained off by malls in Sioux City and Sioux Falls, cable TV could be a service that the city could provide at reasonable rates and also produce a profit to fund city services, such as police and fire protection, that are not revenue producing in themselves.

One thing is for certain, the cable TV industry needs more competition and more accountability.

AMENDMENT NO. 1503, AS MODIFIED

The PRESIDING OFFICER (Mr. LAUTENBERG). The Senator from Missouri.

Mr. DANFORTH. Mr. President, the minority leader is not present on the floor. I do not know of anyone who wants to speak on this amendment further, and therefore it would be my suggestion we proceed to vote on the Graham amendment.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. BREAUX. Mr. President, I ask unanimous consent that the letter I earlier referred to from the Consumer Federation of America be printed in the RECORD.

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

CONSUMER FEDERATION OF AMERICA,
Washington, DC, June 19, 1991.

Hon. DANIEL INOUYE,
Senate Communications Subcommittee, Washington, DC.

DEAR SENATOR INOUYE: I am writing on behalf of the Consumer Federation of America (CFA) to express our position on full-time, over-the-air home shopping stations. We commend you and your Subcommittee colleagues for examining the public interest obligations of broadcasters, including home shopping licensees.

CFA is concerned about the use of a scarce public resource—the public's airwaves—for full-time home shopping. In exchange for the free use of this resource, broadcasters agree to serve as "public trustees," and promise to place the public's needs ahead of their own. Home shopping broadcasters turn that obligation on its head. The vast majority of their "programming," is nothing more than the offering of goods for sale. It does not benefit the public. On the constitutional hierarchy, such commercial speech falls far below the value placed on speech about issues and ideas. Even the worst entertainment programming has some artistic merit, and is preferable to non-stop sales pitches.

The FCC has been unwilling to address this problem. Far from placing limits on such overcommercialization, the Commission has recently interpreted the new Children's Television Act of 1990 as exempting home shopping formats from the commercial time limits imposed on programs directed at children.

Unfortunately, the FCC's approach to full-time over-the-air home shopping is a small part of a much larger problem. Continued congressional acquiescence will send the wrong message to the FCC. We therefore urge you to take steps to require the FCC to allocate limited broadcast spectrum to broadcasters that serve the public's interest and not their own.

Sincerely,

GENE KIMMELMAN,
Legislative Director.

Mr. BREAUX. Mr. President, I move to table the pending amendment.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the amendment, as modified, of the Senator from Florida [Mr. GRAHAM]. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Iowa [Mr. HARKIN] and the Senator from Nebraska [Mr. KERREY], are necessarily absent.

The result was announced, yeas 33, nays 64, as follows:

[Rollcall Vote No. 10 Leg.]

YEAS—33

Baucus	Dixon	Pryor
Bentsen	Durenberger	Roth
Biden	Ford	Sanford
Boren	Heflin	Shelby
Bradley	Helms	Simon
Breaux	Johnston	Smith
Bumpers	Kassebaum	Specter
Burns	Kasten	Symms
Coats	Lott	Wellstone
Cochran	Nickles	Wirth
Daschle	Nunn	Wofford

NAYS—64

Adams	Glenn	Mikulski
Akaka	Gore	Mitchell
Bingaman	Gorton	Moynihan
Bond	Graham	Murkowski
Brown	Gramm	Packwood
Bryan	Grassley	Pell
Burdick	Hatch	Pressler
Byrd	Hatfield	Reid
Chafee	Hollings	Riegle
Cohen	Inouye	Robb
Conrad	Jeffords	Rockefeller
Craig	Kennedy	Rudman
Cranston	Kerry	Sarbanes
D'Amato	Kohl	Sasser
Danforth	Lautenberg	Seymour
DeConcini	Leahy	Simpson
Dodd	Levin	Stevens
Dole	Lieberman	Thurmond
Domenici	Lugar	Wallop
Exon	McCain	Warner
Fowler	McConnell	
Garn	Metzenbaum	

ANSWERED "PRESENT"—1

Mack

NOT VOTING—2

Harkin Kerrey

So the motion to lay on the table the amendment (No. 1503) as modified, was rejected.

Mr. GRAHAM. Mr. President, I ask unanimous consent to vitiate the yeas and nays which have been ordered on the second-degree amendment.

Mr. HELMS. Mr. President, reserving the right to object.

The PRESIDING OFFICER. Is there objection?

Mr. HELMS. Reserving the right to object, the Senator may not wish to vitiate the yeas and nays yet, because I have a second-degree amendment which I send to the desk.

I have no objection.

The PRESIDING OFFICER. The second-degree amendment is pending at this time.

Mr. GRAHAM. I renew my unanimous-consent request to vitiate the yeas and nays on the second-degree amendment.

The PRESIDING OFFICER. Without objection, the request to vitiate the vote is agreed to.

AMENDMENT NO. 1503 TO AMENDMENT NO. 1502

Mr. GRAHAM. Mr. President, I ask for a rollcall vote on the second-degree amendment.

The PRESIDING OFFICER. Would the Senator repeat his request?

Mr. GRAHAM. If there is no further debate on the second-degree amendment, I ask for a rollcall or a voice vote on the second-degree amendment.

The PRESIDING OFFICER. Thank you. Is there any further debate?

If not, the question is on agreeing to the amendment.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, I wonder if I might use 5 minutes of my leader time.

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

THE STATE OF THE UNION ADDRESS

Mr. DOLE. Mr. President, last night, George Bush came through in the clutch. Despite all the high expectations, and all the hype, and all of last night's standard partisan criticism, the President delivered an extraordinary State of the Union Address.

It had real substance, real vision, and real solutions for real people. The fact is, the President is the only one in town with a comprehensive plan for America—for the economy, for American workers, and for the free world.

Now that they have heard from the President, the American people are waiting to hear from Congress. The President is right—Congress should not keep them waiting.

This morning, President Bush demonstrated his commitment to getting the job done for America—and getting it done quickly—by coming to Capitol Hill to meet with the leaders of Congress, on both sides of the aisle, and both sides of the Capitol.

I can report today that after the President's meeting with Republican Senators, our side is strongly behind the President and his ambitious agenda. I was impressed by our group's extraordinarily high level of unity, optimism, and enthusiasm to get to work.

We told the President we're ready to roll up our sleeves and help him meet his March 20 deadline for enactment of his economic program. Some critics may not think the deadline is important, but I can tell you, President Bush is committed to it and so are we.

As I have said before, the American people are in no mood for business as usual from Congress. They want action, they want it quickly, and they will be watching Congress to make sure we deliver. Now it is time for Congress to live up to some high expectations, for a change.

Mr. President, I thank my colleagues. I yield the floor.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I ask unanimous consent that I might be allowed to proceed for not more than 5 minutes as if in morning business.

Mr. GRAHAM. Mr. President, reserving the right to object, the pending business, I believe, is the second-degree amendment on the Breaux first-degree amendment. Is that correct? I believe that the objection to a voice vote on that second-degree amendment has now been removed. I would ask that we proceed with the pending business.

The PRESIDING OFFICER. The Senator from Nebraska has the unanimous-consent request. Is there an objection to that?

Mr. EXON. I have made a request for 5 minutes as if in morning business to respond to the statement that has just been made by the Republican leader.

Mr. GRAHAM. If the Senator will just hold for 10 seconds, and allow us to have the voice vote on the second-degree amendment, then I would have no objection.

CABLE TELEVISION CONSUMER PROTECTION ACT

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. Is there further discussion about the amendment?

If not, the question is on agreeing to the amendment.

The amendment (No. 1503) was agreed to.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GRAHAM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. EXON addressed the Chair.

ORDER OF PROCEDURE

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. I ask unanimous consent to proceed as if in morning business for no longer than 5 minutes.

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

THE STATE OF THE UNION ADDRESS

Mr. EXON. Mr. President, I just listened to my good friend from Kansas, the Republican leader, imploring everyone to get behind the President's effort. I guess a meeting was held with the President today by some of the members of the Republican Party, and it is not surprising that they pledged to get behind the President's efforts.

I, too, want to work with the President, as I think all on this side do. But I would simply say that I would like to start out by saying that I have taken a look at the defense numbers and I am fearful that many Members of the House and Senate and the public at large, when they heard the announcement that $50 billion was going to be slashed from the defense budget from the President's lips last night, automatically assumed that since we have had a defense budget in the range of $290 to $295 billion in outlays in 1992, that $50 billion would drop it down into the $240 to $245 billion range.

I advise all now that I am not ready to accept the President's proposals for lots of reasons; not the least of which is that the peace dividend that everyone assumes was announced last night is not a peace dividend.

The facts of the matter are that in 1992 we had outlays of about $295 billion in the 050 defense part of the budget. Under the President's budget proposal that was submitted to us today, after taking into consideration the $50 billion slash, the outlays in 1997 will be $289 billion. That, therefore, turns out to be less than a 3-percent reduction in outlays for defense by the year 1997.

That certainly, in my opinion, Mr. President, is not going to pay for the whole mass of programs that the President announced last night that are obviously going to cost in the billions and billions and billions of dollars. The assumption was that the "peace dividend" was going to pay for these programs, so that we could agree that the President will not further raise the deficit. Nothing could be further from the truth as reality will eventually show.

The $50 billion that the President announced last night in slashes in defense was not from the present defense numbers. At least $46 of the $50 billion was a cancellation of programs that were in the works, programs that are going to be canceled, most of which I agree with from what the President told us last night. But it is not going to create a peace dividend to pay for the program and reduction in revenues that the President outlined.

So before people jump on the bandwagon, before people say, oh, yes that is a very great program and we could take that $50 billion as a peace dividend and cash in on it on all of these good programs, I think we should take a look at the numbers. I would only suggest caution.

I thank the Chair. I thank my colleagues.

Mr. HOLLINGS addressed the Chair.

Mr. MITCHELL addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. MITCHELL. Mr. President, there will be ample opportunity for a full debate on the substance of the proposals made last evening by the President here in the Senate.

We welcome those proposals, and we will, of course, accord them the careful consideration to which they are entitled. It is not my intention at this time to debate the substance of those proposals. I will do so at an appropriate time, when they are before the Senate.

I would like to address the subject which has been raised by the distinguished Republican leader, my friend and colleague, about prompt action to deal with the recession, and to encourage recovery and long-term growth.

I told the President this morning that we would act promptly. We will act as promptly as possible. We will move forward to deal with the very serious problems facing our economy, in an attempt to encourage job creation, recovery from the recession, and sustained long-term growth, which is the objective and the goal we all share. We will do so, not because of any deadline, but rather, because it is what is needed in our country.

When we talk about promptness in responding to the recession, we must keep in perspective the circumstances which have led us to this day. There has been a very lengthy delay in responding to this recession, a delay of 21 months, caused entirely by the President's inaction on the subject. For a full 18 months, President Bush and his administration denied that the country was in recession. Until just a few months ago, the President stated, and repeated over and over again, that there was no recession.

Since it was the administration's position that there was no problem, they, of course, offered no solution. Finally, when it was obvious to all Americans that the country was indeed in recession—in the longest recession since the Second World War—the President acknowledged the existence of the recession. But at that point he asked the Congress and the American people to wait for 3 months, until he figured out what to say and what to propose last evening.

We honored that request. The President did then take 3 months to figure out what to say and what to propose and made his proposal last evening, and accompanied it with the demand for action and a deadline, unilateral, not the basis of any consultation or discussion with any member of the congressional leadership, as far as I know—certainly not with myself.

So, Mr. President, I want to make clear that we want to act, we intend to act, and we will act, not because of this so-called deadline, but because it is the right thing to do. It is what the economy needs. It is what the country needs.

I hope that, in the course of the coming months, we will have the opportunity to debate fully and carefully each and every one of the proposals made, to evaluate them in the light of current circumstances, and where we disagree—as is inevitable in the democratic process—to have the opportunity to offer constructive alternatives. We look forward to that debate, we look forward to action, and we look forward, most of all, to improving the status of the economy and the well-being of the American people.

I yield the floor.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

CABLE TELEVISION CONSUMER PROTECTION ACT

The Senate continued with the consideration of the bill.

Mr. HOLLINGS. Mr. President, I rise in support of the Cable Television Consumer Protection Act of 1991. Passage of this bill is necessary to respond to the needs of the cable consumer in the ever-changing world of communications.

I have followed the communications industry for decades and am continually impressed by its progress and achievements. Who would have thought a decade ago that over half of the American public would be willing to pay to watch television? After all, we had the best television in the world, and we could receive it for free. Yet, it is clear that the public sees something special in cable television—over 60 percent of American homes now subscribe

to cable, and people are willing to pay a significant amount to receive it.

This tremendous growth in the cable industry has produced much of value. Most cable subscribers have access to 36 channels, and this amount is steadily increasing. Many systems already offer twice as many channels as before enactment of the Cable Communications Policy Act of 1984—the 1984 act. This increase in capacity has been accompanied by a great increase in the programming that is offered, and here too, more is on the horizon.

This growth also has produced significant problems, however, and these problems cannot go unnoticed. Cable is no longer an optional luxury; it has become an integral part of the communications network and will even more so in the future as more information and entertainment programming are transmitted via fiber optic cables. In recent years, the cable industry has taken advantage of this privileged position as the sole distributor of America's programming. The Commerce Committee has been presented with mountains of evidence of unreasonable rate increases, customer service problems, and various anticompetitive market practices. I know that certain of these problems are the result of bad actors, but nonetheless, we cannot ignore these problems.

Recently, I learned of a situation in my own State of South Carolina involving two communities next door to one another, served by the same cable company. The citizens of one community are paying more for much less service than those in the other community—in Greer, SC, Cencom Cable provides 36 channels of programming for $23.95, while in Mauldin, SC, customers pay $25.95 for only 21 channels of programming. This problem is not limited to one community. A recent constituent, who in the last 3 years has lived in three different communities in the Myrtle Beach area, informed me that in one community she was charged $15 per month for 45 channels, in another community 13 miles away she was charged $15 per month for 25 channels, and in a third community she was charged $20 per month for 14 channels. She has a right to be outraged and frustrated. Everyone is frustrated, but there is little that the local authorities can do about these discriminatory practices once the franchises are awarded. We must ensure that these examples of abuse can be corrected.

There is more here than just isolated actions by certain bad actors. The cable industry is no longer a second-class video distributor that only retransmits broadcast programming. It now serves more than half of American homes, and that amount is increasing. Furthermore, it has de facto exclusive franchises. It appears well on its way to becoming the dominant video distributor, and we must be attentive to the problems that monopolies create.

When the cable debate first began 4 years ago, I was skeptical of the need for new legislation. The 1984 act seemed to have succeeded in achieving many of its goals. However, I have become convinced that there is a need to adjust the environment in which cable operates. S. 12 responds to the legitimate needs of consumers for lower and more reasonable rates, better customer service, and the need for greater competition. S. 12 does not overturn the 1984 act; it is a reasonable bill intended to address the legitimate concerns about the provision of cable service.

Last Congress, under the leadership of Senator INOUYE, the chairman of the Communications Subcommittee, the Commerce Committee began to examine what should be done to address abuses by the cable industry and the concerns raised by consumers. The committee carefully and deliberately compiled an extensive record through numerous hearings and meetings. The committee then drafted legislation that represented a true consensus of the committee's members.

In fact, that legislation was reported by the committee by a vote of 18 to 1. The legislation we are considering today is very similar to that bill. Like its predecessor, it, too, was approved last year with the strong committee vote of 16 to 3. Bipartisan support. Straight across the board.

This legislation reflects my concerns and those of my colleagues about the need to have some control over rates and to ensure that customers are properly served. While we want to encourage the continued growth of programming, the increase in channel capacity, and the development of new technologies, we must prevent monopolistic practices.

The cable industry has made several arguments against the bill. First, it has been asserted that the cable industry is not a monopoly. Cable systems argue that they face some competition from over-the-air broadcasters and from video rental stores. However, most often there exists no multichannel competitor, and most people subscribe to cable because of the wide group of satellite-delivered signals carried by their local cable operator. Even the cable industry recognizes this fact. Recently Warner Cable sued the city of Niceville, FL, to stop the city from following through on a proposal to build its cable system to compete with the Warner system. This company did not want competition. With this dominance comes monopolistic abuses of consumers.

Even the largest cable operator in the country says cable is a monopoly. In a brief filed in Federal Court, in a 1989 case, TCI versus Commissioner of the Internal Revenue Service, TCI said:

> The value of a cable franchise follows from the protection from competition that it provides the holder. Since the holder will have a monopoly, the prospective cable operator would be able to generate a cash flow that would result in a supernormal return on his investment * * *.

Some contend that consumers have other choices, and that they do not have to subscribe to cable. Again, even the cable industry does not see it that way. Quoting once more from TCI's brief before the court, TCI stated:

> There is no good will in a monopoly. Customers return not because of any satisfaction with the monopolist, but rather because they have no other choices.

In addition, it has been asserted that cable subscribers are no longer complaining of poor service and high rates. However, everywhere I travel in South Carolina, I hear complaints about cable's treatment of its customers, complaints that the cable industry is concerned about payment coming first and the customer last. In 1990 alone, cable rates across the country rose an average of 13.1 percent, more than twice the rate of inflation.

Last year, in response to congressional action on cable legislation, the cable industry suddenly came to life and instituted voluntary customer service standards. Voluntary standards are nice, but they are only voluntary and cannot be relied upon to protect the consumer. So far these standards do not seem to be working. One of my constituents wrote to tell me that he notified the cable company that he wanted to terminate his service because of the constant rate increases. The company did not respond for 6 months. He finally cut the cable himself because he was afraid that he would be charged with stealing the cable operator's programming. So much for voluntary service standards.

S. 12 requires that the FCC adopt minimum standards that will apply to all cable operators. The need for such standards is further evidenced by the activities of one cable operator in signing up customers for a new service, the infamous Encore Channel, without their knowledge, and then simply sending a bill to the customers for the service they did not order in the first place. This kind of behavior cries out for correction.

It has been argued that S. 12 will allow cities to micromanage cable marketing and practices. This is not a valid argument. S. 12 requires the FCC to adopt national standards for regulation of basic cable rates and permits the cities to regulate those rates only within the national guidelines. Moreover, the bill permits the FCC, but not the cities, to regulate rates for tiers of programming other than the basic tier only if a prima facie case is made that a rate increase is unreasonable. Moreover, there is no regulation of programming services offered on a per channel basis, such as HBO and Showtime.

Turning to the access to programming provisions of this legislation, S.

12 prohibits vertically integrated cable programmers from unreasonably refusing to deal with other multichannel video distributors. I must say that I had some reservations about these provisions. I recognize that cable operators created many of the program services that are available today when no one else would. However, I also recognize that there are times when steps must be taken to help promote competition in the marketplace. For example, in the late 1950's cable operators were given the right to carry broadcast stations for free, in part, to help stimulate competition to broadcast stations. In the 1970's, in another attempt to stimulate competition, the FCC adopted the financial interest and syndication rules which limit the ability of the networks to own and control programming. In the 1990's we find that competition to cable is stifled by the inability of competitors to obtain programming. Two communities in South Carolina have recently faced this very problem. In those communities, Orangeburg and Bennettsville, the existing cable operators have entered into exclusive agreements with certain program services, and, as a result, the competing cable operators cannot get access to those services. This is frustrating the development of competition, necessitating the access to programming provisions in S. 12.

Congress passed the 1984 act in order to spur the development of an exciting and necessary technology. I supported that legislation—Senator INOUYE and I were the original cosponsors in order to deregulate cable—and the goals of that legislation seem to have been realized. The cable industry is well on its way to being fully grown and is capable of standing up to anybody. Now Congress must act to meet the future needs and goals of our national communications policy. In 1992, that means meeting the desires, and protecting the rights of consumers, while still encouraging the growth of an industry that provides a service which the public wants. S. 12 does just that.

I believe that we need S. 12. It establishes national guidelines for rate regulation and customer service, promotes competition in the multichannel video marketplace, and ensures consumers continued access to their local broadcast signals. The most ironic aspect of the cable industry's opposition to floor consideration of this legislation is that many of the provisions in this legislation are the result of the Commerce Committee's discussions with the cable industry last Congress when we were considering S. 1880. Ironically, S. 12 contains some of the provisions that the cable industry agreed with only 2 years ago.

The bill we are considering today seeks the proper balance among the competing objectives of protecting consumers and encouraging competition, while at the same time permitting the cable industry to grow and prosper.

It represents a substantial effort on the part of all the members of the committee. And I particularly thank and hail the work of both Senator INOUYE and Senator DANFORTH for their leadership and hard work on this bill.

I urge my colleagues to support this very important legislation.

And, by way of emphasis, Mr. President, it was Senator INOUYE and myself who led the way for cable over many, many years. I authored the pole attachment bill. We went into the telephone companies and said no use to get the rights of way. We went into the cities and said no use to get addtional rights of way. And we led the way for the expansion of the cable industry and its prosperity. And there are no regrets about it.

I like to see people make money. I like to see more programming. But when the cable industry runs advertisements that these regulations are going to increase cable rates and that we are trying to run them out of business, they are misleading the public. They have been absolutely unreasonable throughout this process. We have invited them to work with us and they have declined all of our offers. They want a license to continue taking advantage of consumers through their monopoly power. I urge my colleagues to support this important consumer legislation.

I thank the Chair, and yield the floor.

The PRESIDING OFFICER. The Senator from North Carolina.

AMENDMENT NO. 1505 TO AMENDMENT NO. 1502

(Purpose: To provide notice to cable subscribers before they receive unsolicited sexually explicit programs)

Mr. HELMS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 1505 to amendment No. 1502.

Mr. HELMS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

At the end add the following new section:

SEC. . Section 624(d) of Communications Act of 1934 (47 U.S.C. 544(d)) is amended by adding the following new paragraph:

"(3)(A) If a cable operator provides a "premium channel" without charge to cable subscribers who do not subscribe to the "premium channel(s)", the cable operator shall, not later than 60 days before such "premium channel" is provided without charge—

"(i) notify all cable subscribers that the cable operator plans to provide a "premium channel(s)" without charge, and

"(ii) notify all cable subscribers when the cable operator plans to provide a "premium channel(s)" without charge, and

"(iii) notify all cable subscribers that they have a right to request that the channel carrying the "premium channel(s)" be blocked, and

"(iv) block the channel carrying the "premium channel" upon the request of a subscriber.

"(B) For the purposes of this paragraph, the term "premium channel" shall mean any pay service offered on a per channel or per program basis, which offers movies rated by the Motion Picture Association as X, NR–17 or R."

Mr. HELMS. Mr. President, I have been advised that the managers of the bill would accept this amendment, so I will not go into a great deal of detail. Yet, I want to make clear the purpose of the amendment.

The pending amendment will provide protection for children, and entire families, now being assaulted—and I use that word advisedly—assaulted by unsolicited sexually explicit movies on cable television.

Mr. President, why is this legislation needed? Well, recently, premium movie channels—for example HBO and Cinemax—have discovered a rather crafty marketing technique known as free weekends. Here is how it works.

HBO offers all cable subscribers free access to its movies for one weekend. They figure it is sort of like a sample of soap; people will try it and then they will buy it.

But the problem is that millions of families refuse to subscribe to these movie channels because they do not want their children to be exposed to the violence, the disgusting dialog, and the sexually explicit scenes so prevalent on HBO and other movie channels. In essence, the programmers want to do an end run around these decisions made by families who do not want this kind of material piped into their homes. That is the reason they do not subscribe to HBO or Cinemax—they know what is on there.

HBO, and Cinemax, for example, end up peddling their garbage where and when it is not wanted.

Just imagine, if you will, Mr. President, a mother who is watching television with her 7-year-old daughter. She believes she has taken the necessary precautions because her family does not subscribe to the movie channels. But she flips the channel and all of a sudden she is assaulted by scenes from a movie called "Slave Girls From Beyond Infinity." This happened, Mr. President.

Even worse, many young children will be exposed to these movies without the knowledge of their parents. Parents often do not know that the free weekend is available on their set.

A great many of the movies presented on movie channels are R-rated. As a matter of fact, during one recent HBO free weekend, 33 percent of the movies were rated R.

I am informed that a few of the movies border on soft core pornography.

Mr. President, the pending amendment will require that the programmers and the cable companies respect the subscribers' decision not to subscribe to the movie channel. So the pending amendment simply keeps a nonsubscribing family from being offended by unsolicited movies. The cable company must notify its subscribers that a so-called free weekend is coming up, and, further, that any subscriber wishing to do so has the right to require the cable company to block the undesired channel.

The subscriber must call the cable company and ask that the channel be blocked or that the cable company provide a lockout device.

I should point out that current law already gives cable subscribers the right to have a channel blocked if it is obscene or indecent. So this amendment merely makes sure that subscribers will be notified of these rights. You would be surprised how many subscribers do not know that they have that right.

Mr. President, this amendment does not prohibit free weekend promotions. Furthermore, it applies only to channels that carry X-rated or R-rated movies, so it does not apply to channels like the Disney Channel.

Some people, obviously, want to view these types of movies, which is why they subscribe to these premium movie channels. And that is OK. This amendment does not prevent their receiving the free weekends.

If a subscriber wants the free weekend, he or she does not have to do anything at all. It will come automatically, as it does now.

Mr. President, some may say I am trying to impose censorship—they always say that sort of thing—thereby endangering the protections of the first amendment.

The Supreme Court spoke just this week on the constitutionality of another little piece of legislation that I offered in this Chamber regarding Dial-a-Porn. The Supreme Court let stand the opinion by the appellate court, which found our Dial-a-Porn to be constitutional.

Mr. President, some may ask if there is any constitutional problem with this amendment. It is constitutional to allow a subscriber to voluntarily request that his line be blocked. This is already current law. The amendment merely requires cable operators to notify subscribers of their right.

This is similar to a law that allows people to prevent sexually explicit ads from entering their homes. The Supreme Court found that law to be constitutional in *Rowan* v. *United States Post Office*, 397 U.S. 728 (1970).

Mr. President, I ask unanimous consent that a letter addressing the constitutional issue be printed in the RECORD at the end of my remarks.

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

(See exhibit 1.)

Mr. HELMS. Mr. President, the amendment simply seeks to protect unsuspecting families and their children from ambush by these so-called premium channels. In a sense, it guarantees that such families will not be in danger of what I regard as a sneak attack. The amendment requries that families be forewarned about undesirable and unwanted programming.

Mr. President, I think the amendment speaks for itself. I am willing to have it approved on a voice vote, if that is the wish of the managers of the bill.

EXHIBIT 1

AMERICAN FAMILY ASSOCIATION LAW CENTER,
Tupelo, MS, January 23, 1992.

Senator JESSE HELMS,
Dirksen Senate Office Building,
Washington, DC.

DEAR SENATOR HELMS: Recently American Family Association brought to your attention a concern that had been expressed by several individuals concerning the presentation of promotional material on cable television. I would like to take this opportunity to submit additional information on this issue.

The proposed regulation has as its foundation a requirement of notice to cable subscribers that promotional material will be forthcoming on the cable system. This notice requirement is analogous to that required for individuals disseminating sexually oriented material through the mails. On such mailed matter the person sending the material must mark on the outside of the envelope that the advertisement is sexually oriented. 39 U.S.C. sec. 3010. A notice to cable subscribers in advance of the promotional period serves the same purpose.

Secondly, the proposal would allow the cable subscriber the ability to prevent unwanted material from entering his home through the promotional periods. The ability to prevent offensive and unwanted material from intruding into the home was addressed by the Supreme Court in *Rowan* v. *United States Post Office*, 397 U.S. 728 (1970), in the context of certain mail matters. I would direct you specifically to the Court's discussion regarding the rights of the householder in relationship to the rights of the sender of unwanted material. The Court stated:

"Weighing the highly important right to communicate, but without trying to determine where it fits into constitutional imperatives, against the very basic right to be free from sights, sounds, and tangible matter we do not want, it seems to us that a mailer's right to communicate must stop at the mailbox of an unreceptive audience." 397 U.S. at 736–37.

The same relationship between the rights of the cable subscriber and that of the cable operator exists. The cable subscriber who chose not to receive material presented on the premium channels retains that right to prevent such material from being shown in his home even if that material is delivered at no additional cost. The *Rowan* Court went on to state that "Nothing in the Constitution compels us to listen to or view any unwanted communication, whatever its merit; we see no basis for according the printed word or pictures a different or more preferred status because they are sent by mail. The ancient concept that 'a man's home is his castle' into which 'not even the king may enter' has lost none of its vitality, and none of the recognized exceptions includes any right to communicate offensively with another." 397 U.S. at 737.

The cable companies may continue to offer the promotional periods for the premium channels. They should, however, be required to give the subscribers notice of such upcoming periods and afford the subscriber a reasonable opportunity to continue to prevent the material from being disseminated into his home. The burden to the cable company is minimal and does not infringe upon its rights to communicate under the First Amendment.

Thank you for your attention to this matter. If I can be of assistance to you, please do not hesitate to contact me.

Sincerely,

PEGGY M. HODGES,
Legal Counsel.

The PRESIDING OFFICER (Mr. WIRTH). The Senator from Hawaii.

Mr. INOUYE. Mr. President, I have conferred with the author of the amendment. I have studied the amendment and I am prepared to accept it.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LOTT. Mr. President, I would like to take a moment to again compliment the distinguished Senator from North Carolina for moving into an area that clearly did need addressing. I think this is an amendment all Members can support. We have checked with the leadership on our side, on the committee, and we are prepared to accept the amendment also.

The PRESIDING OFFICER. Is there further debate? The Senator from North Carolina.

Mr. HELMS. Mr. President, I ask unanimous consent that the distinguished Senator from South Carolina [Mr. THURMOND], be added as a cosponsor.

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

Mr. THURMOND. Mr. President, I rise in strong support of the amendment offered by my colleague from North Carolina, Senator HELMS. This amendment should be a noncontroversial amendment. I support S. 12, the underlying measure, and strongly believe this amendment is an important addition to the bill.

This amendment ensures that cable subscribers will not be subjected to unsolicited sexually explicit movies on cable premium channels. Many premium "pay" channels on cable television have discovered a new marketing technique commonly referred to as "free weekends." This occurs when they remove the blocks from their subscriptions which permits free access to movies for a weekend. In other words, cable subscribers whose signals are always blocked when they turn to pay channels will find that they are being provided the programs free of charge. Obviously, the marketing goal is to hook the viewer into subscribing once the free weekend is over.

The problem with the free samples of premium pay channels is that many

families do not subscribe to these channels because programs and movies are aired which contain vulgar language and sexually explicit scenes. Nevertheless, the pay channels have decided for the customer that they should have access to this programming.

Mr. President, the Helms amendment places a reasonable limit upon the current practice of unsolicited free weekend. The amendment simply requires that before a cable company can provide subscribers with free premium pay channels, it must first notify the cable subscribers of their plan to do so, inform them that the free channels can be blocked, and block the line if requested to do so. This would apply only to the those premium pay channels which offer X, R, or NR-17 rated movies.

Critics of this amendment may claim that by simply turning the channel, opponents of free weekend can avoid the sexually explicit programming they find offensive. Yet, this ignores the fact that this explicit material is entering the privacy of another's home completely unsolicited. Furthermore, children cannot be monitored every minute of the day.

Mr. President, I am satisfied that this provision passes constitutional muster since it is similar to current law regulating the mailing of unsolicited sexually explicit advertisements. That law was upheld by the Supreme Court in 1970.

Mr. President, I find troubling much of what we, as a Nation, watch on television. In fact, I feel there is far too much violence and sex on television. However, many people do choose to watch this material. Nevertheless, the rights and desires of those who find these pay channels to be offensive must be respected. If they have made the decision not to subscribe to a particular premium service, then they should have an opportunity to prevent the unsolicited airing of this material in their home.

For these reasons, I urge my colleagues to support this important amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 1505) to amendment No. 1502 was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BENTSEN. Mr. President, I rise in support of pending legislation introduced by my distinguished colleague from Missouri, Senator DANFORTH: The Cable Television Consumer Protection Act of 1991 (S. 12). For several years now, I have received many complaints about the cable industry—primarily about high rates and poor service. The Senator from Missouri has tirelessly led the fight to enact legislation that would address these important concerns. Mr. President, I thank my colleague from Missouri and the chairman of the Commerce Committee—Senator HOLLINGS—for their efforts in bringing this issue before us.

Throughout my career, I have emphasized the importance of encouraging and maintaining competition in the marketplace as the best way to ensure that both consumers and business are treated fairly. I have also worked to encourage our Nation's businesses to develop and improve those technologies that will increase the access of all Americans to valuable information about our rapidly changing society. Without a doubt, the development of the cable industry in this country has played an important role in this regard. Millions of Americans—an estimated 54 million households—now rely on cable television as a major source of information and entertainment.

In 1984, Congress sought to establish a national policy to guide the development of the cable industry by enacting the Cable Communications Policy Act. It was then determined that the Federal Government, along with State and local governments, had important roles to pay in the development of national cable policy. In the absence of competition for cable operators, Congress decided that these entities, along with the Federal Communications Commission, were responsible for ensuring that the public interest in reasonable rates and quality service was protected. In so doing, they were also responsible for continuing the growth and development of the cable industry.

As a result of the 1984 act, the cable industry has flourished and has substantially changed the way the American public makes use of the broadcast media. It is estimated that cable service is available to over 90 percent of the Nation's households, and the cable industry now earns billions in annual revenue. Thus, cable television has clearly become the dominant medium for video distribution in this country. However, Mr. President, it must be admitted that the 1984 act did not stimulate effective competition in the cable industry.

As a result of its tremendous growth, the cable industry has acquired considerable market power that is often harmful to consumers and competing video distributors. Specifically, consumers have, in many instances, been forced to accept substantial increases in the rates charged to them for cable service. It is clear from numerous congressional hearings and studies that, over the past several years, average cable rates have increased dramatically—well beyond the underlying rate of inflation. Moreover, the quality of customer service is a constant source of consumer complaints. Also, video programmers are often leveraged out of control over their product, while competing video distributors find it difficult, if not impossible, to acquire any real market strength.

I know that the cable industry has recently made an effort to address some of these concerns, as my distinguished colleague from Oregon, Senator PACKWOOD, has noted. These efforts, however, do not eliminate the need for Federal regulation of this industry—especially since real competition still does not exist.

In most of our Nation's communities, cable companies have no real competition—in fact, it has been determined that only 53 of the approximately 11,000 cable communities in this country have a second competing cable franchise. There is no significant competition from other multichannel video providers like wireless cable and direct broadcast satellite systems. This clear lack of competition, combined with the recent record of rate increases and service complaints, demands governmental intervention to encourage fair competition and protect the rights of consumers.

Without this intervention, the rights of consumers will remain substantially unprotected.

Without this intervention, cable rates will continue to escalate well beyond the rate of inflation.

Without this intervention, many Americans will find themselves unable to afford cable service.

And, finally, without this intervention, overall customer service and technical standards in the provision of cable services will not improve.

The legislation introduced by my friend from Missouri goes a long way toward addressing these concerns. This bill directs the FCC to establish, within certain guidelines, minimum standards for rate regulation, customer service, and technical requirements, that will operate in the absence of effective competition. Further, local governments are given the authority to enforce these standards against local cable companies as necessary and appropriate.

The bill addresses widespread concerns about concentration and vertical integration in the cable industry. It also requires that all competitors of cable companies be given equal access to programming.

The bill also contains provisions designed to preserve the public interest in access to important local news, public affairs, and entertainment programming—while providing broadcasters the opportunity to receive fair compensation from cable operators for the retransmission of their signals.

In sum, the pending legislation is necessary to satisfy the Government's compelling obligation to protect the

rights of consumers where market forces are insufficient. I would prefer not to create a new system of Federal regulations—but, history tells us that where competition does not exist, the rights of consumers will ultimately be trampled upon. Thus, enacting this legislation is an appropriate action for Congress to take—until effective competition takes root in the cable industry.

I urge my colleagues to support the passage of the pending legislation.

Mr. ADAMS. Mr. President, I rise in strong support of the cable television consumer protection legislation, S. 12.

Thanks to a jump start from Congress in the 1984 Cable Communications Policy Act, cable TV has become a fixture in many American homes. Cable has also established a stranglehold over consumer pocketbooks. In more than 99 percent of the markets, only one cable company exercises control. Thanks to this system, rates have increased by more than 60 percent nationwide.

Here is a typical example of what has happened in Washington State. Late last year, a man from Tacoma sent me a cartoon in which someone reads a Christmas card to another: "At this joyous time of year we offer you this verse * * * expect another rate increase on January first." The second person replies: "I hate getting Christmas cards from the cable company!" The man from Tacoma also included a copy of his Christmas card: It was a notice from his local cable company raising rates on January 1, 1992. He circled the new monthly basic rate and inscribed "Again!?"

With unemployment at 9 million people and the economy in a chronic recession, any rate increase has a harmful effect on American households. Rate increases have an especially harmful impact on persons on fixed incomes. Cable TV has become a lifeline to the world for many senior citizens. As the National Council of Senior Citizens points out, seniors on fixed incomes find it hard and harder to pay the skyrocketing cable rates.

Shocking rate increases for individual households since the 1984 Cable Communications Policy Act was enacted make the rate regulations section of S. 12 the most important provision in this bill. I have appended to my statement figures from the Consumer Federation of America showing cable rate increases in Washington State. The average rate increase since 1986 for our five markets was 85 percent.

Another significant section provides for what is known as must-carry. I am an ardent supporter of public television. The must-carry provision is essential to protect public television and the rights of small independent commercial stations. Without this, these stations could be swept off cable or be saddled with obscure channel positions on the cable dial.

The must-carry provision also guarantees the actual distribution of public television and small independent commercial TV stations. One station in Washington, KCJ channel 17 in Yakima, has been trying for 2 years to get picked up by cable. This is the only locally owned, commercial television station not on cable. It also happens to be the only Hispanic station, which serves the large and growing Hispanic population in the Yakima Valley. This bill would help KCJ and Hispanic viewers in the valley.

The retransmission consent provision of S. 12 requires more equity in the business relationship between local TV broadcasters and the cable companies. This provision takes a balanced approach. I believe some local affiliates of major TV networks when they predict their financial future is uncertain at best under cable deregulation. I do not want to see local TV stations fall into bankruptcy like many of our deregulated airlines.

Finally, the access to programming provision is designed to stimulate new forms of transmitting, such as high-definition satellite-transmitted TV and audio. This section will help U.S. industry pioneer new forms of communication. Clearly, this would also enhance our international competitiveness.

A Washington State senator recently wrote me that he receives annually hundreds of letters from cable television customers complaining about poor service, increasing rates, and a lack of choice. A mayor of a major city in the State of Washington recently wrote me the following note:

> For the past 2½ years City staff has been engaged in refranchising negotiations with our local cable operator. We have discovered that few of the public benefits envisioned by the supporters of the 1984 Cable Act have come to fruition, and the process of crafting a franchise which meets the community's future cable-related needs and interests is frustrated for all sides involved.

The mayor goes on to point out that not only do he and his city council endorse S. 12, but so do the National League of Cities, the U.S. Conference of Mayors, and the National Association of Counties. Many local elected officials would like to see an even tougher bill. Wherever possible, we should fashion as strong a consumer bill as possible.

S. 12 also looks to future competition, especially from new wireless cable systems. Section 6 of S. 12 provides competitors of the existing cable system with fair access to programming. The Skyline Entertainment Network, a wireless system in Spokane, WA, claims that big cable system operators will try to maintain their monopolies by trying to weaken or eliminate the fair access provision in the bill. Skyline and a similar wireless system in Yakima, WA, are good examples of the type of new systems that section 6 will encourage.

In conclusion, Mr. President, let me repeat: S. 12 is a good bill. We need to restore reasonable regulation, balance, and sanity to today's cable marketplace. S. 12 will help us accomplish this.

According to the Consumer Federation of America the following figures illustrate the extent of cable rate increases in the State of Washington:

BREMERTON—TCI CABLEVISION OF WASHINGTON

1986—$11.95 for basic service (25 channels) (Nation Wide Cablevision Inc.)

Dec. 1991—$19.20 for limited basic (26 channels); $20.55 for expanded basic (31 channels).

Feb. 1992—$20.20 for limited basic (26 channels); $22.55 for expanded basic (31 channels).

Increase: December 1991—61% for similar offering.

Increase: February 1992—69% for similar offering.

Note: There will be a 5% rate increase for limited basic service and a 10% increase for expanded basic service in February 1992.

PULLMAN—CABLEVISION

1986—$9.45 for basic (22 channels).

Dec. 1991—$6.23 for limited basic (12 channels); $20.55 for expanded basic (33 channels).

Increase: 117% for similar but expanded offering.

SEATTLE—TCI CABLEVISION OF SEATTLE INC.

1986—$10.55 for basic (14 channels) (Group W Cable of Seattle).

Nov. 1991—$20.00 for basic (35 channels).

Increase: 90% for basic service.

SPOKANE—COX CABLE SPOKANE

1986—$11.00 for basic (35 channels).

Dec. 1991—$19.91 for basic (33 channels).

Increase: 81% for basic service.

TACOMA—TCI CABLEVISION OF TACOMA INC.

1986—$12.95 for basic (32 channels) (Group W of Tacoma).

Dec. 1991—$20.03 for limited basic (26 channels); $21.03 for expanded basic (31 channels).

Feb. 1992—$22.03 for expanded basic (33 channels).

Increase: December 1991—62% for similar offering.

Increase: February 1992—70% for similar offering.

Note: There will be a 5% rate increase for expanded basic service in February 1992.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

AMENDMENT NO. 1502, AS AMENDED

Mr. INOUYE. What is the pending business, Mr. President?

The PRESIDING OFFICER. The pending question is the amendment by the Senator from Louisiana, as amended and further amended.

Mr. INOUYE. Mr. President, I ask unanimous consent that the rollcall requested on that amendment be vitiated and that we take it up immediately.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The PRESIDING OFFICER. Is there further debate on the amendment of the Senator from Louisiana?

The question is on agreeing to the amendment.

The amendment (No. 1502), as amended, was agreed to.

Mr. HELMS. I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. INOUYE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

AMENDMENT NO. 1506

(Purpose: To provide for carriage of closed caption transmission)

Mr. INOUYE. Mr. President, in behalf of the Republican leader, Mr. DOLE, I am pleased to send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Hawaii [Mr. INOUYE], for Mr. DOLE, proposes an amendment numbered 1506.

Mr. INOUYE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 97, lines 11 through 12, strike "and accompanying audio" and insert in lieu thereof ", accompanying audio, and Line 21 closed caption".

On page 108, line 2, strike "and accompanying audio" and insert in lieu thereof ", accompanying audio, and Line 21 closed caption".

On page 63, line 21, strike "(27)" and insert in lieu thereof "(28)"; and on page 71, strike all on line 2, and insert in lieu thereof the following:

"(27) the term 'Line 21 closed caption' means a data signal which, when decoded, provides a visual depiction of information simultaneously being presented on the aural channel of a television signal; and".

Mr. DOLE. Mr. President, just over a year ago Congress passed the Television Circuitry Act which will require that all television sets beginning in July 1993 must be capable of providing closed captioning. There are approximately 20 million television sets sold annually. As a result of this act, more than 24 million Americans who are hearing impaired will be able to access television coverage via captioning.

With passage of the Americans With Disabilities Act and more recently the installation of closed captioning of Senate floor proceedings, Congress has become more sensitized to the needs of hearing-impaired citizens who deserve and want to take part in the democratic process. We must go one step further to ensure that the same consideration is given to all cable viewers. The amendment I am offering today will provide greater guarantees of captioning—which is so vital to hearing-impaired viewers—by ensuring that cable television scrambling does not interfere with the provision of captioning coverage.

Mr. INOUYE. Mr. President, this amendment is a very simple one. It just says that cable will also provide closed captioning as networks do at the present time. This is to accommodate those with special disabilities.

Mr. LOTT. Mr. President, certainly there is no objection on this side of the aisle to the distinguished Republican leader's amendment. As is always the case he is very sensitive to those with disabilities and wishes to have this available for those persons with hearing impairment.

I think it is certainly commendable and something we should do. So we would be happy to accept this amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 1506) was agreed to.

Mr. INOUYE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. INOUYE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

ORDER OF PROCEDURE

Mr. INOUYE. I ask unanimous consent that the distinguished Senator from North Carolina be permitted to speak as though in the morning hour on a subject other than the matter before us.

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

THE FISCAL YEAR 1993 BUDGET OF THE U.S. GOVERNMENT

Mr. SANFORD. Mr. President, I thank the distinguished chairman for his courtesy and want to take this brief time to talk about the budget that we received late last night or early this morning.

For nearly 5 years now I have stood in this Senate to talk about the seriousness of debt and debt coverup, attempting to get the President and many of my colleagues to pay more attention to debt.

The Federal debt is the single most serious threat we face in this country today. It is a fundamental part of our economic downturn; not the only reason, but a significant reason. It is like the Berlin Wall holding back badly needed reforms to create more jobs and train more workers, and to strengthen our future.

The President's budget estimates that we will owe $316 billion in interest on that debt in fiscal 1993, making interest the largest single entitlement in the Federal budget. We could eliminate all defense spending in 1993 and not save enough money to pay our interest on the obligation for that year, interest that is rapidly consuming the Federal budget.

One reason our debt has grown so large over the past decade is the debt coverup. If the people do not know, the people cannot act. The President's deficit numbers do not reflect the annual increase in the public debt. And when the budget numbers are fully reported they are reported in ways that most people simply cannot understand.

The budget proposed by the President today is a perfect example of this. The numbers are all there, but you have to know what to look for and how to find it. I serve on the Budget Committee. I have carefully reviewed the President's budget proposals each year I have served in the Senate, and I probably understand these budgets as well as anyone else. But this budget proposed today takes the cake. The accounting is so creative that I am not sure what they have done.

Table 2-3 on page 25 of the President's budget lists the creative variety of deficits and numbers. It might be construed as deficits. That misleads the public and misrepresents the real problem of the debt.

For fiscal year 1993 it lists deficits at $352 billion; deficit excluding interest, $138 billion; deficit excluding deposit insurance and interest, $62 billion; deficit on an accrual basis, $333 billion. I do not know why these last three deficits are listed or what they mean.

Next the President's budget lists Social Security reserves and interest separately, and at the bottom below that it has a figure of $90 billion, in the place that you would think the deficit would be listed. I asked several people to look at this table and tell me what the deficit is. And they have answered $90 billion. Well, that is not so. That $90 billion is one more example of coverup.

Most of the interest in trust fund surpluses they use to mask the true size of our annual deficits, and that is not the deficit.

This table on page 25 is more of the President's budget tomfoolery.

None of the deficit figures listed on page 25 of the President's budget reflect the amount they will add to the debt in 1993. The real deficit, the amount of money we will spend that must be borrowed is not listed anywhere on that page where deficits are listed. To get that figure, the annual debt increase, the true deficit, the accounting deficit, you must turn to page 289 of the President's budget and figure it out.

If you take the time to do this, you will see that the President estimates that we will add $464 billion to the debt in fiscal year 1993, and that is a deficit of $464 billion that we face, not $352 billion, or $138 billion, or $333 billion, or $90 billion; but our deficit for the coming year will be $464 billion, almost half-a-trillion dollars.

I might also point out that the total interest owed on the Federal debt is also not listed in this table. A much smaller interest figure, net interest, is listed. Net interest does not include any interest we pay or owe, that is, to Social Security and other trust funds. But we owe it. We have put IOU's in to cover it. We have to pay it back.

So it is easy to see that, once you find the figures, this is a large part of the coverup that has kept the American public from knowing just how serious our deficit and debt situation is. In case anyone is interested and wants to find the total interest, you must turn to the appendix of the President's budget. Total interest for fiscal year 1993 comes to $316 billion, almost exactly $100 billion more than the net interest figure listed on page 25—more of the coverup.

Mr. President, this tomfoolery is deceitful and dishonest and needs to be outlawed. I propose just that.

Three years ago, almost to the day, I introduced S. 101, the Honest Budget Act, to require an honest accounting of the Federal budget, that the operating account within that budget be balanced. I reintroduced that legislation a year ago, and entitled it the Honest Balanced Budget Act, because we can have an honest budget, and we can get at balancing the budget right now.

The central point of this legislation is a new, but honest, definition of the Federal deficit, one so simple that it should not be disputed. No accountant disputes it. In fact, accountants would insist on this as a definition of deficit. S. 101 defines a deficit as the annual increase of the Federal debt subject to the statutory limit. Nothing more, nothing less. It includes gross interest, which is an honest figure, not net interest, which deceives and excludes the use of trust fund reserves for coverup. No fudging with off-budget maneuvers, no creative accounting, no tomfoolery, just clear, straightforward, honest accounting that any American can understand.

S. 101 keeps the unified budget, but also requires a more businesslike presentation that more clearly exposes our fiscal problems.

The unified budget is split into three easily understood parts. Social Security and all Federal retirement program spending and receipts are listed apart from the general operating spending and receipts. They are in a column of their own, where we can see what they are, where they cannot be used for coverup. All of those funds, those trust funds, are not our money. We merely are the trustees. All payments to those retirement programs, both employer payments transferred from general operating revenue, and earmarked trust fund revenue, are included in that accounting, that trust money.

S. 101 also requires that all interest obligations be clearly listed in a debt and interest account, separate from retirement, separate from general operating accounts. Also clearly listed here is the annual debt and the annual debt increase; the real deficit and the real debt are there for everybody to see. I expect everybody to get agitated and excited about wondering why we do not do something about them.

All other general revenue receipts and spending are listed in an operating account that must be balanced each year. With the exception of this balanced budget requirement, S. 101 simply requires us to account for Federal spending in a way that exposes honestly and simply the fiscal problem of debt and interest that we have faced now year after year for a decade.

If we apply these accounting changes to the President's budget proposal for 1993, we see a clear and honest deficit of $464 billion—almost a half trillion dollars—and a total interest obligation of $316 billion, a hefty surplus in our trust fund, and a somewhat manageable general operating shortfall that can be managed and balanced. The President, Members of Congress, and the American public would have a better picture of the problem and a better understanding of what must be done if we ever hope to pull ourselves out of what now seems to be a bottomless pit.

Be honest. That is the message. It is a fairly fundamental principle of American Government. Thank you.

CABLE TELEVISION CONSUMER PROTECTION ACT

The Senate continued with the consideration of the bill.

Mr. HOLLINGS. Mr. President, I want to thank you for your outstanding leadership on legislation. I am particularly pleased to note that this bill will guarantee viewers access to programming services of their local public television stations.

Mr. INOUYE. I thank the chairman, for his kind words. I, too, am pleased that this legislation will require cable carriage for all distinct local public television signals. Public stations provide critical services to their communities, and the Government has a substantial interest in seeing that these services reach the viewers who have paid for them—not only with their Federal, State, and local tax dollars but, in many cases, through their own voluntary contributions.

Mr. HOLLINGS. Mr. President, I have a statement relative to the unique services provided by local public stations and to the substantial government interest that will be served by giving them must-carry status with their local cable systems.

Mr. President, this statement is an addition to the excellent report of the Senate committee on S. 12. Although the report contains a discussion of the need for carriage of local broadcast signals on cable systems and why carriage requirements are constitutional, it does not fully address the unique reasons why carriage of public television signals serves an important governmental interest and is constitutional.

Public television serves important governmental interests which are in addition to and distinct from those served by commercial broadcast stations. For nearly 40 years, Mr. President, the Federal Government has recognized the need for, and has supported public television—as an alternative to commercial television—to meet the Nation's educational, informational and cultural needs. As early as 1952, the FCC set aside 242 channels in the spectrum for the exclusive use of public television. In the Public Broadcasting Act of 1967, Congress found that "it furthers the general welfare to encourage public broadcasting services" and that "it is necessary and appropriate for the Federal Government to complement, assist and support a national policy that will effectively make public broadcast services available to all citizens of the United States." Since 1972, Congress and the executive branch have cooperated in efforts to fund public television, with an investment of $2.3 billion.

This substantial congressional support constitutes only a small portion of the total public investment in the system. Over two-thirds of all public television stations are licensed to State and local government agencies, public colleges and universities, school districts and other public groups which have provided public service programming at a State and local taxpayer investment of $3.9 billion since 1972. But the largest source of support for public television has come from the American people who have contributed a total of $5.1 billion in the last two decades.

Public television takes on even greater importance today as this country refocuses its efforts to improve the Nation's schools. Public television sta-

tions bring top-quality instruction to more than 29.5 million elementary and secondary students in 70,000 schools in virtually every school district in the country. In addition, the stations, in conjunction with the PBS Adult Learning Service, have enabled 1.4 million adults to study for college degrees from their homes. The stations have also prepared thousands of out-of-school adults to earn the equivalent of a high school certificate through telecourse programs, and have in place 500 literacy tasks forces throughout the country helping people learn to read. Public television stations also serve as catalysts to mobilize local community organizations and volunteers to address national problems such as teenage use of alcohol and drugs, racial harmony, domestic violence, child care, AIDS, the environment, and other critical social issues.

These are some of the less known services provided by public television. Many of you are undoubtedly aware of public television's other educational and entertainment jewels, including its unmatched children's programming like "Sesame Street," "Mister Rogers' Neighborhood," "Reading Rainbow" and "3-2-1 Contact"; its distinctive news and public affairs programming like "The MacNeil/Lehrer News Hour" and "Frontline," and its distinguished documentaries such as "Nova" and "National Geographic Specials." Public television's recent presentation of the "The Civil War" captured the intellect and emotion of the entire Nation, and is now being used by teachers to bring life into classroom courses on the Civil War.

In my own State, Mr. President, public television is vitally important, particularly in the role it plays in bringing educational opportunities to South Carolina's rural schools. South Carolina Educational Television serves more South Carolinians than any other educational institution: over 515,000 schoolchildren, over 7,000 college students, over 25,000 medical personnel and 6,500 law enforcement personnel, judges and magistrates. It is a member of a consortium of public television stations that deliver educational programming to 600 schools in over 20 States on a live, interactive basis directly by satellite. Through this consortium high school students in predominately rural schools can take advanced, college placement courses that would otherwise be unavailable to the students, such as Japanese, Russian, physics and probability and statistics, from some of the best teachers in the country. South Carolina ETV also runs "The Children's Place," a State agency-sponsored day care center that functions as the production center for the Nation's most widely used training tapes for early childhood educators.

South Carolina ETV has also served as a valuable community resource by involving local community organizations and volunteers in addressing serious local issues. For example, South Carolina ETV sponsored an outreach program on teenage drinking and driving and provided a bank of phones staffed by drug and alcohol abuse counselors to handle calls. Most recently it launched a nationwide outreach campaign focused on children and their families with the documentary, "All Our Children with Bill Moyers."

These are just snippets of public television's vital contribution to South Carolina. These outstanding public services are duplicated throughout the United States. Public television is fulfilling Congress' goal of providing a source of high quality alternative telecommunications services for all citizens of the Nation as well as promoting the broader national goal of educational excellence. The Government has a substantial interest in ensuring that these services remain fully accessible to the widest possible audience.

They must carry rules for public television, contained in section 615 of S. 12, are needed to ensure that the American public has access to this public service programming which it, along with Congress, has supported for the last three decades. The FCC, in its cable report, recommended adoption of must carry rules for public television because of its unique services and the Government's expressed interest in its viability. The National Cable Television Association has also endorsed these rules.

Unfortunately, Mr. President, cable operators are continuing to drop public television stations from cable systems. The committee report on S. 12 sets out in great detail evidence which demonstrates that cable operators have dropped broadcast stations from cable systems in the absence of must carry rules. I would like to supplement that excellent report with additional evidence demonstrating noncarriage of public television stations. The 1988 FCC cable carriage report referred to in the committee report, made separate findings related to public television drops and switches. Cable systems reported 463 instances of noncarriage of public television stations affecting 153 stations and 541 instances of channel shifting affecting 182 stations.

It is my understanding that the drops and switches are continuing. Since the beginning of 1991 alone, the Association of America's Public Television Stations has received reports from numerous stations that have been dropped or switched. Many of the dropped stations were licensed to public colleges and universities—the stations most likely to carry more instructional and educational programming.

The committee report clearly explains why cable viewers do not, as a practical matter, have the option of receiving a dropped station over the air. Very simply, noncarriage of a station results in cable viewers being cut off from that station. The committee report recognized that how cable operators exercise their gatekeeping power depends on the type of broadcasting station involved. Public television stations are uniquely vulnerable to noncarriage. As we all know, Mr. President, cable systems are for-profit enterprises and naturally seek to carry programming which maximizes dollars and audience. Public television, in fulfilling its mandate to serve those audiences not served by commercial enterprises, carries much programming that cable systems find economically unattractive.

The impact of noncarriage is particularly devastating to public television stations. The largest single source of funding for public television is from private individual contributions. When a local cable system drops a public television station, its contributions from its cable viewers are in jeopardy. Without the key financial support from its cable audience, a public television station can easily slip below the level of viability required to continue to provide service to its broadcast audience. Stations not only lose audience and contributors, they also lose paying enrollees to their college telecourses, and elementary and high school students are deprived of their instructional programming. I was amazed to learn that 69 percent of the public television stations that provide instructional programming to schools distribute that programming via cable.

I understand there are concerns that these must carry rules are unconstitutional based on two prior court decisions. Mr. President, the committee report contains an excellent analysis of why must-carry rules for all broadcast stations—including public television stations—are constitutional. I would only note some additional arguments that are available in applying the O'Brien test to the must carry rules for public television. First, the Government has substantial interests, in addition to those which support carriage rules for all broadcast signals, in the carriage of public television signals. I have just discussed these interests in some detail. They include: Ensuring that public television can continue to serve the important Government interest of advancing the educational goals of the Nation through the delivery of educational, informational and cultural programming; and preserving the substantial investment of Congress, local governments, and individual subscribers in public television. The rules will further these interests by ensuring that cable operators will not be permitted to continue acting as unfettered gatekeepers of this important public service.

Second, different facts demonstrate that the proposed rules for public television are narrowly tailored to accom-

plish the Government's objectives with minimal effect on cable systems. I understand from data compiled by the Association of America's Public Television Stations that if mandatory carriage of all qualified local public stations were required, 84 percent of the Nation's cable systems would only be required to carry one public service; 13 percent might have to carry two services; and 3 percent of all systems might be required to carry two or more services, and these are found in seven of the largest television markets. However, the burden on cable systems may be even less under the proposed rules. They require that cable systems carry only qualified local public stations that request it, and do not require that systems carry duplicative programming services.

This minimal regulation surely is justified to further the Government's substantial interest in making sure that all Americans have access to the quality educational and informational programming which they support through their direct contributions as well as through their state and federal tax dollars.

CLARIFICATION OF SECTION 615(i)(2)

I would also like to clarify paragraph (2) of subsection (i). This provision which is similar to the "network nonduplication" provisions of subsection (f), is designed to address the relationship between the act and Federal copyright law. In some instances, a qualified public television station may meet the definition of a local station under subsection (k)(2) of the act, while simultaneously qualifying as distant under section 111 of the Copyright Act—and therefore triggering the payment of copyright royalties. This situation could arise, for example, if a public television station's principal community reference point is within 50 miles of the cable system's principal headend but more than 35 miles away from any point in the cable community. A cable operator is not required to add any such public television station under this legislation unless the station agrees to reimburse the operator for the incremental costs assessed against the system under copyright law with respect to the carriage of such station.

Paragraph (2) thus creates a very limited exception to the general rule against payment for carriage. It is applicable only to stations that are local under this act but distant under the Copyright Act; only to stations that are required to be carried on the cable system; and only to stations that were not carried as of January 1, 1990. Moreover, these provisions are not mandatory and may be waived by the system operator.

In those cases in which a cable operator may seek reimbursement from a public television station under this subsection, it may seek to collect only the operator's incremental copyright costs. Under the Copyright Act, the percentage of gross receipts that a cable operator pays for carrying distant television station tends to decline with the total number of distant signals carried. Thus, the additional copyright costs actually resulting from later added stations will often be less than those from stations carried previously. It is my understanding that use of the term "incremental" in this paragraph, indicates that the amount of reimbursement should be computed at the marginal cost actually attributable to the addition of that particular station.

REGARDING A FORMAL CEASE-FIRE IN EL SALVADOR

Mr. INOUYE. Mr. President, in behalf of the majority leader, I ask unanimous consent that the Foreign Relations Committee be discharged from further consideration of Senate Resolution 248 and that the Senate proceed to its immediate consideration.

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

The clerk will report.

A resolution (S. Res. 248) expressing the sense of the Senate regarding the signing on January 16, 1992, of the agreements for a formal cease-fire in El Salvador, and for other purposes.

The PRESIDING OFFICER. Under the previous order, there is to be 10 minutes of debate evenly divided on this resolution.

The Senator from Minnesota.

ADDITIONAL COSPONSORS

Mr. DURENBERGER. Mr. President, I ask unanimous consent that Senators WARNER, DECONCINI, GRAHAM of Florida, KENNEDY, WALLOP, CHAFEE, and HATFIELD be added as cosponsors of this resolution.

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

Mr. DURENBERGER. Mr. President, I further ask unanimous consent that any other Senators who wish to cosponsor the resolution be permitted to do so.

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

Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

AMENDMENT NO. 1507

Mr. DURENBERGER. Mr. President, I send to the desk an amendment making minor technical corrections, and ask unanimous consent that it be agreed to. It is my understanding it has been cleared on both sides of the aisle.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Minnesota [Mr. DURENBERGER] proposes an amendment numbered 1507.

Mr. DURENBERGER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 3, line 14 strike the words "commit itself," and insert in lieu thereof "remain committed."

On page 3, line 20, strike the words "commit itself," and insert in lieu thereof "remain committed."

On page 3, line 24, strike the words "commit itself," and insert in lieu thereof "remain committed."

The PRESIDING OFFICER. The amendment is in order, notwithstanding the previous order. Is there further debate?

The question is on agreeing to the amendment.

The amendment (No. 1507) was agreed to.

Mr. DURENBERGER. Mr. President, I ask for the yeas and nays on the resolution.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. DURENBERGER. Mr. President, I do not often use this word on the Senate floor but today it fits. It is with joy that I lay the resolution before the Senate. It commemorates the signing of the agreement earlier this month to end hostilities in the country of El Salvador.

Seventeen years ago, before I ever dreamed of setting foot in this Chamber, I had my first direct experience with the war in El Salvador. Near the time when they were hosting the Miss Universe Pageant in 1975, the Minister of Tourism was kidnaped near the place where my 12-year-old son Charlie was going to stay with my friends. The Minister was ransomed for a million dollars, and then later killed. That was my introduction to the brutal conflict in El Salvador.

I have been going to El Salvador since 1971. My involvement was business with a St. Paul, MN, company which had roots in a 1964 earthquake which ravaged a paint and adhesive plant in San Jose, Costa Rica.

Since 1964, the Costa Ricans and people in El Salvador, Nicaragua, and the rest of the Central American countries have produced a number of people who have risen in the ranks of my former company and one of whom, a resident of Costa Rica, is now president of this American company, which is nearly a billion-dollar-a-year company.

So I make trips to the region, to all the countries of Central America, in my previous life and quite a number since then, as many of my colleagues have. And through many trips to the region, dozens of votes on the floor, and my responsibility in a policy-making position on the Select Committee on Intelligence, I have seen and heard and learned about the country and its

people. And all of that education has heightened my appreciation of what has been accomplished this year and what it means.

Czechoslovakia's play wright President Vaclav Havel described the changes in Eastern Europe in terms that are just as appropriate to the recent history of El Salvador:

It was a drama so thrilling and so tragic and so absurd that no earthling could have written it.

Any one who has followed the events of the last 20 years in El Salvador can testify to its absurdity and its tragedy. We are fortunate and thankful today to also testify to the thrilling possibilities for the Salvadoran people in a future without armed conflict.

I am joined in this effort by the chairman and ranking Republican of the Foreign Relations Western Hemisphere subcommittee, Senators DODD and LUGAR. We are also joined by Senators PELL, DOLE, MITCHELL, CRANSTON, KASSEBAUM, SANFORD, ROBB, MCCAIN, LEAHY, WARNER, DECONCINI, GRAHAM, KENNEDY, WALLOP, and others.

It has been said that "peace is not mere absence of war, but is a virtue that springs from force of character." This resolution recognizes the courage of the Salvadoran people on the difficult path to peace. It notes that many challenges still remain in order to implement the accords' many far-reaching provisions, consolidate the hard-won peace, and futher strengthen democracy and democratic institutions. And finally, this resolution emphasizes that the United States has an enduring interest in assisting El Salvador with this process.

Mr. President, it is an understatement to say that it is remarkable that after 12 years of bitter civil war and 20 months of intense negotiations, the Government of El Salvador and the FMLN signed a definitive peace treaty on January 16, with the cease-fire to take effect this Saturday, February 1.

The U.N.-brokered negotiations have yielded far more, however, than just an end to the war. Truly dramatic and profound changes affecting critical aspects of Salvadoran society have also been negotiated. It is important for us to appreciate just how far-reaching the agreements actually are.

First, not only will the cease-fire end the fighting, but it will be monitored and verified by the United Nations and the international community, both of which will have a deep role in ensuring compliance.

Second, a new civilian national police force will be created to perform internal security functions that are now largely performed by elements of the Armed Forces.

Third, various of the Government's paramilitary organizations will be eliminated. National intelligence functions will be placed securely under civilian control.

Fourth, military doctrine will be reoriented. The Government will cease compulsory military service, while the FMLN will cease its practice of forced recruiting.

Fifth, commissions have been created to review the human rights records of military officers as well as to investigate notorious cases of past human rights abuses. United Nation human rights observers have already been in El Salvador for about 6 months to monitor and oversee El Salvador's human rights practices and ensure adherence to international standards.

Sixth, significant judicial, electoral, and constitutional reforms were agreed upon, many of which have already been approved and enacted.

Mr. President, it is important that we consider the lessons we can learn from these events, as we face a world of uncertainty. What were some of the factors and decisions which led to this outcome?

Well, probably the most important lesson is that people make a difference. From a 1972 election stolen from Jose Napoleon Duarte, the El Salvadoran people in 1979 revolted against General Romero. They revolted against the murder of Cardinal Archbishop Romero. They have had six or seven elections in that country and millions and millions of people, probably 90 percent of the eligible voters, consistently have gone to vote.

So people do make a difference. People from this country make a difference. People from Minnesota who spent a lot of time in El Salvador as missionaries, as friends, as volunteers have made a big difference.

When Jose Napoleon Durate was elected in 1984, the entrenched society in El Salvador considered him too far to the left to be a valuable mediator. And so, try as he might, his Presidency ended, and he later died of cancer.

But the one person who has probably made the most difference and for whom we can attribute the finality of this success is President Alfredo Cristiani. Alfredo Cristiani had his detractors and critics. They came from the other side. They said he was nothing more than a stooge of the extreme right. As the phrase goes, never has the opposite of the truth been so precisely stated.

Alfredo Cristiani was a volunteer in the political arena, if you will, in a party called ARENA. He was not anybody's stooge. He was his own person, as is his wife and his family. And they have demonstrated that repeatedly.

These talks which Cristiani stuck to, succeeded in large measure as well because of the active mediation and participation of U.N. Secretary General Perez de Cuellar and his personal representative, Alvaro de Soto.

Mr. President, the success of the Salvadoran peace process is also a vindication of the United States policy of continued engagement in El Salvador over the past 12 years. Many critics of U.S. policy have long argued that U.S. aid prolonged the war and thwarted a settlement.

But those who demanded that the United States wash its hands of El Salvador and simply walk away were never willing to take responsibility for what almost inevitably would have resulted—a savage unrelenting, and endless war, with profound consequences for a nascent democracy.

Assistant Secretary of State Bernie Aronson said it all in October when he said:

> United States assistance ensured that those seeking to rule El Salvador through violence and intimidation, on both the left and the right, did not prevail, while Salvadoran society slowly, painfully, but deliberately created authentic democratic institutions, opened political space, and created new mechanisms to defend human rights and the rule of law.

There is no question that we made mistakes along the way. It was always tough to strike the proper balance between defending a democratic government against guerrilla insurgents and demanding respect for human rights in the middle of a civil war. But I believe the key to U.S. policy over the past 12 years is that we have remained engaged.

Bipartisanship was essential to that engagement. Each major step forward in our constructive policies toward El Salvador was substantially bipartisan. We can never expect the world to get a clear message from the United States when they hear two messages at once. Our ability to come together on a policy is in the best historic tradition of politics stopping at the water's edge.

As our policy matured, we have learned to understand the Salvadoran situation in Salvadoran terms. As long as we saw it primarily as a cold war proxy fight between East and West, irrelevant information clouded our policy judgment. Eventually, we came around to a bipartisan understanding, shared by both the Congress and the administration, of the difference between symptoms and root causes, and good policy came of it.

And now, with the war over, El Salvador is at a crossroads. The agreement signed in Mexico City on January 16 was not the end of the road for El Salvador. President Christiani stated in an address to his nation, "We should not see it as the end of the conflict. We should see it as the beginning of the process of consolidating peace and democracy, respect for human rights, and national reconciliation."

There is no doubt it will take tremendous effort on El Salvador's part to consolidate the peace, fully implement the far-reaching accords, restructure its society, and rebuild the country.

Mr. President, United States policy toward El Salvador is also at a crossroads. For years, United States policy has been characterized by alternating

cycles of panic and neglect. Just as El Salvador must strengthen the center and diminish the extremes, so too must we in this country strive to achieve a sustainable level of engagement, in which we minimize our own extremes, in this case, panic and neglect.

In December 1980, I urged my Senate colleagues to realize that once panic sets in after the period of neglect, "it is too late, [and] we rush to treat symptoms rather than causes." If we now commit ourselves to sustain engagement, we will avoid the tragic mistakes of neglect, which seem always to lead to panic.

Such a United States and international approach to the many challenges facing our friends in El Salvador will dramatically increase our prospects for long-term success.

As this resolution notes, the United States should remain committed to providing appropriate assistance to the Government and people of El Salvador that promotes the process of reconstruction, reconciliation, and further strengthening of democracy and democratic institutions.

We should also remain committed to seeking and encouraging other members of the international community to contribute materially to this process in El Salvador.

Notwithstanding the rhetoric of United States in the early 1980's, the root causes of the war in El Salvador had much less to do with the cold war threat of a Communist beachhead in Central America than with the long and sorry history of political repression, authoritarian rule, social injustice, poverty, malnutrition, disease, illiteracy, and many other ills.

Now with the war over, the people of El Salvador can focus their considerable energies and talents on resolving many of these problems which still exist. That will be the challenge for El Salvador. And it is in the United States interest that we help El Salvador further establish a more just, democratic, and stable society, in which individual freedoms are protected, human rights guaranteed, and productive energies set free.

Mr. President, with this resolution, I believe we will send an important message to the people of El Salvador that we appreciate their struggle to reach this point, and that we are committed to assisting in the long-term process of reconciliation, reconstruction, and strengthening of democracy.

It has been said, Mr. President, that success has a thousand parents, but defeat is an orphan. I want to thank the leaders of the administration, especially Bernie Aronson and Jim Baker, whose building of relationships and constancy are examples to us all. I want to thank many of my colleagues who have worked and learned together over the years to develop U.S. policy toward the region. I want to thank countless others in religious and business communities who informed our debate.

Mr. President, I also want to thank many people in my own State of Minnesota who, over the years, have added so much to my understanding of the problems of El Salvador.

Hundreds of them have traveled to El Salvador. Many of them have lived there and not only identified with the suffering of the people, but they have worked to relieve it.

But especially I want to pay tribute to a small group of people from the community of St. Martin who for the last 2 or 3 years now have come to my office in Minnesota, in Minneapolis, not to pour blood on it and chain themselves to it, which so many protestors do. They came every Thursday afternoon about 4 o'clock and spent an hour praying for me, praying for all the Representatives of the people in this Chamber, praying for the President of the United States, and the people in El Salvador in hopes that the day of peace would come.

So I rejoice with those people and with millions of others that our prayers have been answered.

I have also benefited immeasurably from the sound advice, experience, and insights of Rev. Phil Anderson, who for a number of years served as the Lutheran World Federation representative in San Salvador. The same can be said for the contributions of Archbishop Roach and Lutheran Bishop Lowel Erdahl.

Mr. President, I strongly urge my colleagues to support this measure and commit themselves to the work that lies ahead.

Mr. DODD. Mr. President, today I am happy to join with my colleagues Senator DURENBERGER, Senator LEAHY, and others in offering this resolution in support of the recently concluded El Salvador peace agreement. At long last we can join with the people of El Salvador in rejoicing in the fact that a 12-year chapter of bloodshed and tragedy—a very sad chapter in the history of that country—is finally drawing to a close.

As my colleagues know, the official signing ceremony of these historic accords took place in Mexico City, on January 16, with Mexico's President, Carlos Salinas De Gortari, graciously acting as the host. The President of El Salvador, Alfredo Cristiani and the leadership of the Farabundo Marti National Liberation Front [FMLN] came together at the Chapultepec Castle to sign these U.N.-mediated peace agreements, as the international community looked on.

The New York accords are intended to produce a permanent cease-fire to the armed conflict, national reconciliation, and national reconstruction in that country. These accords are an extensive collection of documents that spell out in elaborate detail, the terms, conditions, and wide-ranging commitments each side has made in order to achieve these objectives. These accords address such matters as cease-fire arrangements; the dismantlement of the FMLN military structure, and the reincorporation of its members into civil society; the downsizing and reform of the Salvadoran military; the establishment of a so-called truth commission to look into past human rights abuses, the creation of a new professional national civilian police force, as well as other measures designed to address pressing social and economic issues. The compliance of both parties with the terms of these agreements is to be verified by the United Nations. These final agreements, when taken together with the September framework agreements, the April agreement on constitutional reforms and the human rights accord of July 1990, clearly provide a detailed roadmap to peace in El Salvador.

The national debate that raged for more than a decade in this country over the appropriate direction of United States policy toward El Salvador is over. Twelve years of war and nearly $5 billion of United States assistance geared to funding a military solution to the conflict in El Salvador was unable to accomplish what less than 2 years of U.N.-mediated talks have. The success of these negotiations once again demonstrates that the political track to resolving civil conflicts is far more productive and far less costly than the military track. The U.S. Congress, particularly people like PAT LEAHY, JOE MOAKLEY, and JOHN MURTHA, played a very critical role in helping to shape the outcome of that national debate.

I believe that we owe a very special thanks to former U.N. Secretary General Javier Perez de Cuellar and to his personal representative to the negotiations, Alvaro DeSoto, for their determined and tireless efforts to broker an agreement. Clearly the parties to the negotiations must also be commended. During the course of these negotiations both sides demonstrated that they were truly committed to finding a political solution to their deep-seated differences.

Finally, President Cristiani deserves special praise, for his task was by far the most difficult. I recall that even before being formally sworn into office following his election, he committed himself to finding a political settlement to the conflict. Some doubted his sincerity. I was not one of those, although I was doubtful that certain elements of Salvadoran society would permit him to do so. President Cristiani has demonstrated enormous political courage and deserves our full support and that of the international community as he moves forward to implement all phases of this agreement.

Mr. President, I urge all of my colleagues to support the pending resolution.

Mr. PELL. Mr. President, I am pleased to be an original cosponsor of Senate Resolution 248, submitted by Senators DURENBERGER, MITCHELL, DOLE, DODD, LUGAR, LEAHY, and others. The purpose of the resolution is to support the January 16 signing of a cease-fire agreement for El Salvador.

The world is hopeful that this long-awaited agreement will end—once and for all—a conflict that has ravaged Central America for years. Born in the throes of the cold war rivalry between the United States and the Soviet Union, the civil war in El Salvador resulted in thousands of deaths and countless human rights abuses. It is a tribute to the efforts of the United Nations and to the resiliency of the Salvadoran people that such a costly and bloody war could end in a negotiated settlement.

Now that the fighting has ended, our task is to ensure that the peace agreement is respected, that the Salvadoran people are reconciled, and that the rehabilitation of El Salvador's war-torn economy, infrastructure, and political system takes place. This will require a vigorous and concerted effort on behalf of the international community, and the resolution puts the Senate squarely on record in support of such an effort.

I commend Senator DURENBERGER for his endeavor to forge a bipartisan coalition to introduce the resolution. El Salvador has proven to be one of the most bitter, divisive political issues of our time. In my view, it is especially important that the U.S. Government move beyond such partisan rancor as it looks to a new era in the political development of Central America.

Mr. President, I am especially pleased to be joining Senators DODD and LEAHY as original cosponsors of this resolution, as it is my sincere opinion that they, perhaps more than any other Members of the U.S. Congress, have worked tirelessly and effectively to promote peace in El Salvador. At the conclusion of my remarks, I would ask unanimous consent that an op-ed piece by Robert White be printed in the RECORD. The piece makes special note of the efforts of Senator DODD and other Members of Congress on El Salvador, and I am pleased to bring it to my colleagues' attention.

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

[From the Washington Post, Jan. 16, 1992]

RENEWAL IN EL SALVADOR

(By Robert E. White)

The more prolonged, bloody and senseless the war, the harder it is it to end. The peace agreement writing finish to the conflict in El Salvador—which is to be signed today in Mexico City—was achieved against high odds. There is plenty of credit to go around.

Praise first for both Salvadoran delegations. The FMLN revolutionary movement had the wit to comprehend that in President Alfredo Cristiani, El Salvador had found an authentic statesman willing to defy hard-liners in order to make peace. Decorations to extraordinary merit to U.N. Secretary General Javier Perez de Cuellar and his chief negotiator, Alvaro de Soto, whose patient and creative diplomacy had to overcome not only profound distrust between the warring parties but also a campaign of detraction from Washington.

High marks for U.N. Ambassador Thomas Pickering and Assistant Secretary of State Bernard Aronson, who, without perceptible high-level support from their own government, persuaded the Salvadoran delegation to make required concessions. Diplomats from Mexico, Colombia, Venezuela and Spain played an equally praiseworthy role as counselors to the FMLN delegation. Yet the highest praise must be reserved for the Senate and House of Representatives, particularly Sen. Christopher Dodd (D-Conn.) and Rep. Joseph Moakley (D-Mass.), for sending a clear signal to the White House that funding for the Salvadoran military was finished. Without that firm message, the Bush administration would never have summoned the political will to end the war on the basis of compromise.

The U.N.-sponsored agreement writes a tardy finish to one of the most disgraceful chapters in the history of U.S. foreign policy. On the debit side of the ledger, there is also an ample supply of blame to parcel out.

Even before taking office, advisers to President Reagan decided to stake out first foreign policy claim in El Salvador. They chose this weak, obscure Central American country for demonstration purposes. A quick, decisive crushing of the Salvadoran insurgents was to serve as the international equivalent of the breaking of the air-controllers' strike. "Mr. President, this is one you can win," declared then-secretary of state Alexander Haig. It took 10 years, 75,000 murdered people and a million Salvadoran emigrants to pry U.S. policy loose from this delusion.

It would be convenient to place the blame for the disaster of El Salvador squarely on Regan administration appointees who were long on obsession and short on common sense. Yet every administration enters office with its quota of ideologies. it is the job of the intelligence community to blunt uninformed zeal with sober, compelling and sustained analysis. In this basic responsibility the CIA failed. Instead of supplying objective reports that should have served as a basis for leading our country out of the Salvadoran morass, the CIA under William Casey put intelligence at the service of policy and provided justifications for ever-deeper involvement.

Throughout the decade, Washington Steadfastly ignored opportunities for honorable and constructive disengagement. From the beginning, the revolutionary leaders made repeated offers to negotiate. The Reagan administration denounced these proposals as attempts by guerrillas to shoot their way into power—to win at the bargaining table what they could not on the battlefield. "No power sharing" became the watchword of U.S. policy.

Yet on New Year's Eve, with full U.S. approval, the government of El Salvador signed a peace agreement that has as its basis the redistribution of power. The army is no longer to exercise any internal police function but will continue its role to external defense. The dreaded security forces are abolished. In their place will be created a national police force in which former FMLN combatants will have a significant presence at all levels.

Power is also shared with the United Nations. A U.N. observer force stationed throughout the country has the mandate of verifying governmental compliance with its treaty commitment to respect human rights. The United States, Mexico, Venezuela, Colombia and Spain will act as guarantors of the agreement.

One of the chief deficiencies of the peace agreement is the failure to provide for prosecution of military officers and FMLN commanders responsible for grave abuses of human rights. This impunity could encourage future assassinations by military death squads unwilling to abide by an accord that effectively writes the army out of the new national power equation. If this occurs, the very fabric of the agreement could unravel, with peace as the first casualty.

If it is possible to discover a saving grace and hope for the future in this sorry history, it is to be found in the unmatched capacity of the Salvadoran people to learn from their suffering, to put hatred aside and to work for the common good. The most striking metaphor for this national spirit of renewal can be found in the transformation of former major Roberto d'Aubuisson from an apostle of violence to advocate of peace and reconciliation. El Salvador may yet prove worthy of its name.

Mr. WARNER. Mr. President, I rise today as a supporter and cosponsor of Senate Resolution 248, a resolution observing the recently signed peace accords regarding El Salvador.

On January 16, 1992, the formal signing of the United Nations sponsored El Salvador peace accords took place in Mexico City, Mexico. This agreement, we all hope, has brought to a close the bloody 12-year civil war that devastated El Salvador and cost an estimated 75,000 lives. The signing of the peace accords was the culmination of over 2 years of intense negotiations between the Salvadoran Government and the Faribundo Marti National Liberation Front [FMLN].

The United Nations, in particular former Secretary General Javier Perez de Cuellar and his chief negotiator throughout the talks, Alvaro de Soto, and Latin American and Spanish diplomats all deserve high praise for their crucial roles in the talks. It was through their efforts, coupled with pressure from the U.S. State Department, in particular U.N. Ambassador Thomas Pickering and Assistant Secretary of State Bernard Aronson, that forced the Salvadoran Government and the FMLN to enter into serious and sincere negotiations. Salvadoran President Alfredo Cristiani also deserves tremendous credit for his efforts, without which there would have been no chance for peace.

The role of Congress in the Salvadoran peace accords should not be overlooked. In the fall of the 1990, I supported legislation to withhold 50 percent of the United States military aid to El Salvador contingent on certain restrictions that applied to both the Salvadoran Government and the

FMLN. This legislation, the first withholding of United States military aid to El Salvador, passed both Houses of Congress and was signed into law by President Bush. I strongly supported the 50 percent withholding because I felt it established a framework for a fair and balanced approach to resolving the long and bloody conflict that was tearing El Salvador apart. I had previously had an extensive visit to El Salvador and firmly believed that the time had come to reevaluate our policy and move forward. This new policy sent a strong signal to all parties concerned that Congress and the American people were frustrated with the status quo.

Now, as outlined in Senate Resolution 248, we should concentrate our efforts on the rebuilding and reconstruction of war torn El Salvador. I look forward to working with the State Department and my colleagues in the Senate to achieve that goal.

Mr. DURENBERGER. Mr. President, what time remains?

The PRESIDING OFFICER. All time has expired.

Mr. DURENBERGER. I ask that the resolution be agreed to.

The PRESIDING OFFICER. All time having expired, the question is on agreeing to the resolution.

The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Iowa [Mr. HARKIN], the Senator from Nebraska [Mr. KERREY], and the Senator from Tennessee [Mr. SASSER] are necessarily absent.

I further announce that, if present and voting, the Senator from Tennessee [Mr. SASSER] would vote "aye."

Mr. SIMPSON. I announce that the Senator from Virginia [Mr. WARNER] is necessarily absent.

The PRESIDING OFFICER (Mr. SIMON). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 96, nays 0, as follows:

[Rollcall Vote No. 11 Leg.]

YEAS—96

Adams	Danforth	Jeffords
Akaka	Daschle	Johnston
Baucus	DeConcini	Kassebaum
Bentsen	Dixon	Kasten
Biden	Dodd	Kennedy
Bingaman	Dole	Kerry
Bond	Domenici	Kohl
Boren	Durenberger	Lautenberg
Bradley	Exon	Leahy
Breaux	Ford	Levin
Brown	Fowler	Lieberman
Bryan	Garn	Lott
Bumpers	Glenn	Lugar
Burdick	Gore	Mack
Burns	Gorton	McCain
Byrd	Graham	McConnell
Chafee	Gramm	Metzenbaum
Coats	Grassley	Mikulski
Cochran	Hatch	Mitchell
Cohen	Hatfield	Moynihan
Conrad	Heflin	Murkowski
Craig	Helms	Nickles
Cranston	Hollings	Nunn
D'Amato	Inouye	Packwood
Pell	Rudman	Specter
Pressler	Sanford	Stevens
Pryor	Sarbanes	Symms
Reid	Seymour	Thurmond
Riegle	Shelby	Wallop
Robb	Simon	Wellstone
Rockefeller	Simpson	Wirth
Roth	Smith	Wofford

NAYS—0

NOT VOTING—4

Harkin	Sasser
Kerrey	Warner

So the resolution (S. Res. 248), as amended, was agreed to, as follows:

S. RES. 248

Whereas the people of El Salvador have suffered 12 years of civil war, violence, and destruction, affecting an entire generation of Salvadorans and virtually every sector of society;

Whereas peace and reconciliation will permit the Salvadoran people to exert their productive capabilities in efforts to restructure their society, rebuild their economy, and further strengthen democracy;

Whereas El Salvador has achieved through negotiations a peaceful resolution to years of bloody and destructive armed conflict;

Whereas the government of President Alfredo Cristiani has successfully fulfilled its promise to the people of El Salvador made on its first day in office that it will bring peace to the country;

Whereas the January 16, 1992, signing of the formal ceasefire agreements represents not only the end of the armed conflict but the beginning of a process to consolidate peace and democracy in El Salvador;

Whereas the Salvadoran people have declared February 1, 1992, the date of the beginning of the formal cease-fire, to be National Peace Day;

Whereas the success of the Salvadoran negotiating process, with the active and indispensable contribution of the United Nations, can provide a model for the resolution of other conflicts around the world;

Whereas the United States has played a significant role in El Salvador during the years of crisis; and

Whereas the people of El Salvador and its neighbors in Latin America will be the primary beneficiaries of peace: Now, therefore, be it

Resolved, That (a) the Senate hereby—

(1) commends and congratulates all parties to the negotiations, the former United Nations Secretary General Javier Perez de Cuellar, and the Salvadoran people for their persistence, commitment, and dedication to the task of achieving peace;

(2) extends particular praise to President Cristiani for the courage and determination of his personal efforts to bring peace to El Salvador;

(3) commends and congratulates the governments of Colombia, Mexico, Spain, and Venezuela for their important contribution as "friends" of the United Nations Secretary General in support of the negotiating process; and

(4) encourages the Salvadoran people and all sectors of Salvadoran society to commit themselves to the long-term process of consolidating peace, democracy, and economic and social development.

(b) It is the sense of the Senate that—

(1) the United States should remain committed to providing appropriate assistance to the government and people of El Salvador that promotes the process of reconstruction, reconciliation, and further strengthening of democracy and democratic institutions;

(2) the United States should remain committed to seeking and encouraging other members of the international community to contribute materially to this process in El Salvador; and

(3) the United States should remain committed to cooperating with United Nations efforts to monitor compliance with the peace agreements in El Salvador and other efforts pertaining to the United Nations role in postwar El Salvador.

Mr. INOUYE. I move to reconsider the vote.

Mr. DURENBERGER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, I have discussed the status of the current bill with the managers, with the distinguished Republican leader, and with Senator PACKWOOD, who is a principal author of a proposed substitute amendment, and, as a result of that discussion, there will be no further rollcall votes this evening.

Senator PACKWOOD indicated his intention to offer his substitute amendment at 11 a.m. tomorrow, when the Senate returns to consideration of the pending bill. And the managers advise that it is their belief we can dispose of that amendment and all other amendments of which they are now aware and, hopefully, complete action on the bill tomorrow. That means there will be votes during the day, and as Senators know from our prior practice and from the written notice I have provided to each Senator prior to now, Thursday is the day on which we can expect a session in the evenings and votes. So it is my hope we can complete action on the bill tomorrow as I have just stated and described.

The managers, Senator INOUYE, Senator DANFORTH, Senator PACKWOOD, and Senator DOLE are here. The statement I made arises out of discussions I had with them on this point.

I will be pleased to yield now to Senator PACKWOOD.

Mr. PACKWOOD. Here is what I have been able to find out. The Senator from Hawaii has been very generous with me, giving me the time I need. I am prepared to start tomorrow. I cannot get a UC with limits on time. This is one we will spend more time trying to get a UC than if we just start.

Mr. MITCHELL. I thank the Senator for that. I think the best way to proceed is to proceed. I expect then when we conclude this evening——

Mr. PACKWOOD. I might say to the leader that this may require me not to attempt to have a vote on the luxury boat tax. But he has no interest in that. It does not matter.

Mr. MITCHELL. I will be there, I assure the Senator of that. I will be there voting on that matter whenever it arises. But I hope we will be able to complete action on this bill tomorrow. In any event, we will begin and proceed with that intention.

Mr. JOHNSTON. Mr. President, will the majority leader yield to me?

Mr. MITCHELL. Yes.

Mr. JOHNSTON. I wonder, Mr. President, if I may ask unanimous consent that it be in order for me to introduce a bill at this point and proceed for 3 minutes.

The PRESIDING OFFICER. Is there objection?

Mr. GORE. Reserving the right to object, if I might make a brief inquiry of the Senator from Oregon before he leaves the Chamber. Might it be possible later this evening for the amendment the Senator intends to propose tomorrow to be printed in the RECORD so that we might be able to see what is included in the amendment? I will not object to any UC, and, if it is a burden, I will just take it as it is. But it would be helpful to some of us who have been waiting to see it. I do not think there will be any UC anyway.

Mr. PACKWOOD. I will tell you what I will do, Mr. President. I gave to the manager of the bill—here is what happened. I had it drafted, and it was subject to a point of order. It was in the legislative counsel's office, and I passed around the amendment as it would read, but it was in the old form.

I will put it into the RECORD but give the Senator a copy of what it was when it was subject to a point of order and assure him as it comes it will be no different.

Mr. GORE. As long as the substance of it is clear and accessible for us to look at. I thank my colleague very much.

The amendment is as follows:

On page 54, beginning with line 8, strike out all through line 21 on page 56 and insert in lieu thereof the following:

TITLE I—SHORT TITLE, FINDINGS, STATEMENT OF POLICY, AND DEFINITIONS

SEC. 101. SHORT TITLE.

This Act may be cited as the "Cable Television Competition Act of 1992".

SEC. 102. FINDINGS.

The Congress finds and declares the following:

(1) In the early 1980s, the development of the cable television industry in the United States stalled. The industry's plans to wire the Nation's largest cities were in disarray. Overdesigned and uneconomical cable systems were not attracting subscribers in sufficient numbers, largely because of inadequate programming. At the same time, important cable programming services were failing because of low ratings and low revenues. Cable faced a dilemma: It could not attract additional subscribers and increase revenues without new and innovative programming, yet it could not afford to develop such programming without additional subscribers and increased revenues.

(2) In 1984, the Congress moved to deal with this crisis in a comprehensive manner. The Cable Communications Policy Act of 1984 was designed to encourage the growth of cable systems and cable programming efforts for the benefit of consumers through the elimination of unnecessary and burdensome regulation by local franchising authorities.

(3) As the Federal Communications Commission stated in its 1990 report on the cable television industry, the Cable Communications Policy Act of 1984 has achieved much of what Congress intended. Prior to 1984, cable service was available to only 70 percent of American homes, and less than 60 percent of cable subscribers were served by systems with at least 30 channels. Today, cable service is available to 90 percent of American homes, and 90 percent of cable subscribers are served by systems with at least 30 channels. Since 1984, the cable television industry has invested over $5.1 billion in plant and equipment, and annual investment in basic cable programming has more than tripled.

(4) The cable television industry's programming efforts since deregulation have been of particular benefit to consumers. Prior to 1985, there were approximately 40 cable networks available to subscribers. Today, more than 70 cable networks are available to subscribers, and plans are being made to launch more than a dozen new networks in the near future. Through these networks, cable television offers consumers a diverse range of specialized programming options, including gavel-to-gavel coverage of the proceedings of Congress, home shopping services, music videos, 24-hour news reporting, classic movies, and documentaries. Cable television enables a consumer to pick the programming that best meets his or her individual needs and desires.

(5) The growth of the cable television industry since deregulation was fully implemented in 1986 has not been free of controversy. State and local franchising authorities and cable subscribers have complained about rate increases and poor customer service. The cable television industry's competitors have argued that the industry's financial strength, vertical integration into programming, and statutorily-mandated access to both distant and local broadcast signals have given the industry an unfair advantage in the video marketplace.

(6) Although some cable operators have clearly abused the freedom of action afforded them by the Cable Communications Policy Act of 1984, much of the current criticism of the cable television industry is misdirected.

(7) In particular, the debate over cable rates is misleading. In 1972, when the Federal Communications Commission affirmed the legality of local rate regulation, the average price of basic cable service was $5.85. At the end of 1989, it was $16.33—6 percent less than the $17.33 consumers would have paid if cable rates had simply kept up with increases in the Consumer Price Index (CPI). The substantial rate increases in excess of the CPI since full deregulation at the end of 1986 primarily reflect years of excessive local rate regulation that kept both rates and investment in better programming and additional services artificially low. Finally, the latest General Accounting Office survey of cable rates indicates that increases in the so-called "bottom line" measurement of cable rates—the average monthly subscriber bill—have moderated substantially over the past two years. In 1990, the "bottom line" increased less than the overall rate of inflation.

(8) In the words of the Federal Communications Commission, today's video marketplace is a "highly dynamic sector in the midst of transition," where relatively new technologies such as cable television and home videotape machines have strongly challenged the formerly dominant broadcast television industry, and even newer technologies such as direct broadcast satellite service are waiting in the wings. In such a dynamic environment, it is difficult to distinguish long-term systemic problems from short-term transitory ones.

(9) The record now before the Congress does not justify massive re-regulation of cable rates; abrogation of the traditional rights of video programmers to control the use of the video programming they develop; or imposition of additional restrictions on cross-ownership, horizontal growth, and vertical integration in the cable industry. In fact, all three of these approaches have the very real potential of crippling the growth of cable programming and service options without significantly benefiting consumers. They also raise serious constitutional questions under the First Amendment.

(10) To the maximum extent, priority should be placed on encouraging competition in the video marketplace rather than re-regulating cable television.

(11) At the same time, in light of increasing importance of cable service to consumers nationwide, the Federal Communications Commission, in accordance with the universal service policy of the Communications Act of 1934, should be authorized to ensure reasonable access to cable systems—

(A) by regulating the rates charged for basic service by cable systems not subject to effective competition, and

(B) by establishing customer service and technical standards for all cable systems.

On page 56, redesignate paragraph (8) as paragraph (12) and renumber the next eleven paragraphs in the section accordingly.

On page 62, beginning with line 1, strike out all through line 9 on page 63 and insert in lieu thereof the following:

SEC. 103. STATEMENT OF POLICY.

It is the policy of the Congress in this Act to—

(1) build upon on the substantial success of the Cable Communications Policy Act of 1984 in addressing current concerns over the cable industry's conduct and trends in the video marketplace as a whole;

(2) continue, through market-oriented means, to encourage the cable industry and other video programmers and video programming distributors to provide, in an efficient and effective manner, the widest possible diversity of information sources and services to the public;

(3) further the interests of consumers by enhancing competition in the video programming market by reducing the regulatory burden on the cable industry's competitors, particularly the broadcast television industry;

(4) utilize, to the fullest extent, the expertise of the Federal Communications Commission to monitor changes in the video marketplace and determine whether administrative or legislative action, particularly action to further reduce regulation, is needed to respond to such changes; and

(5) avoid imposing additional regulation on the cable industry or any other video programmer or video programming distributor unless such regulation is clearly necessary to protect the interest of the public.

On page 63, beginning with line 10, strike out all through line 11, and insert in lieu thereof the following:

SEC. 104. DEFINITIONS.

(a) Section 602 of the Communications Act

On page 71, beginning with line 3, strike out all through line 22 on page 93 and insert in lieu thereof the following:

(i) Section 602 of the Communications Act of 1934 (47 U.S.C. 522), as amended by this section, is further amended by amending paragraph (4), as so redesignated, to read as follows;

"(4) the term 'basic cable service' means any service tier which includes retransmitted local television broadcast signals; public, educational or governmental access channels; or video programming services providing comprehensive, gavel-to-gavel coverage of the proceeding of either House of Congress;".

TITLE II—EXPANDING COMPETITION IN THE VIDEO MARKETPLACE THROUGH REDUCED REGULATION

SEC 201. ELIMINATION OF THE RESTRICTION ON MULTIPLE OWNERSHIP OF BROADCAST STATIONS.

In order to encourage the development of regional broadcast operations and networks and enhance the ability of the broadcast industry as a whole to compete with the cable television industry and other video programming distributors, the regulation adopted by the Federal Communications Commission to limit the total number of broadcast stations in any service that can be owned, operated, or controlled by a party or group of parties under common control (47 C.F.R. 73.3555(d)) is hereby repealed.

SEC. 202. EXPANSION OF THE RURAL EXEMPTION TO THE CABLE-TELEPHONE CROSS-OWNERSHIP PROHIBITON.

Section 613(b)(3) of the Communications Act of 1934 (47 U.S.C. 533(b)(3)) is amended by striking "(as defined by the Commission)" and inserting after the period the following: "For the purposes of this paragraph, the term 'rural area' means a geographic area that does not include either—

"(A) any incorporated place of 10,000 inhabitants or more, or any part thereof; or

"(B) any territory, incorporated or unincorporated, included in an urbanized area (as defined by the Bureau of the Census as of the date of the enactment of the Cable Television Competition Act of 1992).".

SEC. 203. FRANCHISE REFORM.

(A) FRANCHISE RENEWALS.—Section 626 of the Communications Act of 1934 (47 U.S.C. 546) is amended—

(1) in subsection (a), by inserting "written" before "request" and by inserting at the end of the subsection the following: "Commencement of proceedings under this section by the franchising authority on its own initiative or timely submission of a written request by the cable operator specifically asking for the commencement of such proceedings is required for the cable operator to invoke the renewal procedures set forth in subsections (a) through (g). In accordance with the provisions of subsection (j), the franchising authority may on its own initiative commence proceedings under this subsection during the 6-month period after the tenth anniversary of the current franchise term.";

(2) in subsection (b)—

(A) by inserting the following new paragraph at the beginning of the subsection:

"(1) The franchising authority shall have 1 year from the date it commences on its own initiative proceedings under subsection (a) or from the date it receives a timely written request from the cable operator specifically asking for the commencement of such proceedings to complete such proceedings. This period may be extended by mutual agreement between the franchising authority and the cable operator.";

(B) by renumbering the following paragraphs accordingly;

(C) by deleting "a proceedings" in paragraph (2), as renumbered, and inserting in lieu thereof "proceedings under subsection (a)"; and

(D) by inserting "reasonable" before "date" in paragraph (4), as renumbered;

(3) in subsection (c), by inserting "pursuant to subsection (b)" before the first comma, by deleting "completion of any proceedings under subsection (a)" and inserting in lieu thereof "date of submission of the cable operator's proposal pursuant to subsection (b)", by inserting "cable" before the third occurrence of "operator", and by inserting", throughout the franchise term" after "whether";

(4) by amending subsection (d) to read as follows:

"(d)(1) Any denial of a proposal for renewal which has been submitted in compliance with subsection (b) shall be based on one or more adverse findings made with respect to the factors described in subparagraphs (A) through (D) of subsection (c)(1), pursuant to the record of the proceeding under subsection (c).

"(2) A franchising authority may not base a denial of renewal on a failure to substantially comply with the material terms of the franchise under subsection (c)(1)(A) or on events considered under subsection (c)(1)(B) in any case in which such failure to comply or such events occur.

"(A) after the effective date of this title and before the date of enactment of the Cable Television Competition Act of 1992 unless the franchising authority has provided the cable operator with notice and the opportunity to cure, or

"(B) after the date of enactment of the Cable Television Competition Act of 1992 unless the franchising authority has provided the cable operator with written notice and the opportunity to cure.

"(3) A franchising authority may not base a denial of renewal on a failure to substantially comply with the material terms of the franchise under subsection (c)(1)(A) or on events considered under subsection (c)(1)(B) in any case where it is documented that the franchising authority—

"(A) has waived its right to object, or has effectively acquiesced, to such failure to comply or such events prior to the date of enactment of the Cable Television Competition Act of 1992, or

"(B) has waived in writing its right to object to such failure to comply or such events after the date of enactment of the Cable Television Competition Act of 1992."; and

(5) at the end of the section, by inserting the following new subsections:

"(i) Notwithstanding the provision of subsections (a) through (h) of this section, any lawful action to revoke a cable operator's franchise for cause shall not be negated by the initiation of renewal proceedings by the cable operator under this section.

"(j) Notwithstanding any other provision of law, a franchising authority may establish as part of any franchise or franchise renewal granted after the date of enactment of the Cable Television Competition Act of 1992, a provision permitting such franchising authority to commence the process set forth in subsections (a) through (g) of this section during the 6-month period immediately following the tenth anniversary of the current franchise term, regardless of the duration of such franchise or franchise renewal beyond such date. Nothing in this subsection shall be construed to prohibit a cable operator from seeking renewal under subsection (h).".

(b) MULTIPLE FRANCHISES.—(1) Section 621(a) of the Communications Act of 1934 (47 U.S.C. 541(a)) is amended—

(A) by striking "1 or more" in paragraph (1);

(B) by adding at the end of paragraph (1) the following: "No franchising authority shall grant an exclusive franchise to any cable operator or unreasonably refuse to award to an applicant an additional competitive franchise with terms substantially equivalent to those granted the incumbent cable operator. Any applicant whose application for an additional competitive franchise has been denied by a final decision of a franchising authority may appeal such final decision pursuant to the provisions of section 635."; and

(C) by adding at the end thereof the following new paragraph:

"(4) In awarding a franchise, the franchising authority shall allow the applicant's cable system a reasonable period of time to become capable of providing cable service to all households in the geographic area within the jurisdiction of such franchising authority.".

(2) Section 635(a) of the Communications Act of 1934 (47 U.S.C. 555(a)) is amended by inserting "621(a)(1)," immediately after "section".

(c) NO PROHIBITION AGAINST A LOCAL OR MUNICIPAL AUTHORITY OPERATING AS A MULTICHANNEL VIDEO PROGRAMMING DISTRIBUTOR.—Section 621 of the Communications Act of 1934 (47 U.S.C. 541) is amended by adding "and subsection (f)" before the comma in paragraph (b)(1) and by adding the following new subsection at the end thereof:

"(f) No provision of this Act shall be construed to—

"(1) prohibit a local or municipal authority that is also, or is affiliated with, a franchising authority from operating as a multichannel video programming distributor in the geographic area within the jurisdiction of such franchising authority, notwithstanding the granting of one or more franchises by such franchising authority, or

"(2) require such local or municipal authority to secure a franchise to operate as a multichannel video programming distributor.".

SEC. 204. MONITORING COMPETITION IN THE VIDEO MARKETPLACE.

(a) BIENNIAL REPORT REQUIRED.—Starting in 1993, the Federal Communications Commission shall prepare and submit to the President and Congress biennial reports regarding the level of competition in the video marketplace. Such a report shall be submitted not later than 60 days after the convening of each new Congress.

(b) CONTENT OF REPORT.—(1) Each report submitted pursuant to this section shall examine, among any other factors deemed appropriate by the Federal Communication Commission, changes in—

(A) the structure of the domestic and international video marketplace, including ownership and joint venture patterns, vertical and horizontal consolidation, and marketing and pricing approaches;

(B) the viewing and buying habits of the general public;

(C) video programming production and distribution technology; and

(D) the legislative and administrative regulatory structure that shapes the video marketplace.

(2) Each report submitted pursuant to this section shall discuss the impact of the factors set forth in paragraph (1) on the level of competition in the video marketplace and shall make specific recommendations regarding administrative and legislative steps that could be taken to reduce the regulation of, and enhance competition within, the video marketplace.

TITLE III—AMENDMENTS TO THE CABLE COMMUNICATIONS POLICY ACT OF 1984 AND OTHER MATTERS

SEC. 301. REGULATION OF CABLE RATES.

(a) Section 623 of the Communications Act of 1934 (47 U.S.C. 543) is amended to read as follows:

SEC. 623. REGULATION OF CABLE RATES.

"(a) SCOPE OF RATE REGULATION AUTHORITY.—No Federal agency or State shall regulate rates for provision of cable service or installation or rental of equipment (including remote control devices) used for the receipt of such service except to the extent provided under this section and section 612. No franchising authority shall regulate rates for provision of cable service, provision of any other communications service provided over a cable system to cable subscribers, or installation or rental of equipment (including remote control devices) used for the receipt of such services except to the extent provided under this section, section 612, and section 621.

"(b) RATE REGULATION BY THE COMMISSION.—(1) If the Commission finds that a cable system is not subject to effective competition, the Commission shall determine and prescribe just and reasonable rates for the provision on such system of basic cable service and the installation or rental of equipment (including remote control devices) used for the receipt of such service. The Commission shall further ensure that such cable system, in the provision of programming services offered on a per channel or per program basis, does not unreasonably or unjustly discriminate against subscribers who subscribe only to basic cable service or otherwise penalize such subscribers for choosing to subscribe to a regulated service tier.

"(2) Within 180 days after the date of enactment of the Cable Television Competition Act of 1992, the Commission shall promulgate procedures, standards, requirements, and guidelines to establish just and reasonable rates to be charged by a cable system not subject to effective competition for basic cable service and for the installation or rental of equipment (including remote control devices) used for the receipt of such service.

"(3)(A) Except as provided in subparagraph (B), no provision of this Act shall prevent a cable operator from adding or deleting from a basic cable service tier any video programming.

"(B) No cable operator shall delete from a basic service tier retransmitted local television broadcast signals; public, educational, or governmental access channels; or video programming services providing comprehensive, gavel-to-gavel coverage of the proceedings of either House of Congress: *Provided however*, That a cable operator may move such signals, channels, and services to a common basic service tier.

"(c) RATE REGULATION BY A FRANCHISING AUTHORITY.—(1) Within 180 days of the date of enactment of the Cable Television Competition Act of 1992, the Commission shall promulgate regulations to authorize a franchising authority, if it so chooses, to implement subsection (b)(1) in lieu of the Commission and in a manner consistent with the procedures, standards, requirements, and guidelines established pursuant to subsection (b)(2).

"(2) Upon petition by a cable operator, the Commission shall review the implementation of subsection (b)(1) by a franchising authority. If the Commission finds that such franchising authority has acted inconsistently with the procedures, standards, requirements, and guidelines established pursuant to subsection (b)(2), it shall grant appropriate relief and, if necessary, revoke such franchising authority's authorization to implement subsection (b)(1).

"(d) CONSIDERATION OF RATE INCREASE REQUESTS.—A cable operator may file with the Commission, or a franchising authority authorized to regulate rates pursuant to subsection (c), a request for a rate increase in the price of a basic cable service tier or in the price of installing or renting equipment (including remote control devices) used in the receipt of basic cable service. Any such request upon which final action is not taken within 180 days shall be deemed granted.

"(e) EFFECTIVE COMPETITION DEFINED.—For the purposes of this section, a cable system shall be considered subject to effective competition if—

"(1) one or more independently-owned multichannel video programming distributors offer service, in competition with such cable system, to at least 50 percent of the homes passed by such cable system, and

"(2) at least 10 percent of such homes subscribe to such service.

"(f) DISCRIMINATION PROHIBITED.—(1) A cable operator shall have a rate structure for the provision of cable service that is uniform throughout the geographic area covered by the franchise granted to such cable operator.

"(2) No provision of this title shall be construed to prohibit any Federal agency, State, or franchising authority from—

"(A) prohibiting discrimination among subscribers to any service tier; or

"(B) requiring and regulating the installation or rental of equipment to facilitate the reception of cable service by hearing-impaired individuals.".

SEC. 302. CUSTOMER SERVICE STANDARDS AND REQUIREMENTS.

Section 632 of the Communications Act of 1934 (47 U.S.C. 552) is amended—

(1) in subsection (a), by inserting "may establish and" immediately after "authority";

(2) by amending subsection (b) to read as follows:

"(b) ENFORCEMENT POWERS OF FRANCHISING AUTHORITY.—A franchising authority may enforce—

"(1) any provision, contained in any franchise, relating to requirements described in subsection (a), to the extent not inconsistent with this title;

"(2) any customer service standard established by the Commission pursuant to subsection (d); or

"(3) any customer service requirement that exceeds the standards established by the Commission pursuant to subsection (d) but only if such requirement—

"(A) exists as part of a franchise or franchise renewal on the date of enactment of the Cable Television Competition Act of 1992; or

"(B) is imposed by—

"(i) a municipal ordinance or agreement in effect on the date of enactment of the Cable Television Competition Act of 1992, or

"(ii) a State law."; and

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

"(d) ESTABLISHMENT OF CUSTOMER SERVICE STANDARDS BY THE COMMISSION.—The Commission, within one year after the date of enactment of the Cable Television Competition Act of 1992, shall, after notice and an opportunity for public comment, prescribe and make effective regulations to establish customer service standards to ensure that all cable subscribers are fairly served. Thereafter, the Commission shall regularly review the standards and make such modifications as may be necessary to ensure that cable subscribers are fairly served.

"(e) COMMISSION REVIEW OF A FRANCHISING AUTHORITY'S ENFORCEMENT OF CUSTOMER SERVICE STANDARDS AND REQUIREMENTS.—Upon petition by a cable operator, the Commission shall review the enforcement by a franchising authority of customer service standards and requirements under subsection (b). If the Commission finds that such franchising authority has acted inconsistently with the authorization granted by subsection (b), it shall grant appropriate relief.".

SEC. 303. MINIMUM TECHNICAL STANDARDS AND TESTING REQUIREMENTS.

Section 624(e) of the Communications Act of 1934 (47 U.S.C. 544(e)) is amended to read as follows:

"(e) ESTABLISHMENT AND ENFORCEMENT OF MINIMUM TECHNICAL STANDARDS BY THE COMMISSION.—(1)(A) The Commission shall, within one year after the date of enactment of the Cable Television Competition Act of 1992, prescribe and make effective regulations that establish minimum technical standards, and requirements for testing such standards, to ensure adequate signal quality for all classes of video programming signals provided over a cable system, and thereafter shall periodically update such standards and requirements to reflect improvements in technology.

"(B) The Commission shall establish guidelines and procedures for complaints or petitions asserting the failure of a cable operator to meet the standards or requirements established pursuant to this subsection and may require compliance with and enforce any such standard or requirement. The Commission shall also establish procedures and guidelines for the enforcement of such standards and requirements by a franchising authority.

"(C) The Commission, upon a determination that such action is required in the public interest, may modify or waive any standard or requirement established pursuant to this section upon petition from a cable operator or franchising authority.

"(2) Neither a State nor political subdivision thereof nor a franchising authority shall establish or enforce any technical standards or testing requirements in addition to, or different from, the standards or requirements established by the Commission.

"(3) Upon petition by a cable operator, the Commission shall review the enforcement of minimum technical standards and testing requirements by a franchising authority. If the Commission finds that such franchising authority has acted inconsistently with the procedures and guidelines established pursuant to paragraph (1)(B), it shall grant appropriate relief.".

SEC. 304. HOME WIRING.

Section 624 of the Communications Act of 1934 (17 U.S.C. 544) is amended by adding at the end the following new subsection:

"(g) Within 120 days after the date of enactment of this subsection, the Commission shall prescribe rules and regulations concerning the disposition, after a subscriber to a cable system terminates service, of any cable installed by the cable operator within the premises of such subscriber.".

On page 93, beginning with line 23, strike out all through line 24 and insert in lieu thereof the following:

SEC. 305. RETRANSMISSION CONSENT.

(a) Section 325 of the Communications Act

On page 95, beginning with line 20, strike out all through line 21 and insert in lieu thereof the following:

SEC. 306. CARRIAGE OF LOCAL BROADCAST SIGNALS.

Part II of Title VI of the Communications

On page 111, beginning with line 22, strike out all through line 23 and insert in lieu thereof the following:

SEC. 307. JUDICIAL REVIEW.

Section 635 of the Communications Act of

On page 112, beginning on line 14, strike out all through line 26 on page 116 and insert in lieu thereof the following;

SEC. 308. DIRECT BROADCAST SATELLITE SERVICE.

(a) MR. PRESIDENT, REQUIREMENTS.—(1) The Federal Communications Commission shall require, as a condition of any provision, initial authorization, or renewal thereof, for a direct broadcast satellite service providing video programming, that the provider of such service reserve a portion of its channel capacity, equal to not less than 4 percent nor more than 7 percent of such capacity, exclusively for nonduplicated, noncommercial education and informational programming.

(2) Such provider may utilize for any purpose any unused channel capacity required to be reserved under this section pending the actual use of such channel capacity for nonduplicated, noncommercial educational and informational programming.

(3) Such provider shall meet the requirements of this section by leasing capacity on its system upon reasonable terms, conditions, and prices based only on the direct costs of transmitting programming supplied by national educational programming suppliers, including qualified noncommercial educational television stations, other public telecommunications entities, and public or private educational institutions. Such provider shall not exercise any editorial control over any video programming provided pursuant to the section.

(b) STUDY PANEL.—There is established a study panel which shall be comprised of one representative each from the Corporation for Public Broadcasting, the National Telecommunications and Information Administration, and the Office of Technology Assessment, selected by the head of each such entity. Such study panel shall, within 2 years after the date of enactment of this Act, submit a report to the Congress containing recommendations on—

(1) methods and strategies for promoting the development of programming for transmission over the channels reserved pursuant to paragraph (1);

(2) methods and criteria for selecting programming for such channels that avoid conflicts of interest and the exercise of editorial control by a direct broadcast satellite service provider; and

(3) identifying existing and potential sources of funding for administrative and production costs for such programming.

(c) DEFINITION.—As used in this section, the term "direct broadcast satellite system" includes—

(1) any satellite system licensed under part 100 of title 47, Code of Federal Regulations, and

(2) any distributor using a fixed service satellite system to provide video service directly to the home and licensed under part 25 of title 47, Code of Federal Regulations.

SEC. 309. SEPARABILITY.

If any provision of this Act, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of this Act, or the application as to which it is held invalid, shall not be affected thereby.

SEC. 310. EFFECTIVE DATE.

Except as otherwise specified in this Act, the requirements of this Act shall be effective 60 days after the date of enactment of this Act. The Federal Communications Commission may promulgate such regulations as it determines as necessary to implement such requirements.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Louisiana?

Mr. PRESSLER. Mr. President, reserving the right to object, and I shall not object.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. PRESSLER. I have two amendments to this bill that have been agreed to by both sides. If I could offer those either immediately or right after.

Mr. INOUYE. Mr. President, if I may respond.

The PRESIDING OFFICER. I believe the majority leader actually has the time.

Mr. MITCHELL. Mr. President, I yield to the Senator from Hawaii.

Mr. INOUYE. I thank the leader. We are prepared to take up the amendment immediately after this colloquy.

The PRESIDING OFFICER. The question is the unanimous-consent request of the Senator from Louisiana. If there is no objection, the request is granted.

MEASURE HELD AT DESK

Mr. JOHNSTON. Mr. President, I ask unanimous consent it be in order for me to introduce a bill, that it be held at the desk until the majority leader moves to advance it in accordance with the rules.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, the bill I send to the desk on behalf of myself and the Senator from Wyoming, Mr. WALLOP, is the same bill as S. 1220, with the exception of four sections which have been deleted. Those four sections are the so-called ANWR or Arctic national wildlife drilling section; the corporate average fuel efficiency section, the CAFE section; the WEPCO section, dealing with an exception to the Clean Air Act; and a used oil provision. Otherwise, this bill is identical to S. 1220.

Mr. President, we have not yet secured full consent from all the parties involved as to exactly how we are going to proceed. but Senator WALLOP and I send this bill up to the desk and the majority leader later will begin to invoke the provisions.

I believe it is rule XIV of the rules under which a bill may be held at the desk and advanced immediately to the calendar.

We are not asking for any extraordinary provisions other than the ability to get it on the calendar. This will neither waive the motion to take up the right to filibuster, the right to amend, or any of those kinds of things.

It is our hope, Mr. President—frankly, it is my expectation—that a comprehensive energy package as just sent to the desk will be considered, and expeditiously so, early next week. It is my hope, Mr. President, that it will be supported on both sides of the aisle, and that we will have what constitutes a very far-reaching and very comprehensive and very effective, very balanced national energy policy.

The CAFE we hope, we trust, will not be included here, and not considered; the ANWR provisions and the other two provisions we hope will not be at all even considered as part of this package. But the rest of this bill does constitute a very extensive, balanced, effective national energy policy.

We look forward, if we get these agreements, to considering this early next week and passing it early next week.

Mr. President, I thank the majority leader. I thank my colleague from Wyoming, Senator WALLOP and all others involved in the negotiations thus far, which have been very, very successful up to this point.

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

ORDER OF PROCEDURE

Mr. GRASSLEY. I ask unanimous consent to speak for 4 minutes as if in morning business.

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

TAX BENEFITS FOR HIGHER EDUCATION

Mr. GRASSLEY. Mr. President, now that President Bush has delivered his State of the Union Address, I am sure many Members of this body will take the opportunity to comment on the President's economic plan and his vision of a new America. Several Republican Members of this body did that earlier today.

However, in the meantime, and as a member of the Senate Finance Committee, I am going to have the opportunity to make my own comments, and I am going to do that later on. But at this point, I wanted to take a few minutes to address a very specific provision of the President's plan that I have a particular interest in and have been supporting for a long time.

The specific provision I am referring to is the one to restore the interest deduction on student loans.

Mr. President, since 1987, I have sponsored legislation to restore the interest deduction on student loans. It has been a long struggle and, unfortunately, one that is not over yet. But, up to this year, I have never had the administration's support. It is extremely encouraging to finally be getting that support.

Last Friday, Senator BOREN joined me in introducing a new version of my past legislation. The new bill is an improvement on the previous legislation because it gives taxpayers a choice between a credit or a deduction and nonitemizers will be helped along with itemizers.

Earlier last December, as members of the Finance Committee, both Senator BOREN and I participated in a series of hearings regarding an economic growth package. At that time, Senator BOREN and I stressed the need to address our Nation's long-term needs by including a restoration of tax benefits for higher education in an economic growth package. We subsequently contacted President Bush emphasizing this need. It is very satisfying to see that the President listened to these concerns and agreed to include a restoration of these education benefits in his new economic plan.

Mr. President, there is just no question that more needs to be done for individual taxpayers to help them with their specific educational needs. By phasing out the interest deduction on student loans in 1986, Congress effectively imposed an additional tax on individuals who are attempting to better themselves or their families through higher education.

Mr. President, the present law precluding interest deductions or credits for higher education is neither fair nor productive, and it is time to make an adjustment. We all agree that education is a national investment which will be a determining factor in the future of America. A well-educated work force is vitally important if we are to compete effectively in the international marketplace. Restoring tax benefits for higher education is an expression of the value we place on education and its role in maintaining the position of the United States as the leader of the free world.

There is strong support for restoring these benefits in Congress. The President has now joined our effort. It is now time for the congressional leadership to get on board and join us in supporting the education and future of America by adjusting the Tax Code to provide assistance to Americans for reasonable educational expenses.

CABLE TELEVISION CONSUMER PROTECTION ACT

The Senate resumed consideration of the bill.

Mr. PRESSLER addressed the Chair.

The PRESIDING OFFICER. The Senator from South Dakota is recognized.

Mr. PRESSLER. Mr. President, I have two amendments that I believe have been agreed to on both sides.

AMENDMENT NO. 1508

(Purpose: To amend section 21)

Mr. PRESSLER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from South Dakota [Mr. PRESSLER] proposes an amendment numbered 1508.

Mr. PRESSLER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

Strike all on page 113, line 22, through page 116, line 14, and insert in lieu thereof the following:

DIRECT BROADCAST SATELLITE SERVICES

SEC. 21.(a) The Federal Communications Commission shall, within one year after the date of enactment of this Act, submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Energy and Commerce of the House of Representatives a report analyzing the need for, and the form, nature, and extent of, the most appropriate public interest obligations to be imposed upon direct broadcast satellite services in addition to what is required pursuant to subsection (b)(1). The report shall include—

(1) a consideration of the national nature of direct broadcast satellite programming services;

(2) an evaluation of a phase-in of such public interest obligations for direct broadcast satellite services commensurate with the degree to which direct broadcast satellite services have become a source of effective competition to cable systems; and

(3) an analysis of the Commission's authority to impose such public interest obligations recommended in the report without further legislation.

(b)(1) Notwithstanding its report to be provided pursuant to subsection (a), The Federal Communications Commission shall require, as a condition of any provision, initial authorization, or authorization renewal for a direct broadcast satellite service providing video programming, that the provider of such service reserve a portion of its channel capacity, equal to not less than 4 percent nor more than 7 percent, exclusively for nonduplicated, noncommercial, educational, and informational programming.

(2) A provider of such service may utilize for any purpose any unused channel capacity required to be reserved under this subsection pending the actual use of such channel capacity for noncommercial, educational, and informational programming.

(3) A direct broadcast satellite service provider shall meet the requirements of this subsection by leasing, to national educational programming suppliers (including qualified noncommercial educational television stations, other public telecommunications entities, and public or private educational institutions), capacity on its system upon reasonable prices, terms, and conditions, taking into account the nonprofit character of such suppliers. The direct broadcast satellite service provider shall not exercise any editorial control over any video programming provided pursuant to this subsection.

(c) There is established a study panel which shall be comprised of a representative of the Corporation for Public Broadcasting, the National Telecommunications and Information Administration, and the Office of Technology Assessment selected by the head of each such entity. Such study panel shall within two years after the date of enactment of this Act submit a report to the Congress containing recommendations on—

(1) methods and strategies for promoting the development of programming for transmission over the public use channels reserved pursuant to subsection (b)(1);

(2) methods and criteria for selecting programming for such channels that avoids conflict of interest and the exercise of editorial control by the direct broadcast satellite service provider;

(3) identifying existing and potential sources of funding for administrative and production costs for such public use programming; and

(4) what constitute reasonable prices, terms, and conditions for provisions of satellite space for public use channels.

(d) As used in this section, the term "direct broadcast satellite service" includes—

(1) any satellite system licensed under part 100 of title 47, Code of Federal Regulations; and

(2) any distributor using a fixed service satellite system to provide video service directly to the home and licensed under part 25 of title 47, Code of Federal Regulations.

Mr. PRESSLER. Mr. President, this amendment will take America's public television stations into the 21st century. The amendment ensures that the quality programming provided by our local public broadcasters will be available to consumers via direct broadcast satellite.

The DBS provider will be required to lease to the national educational program suppliers capacities on its DBS satellite based on reasonable terms. In the future this will require that the FCC ensure 4 to 7 percent of DBS channel capacity to be made available to educational and informational programming.

Mr. President, as you know, high-powered DBS is a promising near-term competitor to cable. DBS already is available in Europe and Japan and should be coming to American viewers in early 1994 with the scheduled launch of two competing DBS services, sharing the same satellite, one provided by Hughes Communications, Inc. and the other by U.S. Satellite Broadcasting owned by Stanley Hubbard, a true visionary in the communications field. DBS will offer home viewers over 100 channels of diversified programming, including pay per view and "niche" programming, available through small, easy to install dishes which can be mounted on a window.

Consumers will be able to purchase all the electronics needed for DBS at consumer electronics stores and have the whole system operational and installed for less than $700. The small size of the receivers will enable urban Americans to receive direct satellite-to-home TV in much the same way as many Americans in my home State of South Dakota have been receiving it over the large C-band home satellite dishes. The much lower cost of DBS receivers and electronics should be attractive to people living in rural and mountainous areas who do not yet own

home satellite dishes. DBS also may be the swiftest means to bring high definition television to the American viewers, again as is happening in Japan.

I have several technical amendments necessary to ensure that the procompetitive provisions of section 6 do not create unintended burdens for DBS. Several minor language changes will safeguard against DBS being inadvertently placed at a competitive disadvantage. I believe that these amendments, which I intend to offer en bloc, are acceptable to the chairmen of the committee and the subcommittee, Senators HOLLINGS and INOUYE, to the ranking minority member, Senator DANFORTH, and to Senator GORE, who has long been a leader in direct-to-home satellite broadcasting issues.

Mr. PRESSLER. I urge adoption of the amendment.

Mr. INOUYE. Mr. President, I am authorized to speak in behalf of the manager of the Republican side, Mr. DANFORTH. He and I have consulted on this matter, and we support the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 1508) was agreed to.

Mr. PRESSLER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1509

Mr. PRESSLER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from South Dakota [Mr. PRESSLER] for himself and Mr. MCCAIN, proposes an amendment numbered 1509.

On page 79, line 21, insert before the period at the end the following: ", without any obligation or the direct broadcast satellite distributor or the programmer to pay the costs necessary for C-band distribution".

On page 80, line 14, immediately after "A", insert "fixed service".

Mr. PRESSLER. Mr. President, as many know, high-powered DBS is a promising near-term competitor to cable. DBS already is available in Europe and Japan and should be coming to American viewers in early 1994.

With a scheduled launch of two competing DBS services sharing the same satellite, one provided by Hughes Communication, Inc. and the other by U.S. Satellite Broadcasting owned by Stanley Hubbard, a true visionary in the communications field, DBS will offer home viewers over 100 channels of diversified programs including pay-per-view and niche programming available through small, easy-to-install dishes that can be mounted on a window.

Consumers will be able to purchase all the electronics needed for DBS at consumer electronic stores and have the whole system operational, installed for less than $700.

The small size of the receivers will enable urban Americans to receive direct satellite-to-home TV in much the same way as many Americans in my home State of South Dakota have been receiving it over large C-Band home satellite dishes. The much lower cost of DBS receivers and electronics should be attractive to people living in rural and mountainous areas who do not yet own home satellite dishes. DBS also may be the swiftest means to bring high-definition television to the American viewers again, as it is happening in Japan.

I have several technical amendments necessary to ensure that the procompetitive provisions of section 6 do not create an unintended burden for DBS, several minor language changes that will safeguard against DBS being inadvertently placed in a competitive disadvantage.

Mr. President, I urge adoption of the amendment.

Mr. INOUYE. Mr. President, the managers of this bill, S. 12, are in support of the amendment.

Mr. MCCAIN. Mr. President, I join my colleague from South Dakota in cosponsoring this amendment which addresses the need to foster competition and a fair marketplace. Only a fair, competitive marketplace will eliminate the problems facing consumers in receiving video programming in the home.

Competition is the cornerstone of our free-market system. It is the determining factor in whether consumers will receive quality service at a fair cost. The amendment just offered will assist would-be video service providers in giving consumers all of the options available.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 1509) was agreed to.

Mr. PRESSLER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. INOUYE. Mr. President, I believe that concludes our business for this evening and, with the concurrence of the leader, we are prepared to return tomorrow morning at 10 o'clock, at which time we will consider the Packwood-Kerry, et al., substitute. We hope that we will be able to resolve all matters by the afternoon.

HONORING THE WASHINGTON REDSKINS' SUPER BOWL VICTORY

Mr. MITCHELL. Mr. President, Sunday was a great day for the people of Washington. On that day, residents of Maryland, Virginia, and even people as far away as West Virginia, all became honorary citizens of Washington, DC.

We all joined to watch the Washington Redskins cap a superb season with a Super Bowl victory over the Buffalo Bills. The Redskins made a superb recovery after a shaky start. Mark Rypien led the Skins to a 14-and-2 regular season record, and 3 more wins in the playoffs. He directed the Redskins' offense to a decisive victory with 18 completions for 292 yards and 2 touchdowns. He earned his status as Most Valuable Player in the Super Bowl.

Joe Gibbs showed his usual coaching genius, guiding his team to its third Super Bowl victory in the last 10 years. This should earn coach Gibbs an eventual spot in pro football's Hall of Fame.

We also should pay tribute to the Buffalo Bills, who had an outstanding season and made their second great Super Bowl appearance.

Yesterday, over 75,000 people turned out to welcome the Redskins back home. That was a fitting welcome, and one that I think the Senate should endorse in its own way.

I therefore, on behalf of myself, Senators DOLE, SARBANES, MIKULSKI, WARNER, and ROBB, submit a resolution honoring the Washington Redskins for their magnificent season, their tremendous victory, and I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 253) congratulating the Washington Redskins' Super Bowl XXVI victory.

HAIL TO THE REDSKINS

Mr. SARBANES. Mr. President, on Sunday, during Super Bowl XXVI, people from the entire metropolitan region became, as the majority leader just said, Washingtonians, whether they live or work in Maryland, Virginia, or the District. Yesterday, on The Mall, over 75,000 of these fans joined in cheering the Redskins—the hometown team, Super Bowl champions, the best team in football.

To coach Joe Gibbs, quarterback Mark Rypien, the hogs, the posse, the national defense, the entire team, and most of all to the tens of thousands of loyal, even fanatical fans, I join in offering my heartiest congratulations on a season to remember, and third Super Bowl championship in the past 10 years.

Hail to the Redskins, world champions. I ask unanimous consent that an editorial from yesterday's Washington Post on "Team Washington" be printed in the RECORD at this point.

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

[From the Washington Post, Jan. 28, 1992]

TEAM WASHINGTON

For much of the year, as someone pointed out recently, if you ask a person in this metropolitan area where he's from, he may say Rockville, or perhaps Lanham, Southeast, Seat Pleasant, Arlington or Fairfax. But in football season it's different: Then, he'll be sure to let you know, he's from Washington.

This is a truth too little noted by the various out-of-towners (some of whom have actually taken up residence here) who, every time the Redskins get into the Super Bowl, go through a familiar song-and-dance about their being the favored team of the Washington elite—the rich, the glamorous and the powerful.

They should take a look at who turns up on the Mall today. If any of the elite are there to honor the victorious Redskins, they'll hardly be noticed in a sea of people whose chief idea of glamour is to dress up in whatever combination of burgundy and gold they can assemble and perhaps top it off with an artificial hog snout. This will be very much a Washington crowd, which is to say a crowd not all that different from one that would assemble in Buffalo on such an occasion or in Kansas City or Cleveland—people who couldn't even get access to a game ticket this season, let alone a seat in the owner's box.

Nor do they differ much from fans everywhere in the qualities they admire in the home team. Yes, people here want a winner, which the Redskins were on a grand scale. But it makes it a lot better when the thing is done with class, as it was here this season—quietly (for pro football anyway), professionally, unselfishly. The Redskins have been an organization with plenty of the kind of people willing to do what's needed, even if it often means filling a role a good bit less prominent than the one they might have in mind. Some of the greatest heroes of this team were the semi-anonymous men who won the long, hard struggles at the line of scrimmage. And even the famous figures—Joe Gibbs, Mark Rypien, Art Monk—tended to be the sort who squirm in the spotlight.

For this city and its environs—a vast array of diverse neighborhoods—they've been something in common and as good an excuse as could be wanted to stage today's big get-together on the Mall. It's been that way all year with the Redskins; they've helped take our minds off our troubles and divisions, and maybe even done a little to alleviate them. In that sense, it's a shame the football season doesn't last year round.

The PRESIDING OFFICER. Is there any debate?

The question is on agreeing to the resolution.

The resolution (S. Res. 253) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

Whereas The Washington Redskins were victorious in Super Bowl XXVI;

Whereas The Buffalo Bills are to be congratulated for their outstanding season and second straight Super Bowl appearance;

Whereas Coach Joe Gibbs and his coaching staff put together an almost flawless game plan;

Whereas The Washington metropolitan area including all of Maryland and Virginia join in the pride of our local heroes: Now, therefore, be it

Resolved, That the Senate congratulates Jack Kent Cooke, Coach Joe Gibbs, and the entire Redskins organization for their outstanding season, flawless playoff record and magnificent victory in Super Bowl XXVI.

Mr. MITCHELL. Mr. President, I move to reconsider the vote.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. FORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

MORNING BUSINESS

Mr. FORD. Mr. President, I ask unanimous consent that there be a period for morning business with Senators permitted to speak therein.

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

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. McCathran, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations and a withdrawal which were referred to the Committee on Armed Services.

(The nominations received today are printed at the end of the Senate proceedings.)

BUDGET OF THE GOVERNMENT OF THE UNITED STATES FOR FISCAL YEAR 1993—MESSAGE FROM THE PRESIDENT—PM 100

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which, pursuant to the order of January 30, 1975, was referred jointly to the Committee on Appropriations and the Committee on the Budget:

1. THE BUDGET MESSAGE OF THE PRESIDENT

To the Congress of the United States:

I am pleased to present the *Budget of the United States Government for Fiscal Year 1993*.

In the State of the Union message, which I delivered yesterday, I presented to the Congress and the Nation a comprehensive agenda for economic growth. I stated that we must not only get the economy moving again in the short term, but also set America firmly on the path toward long-term economic growth and competitiveness.

I emphasized in that message the importance of: stimulating the investment necessary to create jobs, addressing problems related to real estate and health care, improving America's capacity to compete in a global economy, eliminating unnecessary Federal regulation, and accomplishing these objectives in a way that brings the deficit under control. I outlined specific incentives for investment, savings, and homeownership; tax relief for families; investments in the future; and proposals for reform in areas ranging from health to education.

This document translates the agenda for growth into a set of specific budget and policy recommendations. These are summarized in the Introduction and presented in detail in the chapters and appendices which follow.

I have asked the Congress to lay aside partisanship and to join me in enacting this growth agenda promptly. To that end, I pledge my full cooperation.

GEORGE BUSH.

THE WHITE HOUSE, *January 29, 1992*.

NATIONAL DRUG CONTROL STRATEGY—MESSAGE FROM THE PRESIDENT—PM 101

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on the Judiciary:

To the Congress of the United States:

I am pleased to transmit today for the consideration of the Congress and the American people the 1992 National Drug Control Strategy, in accordance with section 1005 of the Anti-Drug Abuse Act of 1988 (Public Law 100-690; 21 U.S.C. 1504).

This is the Fourth National Drug Control Strategy, and it lays out a comprehensive plan for Federal drug control activities for Fiscal Year 1993 and beyond. The principal goal remains unchanged from the previous three Strategies: to reduce the level of illegal drug use in America.

We are fighting a two-front war against drugs. The first front is against casual drug use, and I am pleased to report that significant progress is being made here, particularly among our Nation's youth. Casual drug use is still too high, however, and this Strategy rightly continues to stress efforts to reduce it. The second front, against hard-core drug use, poses a more difficult challenge. Progress here is slower. There are still too many neighborhoods, families, and individuals who

suffer the consequences of drug use and drug-related crime. To address this problem, the Strategy proposes a variety of carefully targeted and intensified efforts. I urge the Congress to expedite their enactment.

The war on drugs is vital to our country's economy, international competitiveness, and security. Previous Strategies have enjoyed bipartisan political and funding support in the Congress. I ask for your continued support in this critical endeavor.

GEORGE BUSH.

THE WHITE HOUSE, *January 29, 1992.*

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources:

Report to accompany the bill (S. 1696) to designate certain national forest lands in the State of Montana as wilderness, to release other national forest lands in the State of Montana for multiple use management, and for other purposes (Rept. No. 102-255).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. RIEGLE, from the Committee on Banking, Housing, and Urban Affairs:

Albert V. Casey, of Texas, to be Chief Executive Officer, Resolution Trust Corporation.

(The nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

Mr. JOHNSTON (for himself and Mr. WALLOP):

S. 2166. A bill to reduce the Nation's dependence on imported oil, to provide for the energy security of the Nation, and for other purposes.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

Mr. D'AMATO (for himself and Mr. MOYNIHAN):

S. Res. 252. A resolution relating to the status of Israeli prisoners of war (POWs) and missing in action (MIAs), and for other purposes; to the Committee on Foreign Relations.

Mr. MITCHELL (for himself, Mr. DOLE, Ms. MIKULSKI, Mr. ROBB, Mr. WARNER, and Mr. SARBANES):

S. Res. 253. A resolution congratulating the Washington Redskins on their Super Bowl XXVI victory; considered and agreed to.

ADDITIONAL COSPONSORS

S. 267

At the request of Mr. REID, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of S. 267, a bill to prohibit a State from imposing an income tax on the pension or retirement income of individuals who are not residents or domiciliaries of that State.

S. 665

At the request of Mr. THURMOND, the name of the Senator from Georgia [Mr. FOWLER] was added as a cosponsor of S. 665, a bill to amend the Tariff Act of 1930 to require that certain revenues attributable to tariffs levied on imports of textile machinery and parts thereof be applied to support research for the modernization of the American textile machinery industry.

S. 815

At the request of Mr. BROWN, the name of the Senator from Indiana [Mr. COATS] was added as a cosponsor of S. 815, a bill to amend the Public Health Service Act to provide for the establishment of an Office of Medical Insurance and to establish a self-insurance fund to provide coverage for successful malpractice claims filed against health service providers utilized by community and migrant health centers, and for other purposes.

S. 995

At the request of Mr. GORE, the name of the Senator from Washington [Mr. ADAMS] was added as a cosponsor of S. 995, a bill to amend the Internal Revenue Code of 1986 to provide tax relief for working families by providing a refundable credit in lieu of the deduction for personal exemptions for children and by increasing the earned income credit, and for other purposes.

S. 1423

At the request of Mr. DODD, the name of the Senator from Oregon [Mr. PACKWOOD] was added as a cosponsor of S. 1423, a bill to amend the Securities Exchange Act of 1934 with respect to limited partnership rollups.

S. 1834

At the request of Mr. LOTT, the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor of S. 1834, a bill to amend the Social Security Act to clarify the Medicare geographic classification adjacency requirements.

S. 1838

At the request of Mr. PRYOR, the names of the Senator from South Dakota [Mr. DASCHLE] and the Senator from Arkansas [Mr. BUMPERS] were added as cosponsors of S. 1838, a bill to amend title XVIII of the Social Security Act to provide for a limitation on use of claim sampling to deny claims or recover overpayments under Medicare.

S. 1851

At the request of Mr. ROCKEFELLER, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 1851, a bill to provide for a Management Corps that would provide the expertise of United States businesses to the Republics of the Soviet Union and the Baltic States.

S. 2009

At the request of Mr. PACKWOOD, the name of the Senator from New Hampshire [Mr. SMITH] was added as a cosponsor of S. 2009, a bill to amend the Internal Revenue Code of 1986 to modify certain provisions relating to the treatment of forestry activities.

S. 2070

At the request of Mr. MOYNIHAN, the name of the Senator from Vermont [Mr. JEFFORDS] was added as a cosponsor of S. 2070, a bill to provide for the Management of Judicial Space and Facilities.

S. 2085

At the request of Mr. PRYOR, the name of the Senator from Idaho [Mr. SYMMS] was added as a cosponsor of S. 2085, a bill entitled the Federal-State Pesticide Regulation Partnership.

SENATE JOINT RESOLUTION 233

At the request of Mr. BIDEN, the names of the Senator from Alaska [Mr. STEVENS], the Senator from Washington [Mr. ADAMS], the Senator from Hawaii [Mr. AKAKA], the Senator from North Dakota [Mr. BURDICK], and the Senator from New Mexico [Mr. DOMENICI] were added as cosponsors of Senate Joint Resolution 233, a joint resolution to designate the week beginning April 12, 1992, as "National Public Safety Telecommunicators Week."

SENATE CONCURRENT RESOLUTION 43

At the request of Mr. DODD, the name of the Senator from Kansas [Mr. DOLE] was added as a cosponsor of Senate Concurrent Resolution 43, a concurrent resolution concerning the emancipation of the Baha'i community of Iran.

SENATE CONCURRENT RESOLUTION 70

At the request of Mr. SANFORD, the names of the Senator from Vermont [Mr. JEFFORDS] and the Senator from Wisconsin [Mr. KOHL] were added as cosponsors of Senate Concurrent Resolution 70, a concurrent resolution to express the sense of the Congress with respect to the support of the United States for the protection of the African elephant.

SENATE RESOLUTION 109

At the request of Mr. RIEGLE, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of Senate Resolution 109, a resolution exercising the right of the Senate to change the rules of the Senate with respect to the "fast track" procedures for trade implementation bills.

SENATE RESOLUTION 248

At the request of Mr. COHEN, his name was added as a cosponsor of Senate Resolution 248, a resolution expressing the sense of the Senate regarding the signing on January 16, 1992, of the agreements for a formal ceasefire in El Salvador, and for other purposes.

At the request of Mr. DIXON, his name was added as a cosponsor of Senate Resolution 248, supra.

At the request of Mr. DURENBERGER, the names of the Senator from Virginia [Mr. WARNER], the Senator from Arizona [Mr. DECONCINI], the Senator from Florida [Mr. GRAHAM], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Wyoming [Mr. WALLOP], the Senator from Rhode Island [Mr. CHAFEE], and the Senator from Oregon [Mr. HATFIELD] were added as cosponsors of Senate Resolution 248, supra.

SENATE RESOLUTION 249

At the request of Mr. D'AMATO, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of Senate Resolution 249, a resolution expressing the sense of the Senate that the United States should seek a final and conclusive account of the whereabouts and definitive fate of Raoul Wallenberg.

SENATE RESOLUTION 252—RELATIVE TO THE STATUS OF ISRAELI PRISONERS OF WAR AND MISSING IN ACTION

Mr. D'AMATO (for himself and Mr. MOYNIHAN) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 252

Whereas the Syrian Arab Republic is a party to the Geneva Convention Relative to the Treatment of Prisoners of War (hereafter in this resolution referred to as the "POW Convention");

Whereas parties to the POW Convention are obligated under Article 118 to release and repatriate POWs without delay after the cessation of hostilities and under Article 120 to honorably bury, if possible according to the rites of the religion to which they belonged, POWs who died in captivity and to respect, maintain, and permanently mark their graves;

Whereas the unresolved fates of Ron Arad, Yehuda Katz, Zachavy Baumel, Tzvi Feldman, Joseph Fink, and Rachamim Alsheh, Israeli prisoners of war and missing in action (POWs/MIAs), remain a source of deep rancor between Syria and Israel;

Whereas the Israeli POW/MIA issue, if allowed to fester, could poison the current peace talks: Now, therefore, be it

Resolved, That the Senate urges the Government of Syria—

(1) provide the strictest accounting of all Israeli POWs/MIAs;

(2) immediately release and repatriate any living Israeli prisoners of war in its custody or the custody of its proxies in Lebanon, and

(3) recover and return to Israel with appropriate military honors the bodies of Israeli soldiers interred in Syria or in formerly Syrian-controlled areas of Lebanon.

• Mr. D'AMATO. Mr. President, I rise to submit with my good friend and fellow New Yorker Senator MOYNIHAN a resolution calling upon the Government of Syria to account for, and where necessary release and repatriate, Israeli prisoners of war and missing in action.

The unresolved fates of Ron Arad, Yehuda Katz, Zachavy Baumel, Tzvi Feldman, Joseph Fink, and Rachamim Alsheh, Israeli prisoners of war and missing in action—POW's/MIA's—are a source of such deep rancor between Syria and Israel that it could poison any peace agreement between the two.

As a party to the Geneva Convention Relative to the Treatment of Prisoners of War, Syria is obligated under article 118 to release and repatriate POW's without delay after the cessation of hostilities and under article 120 to honorably bury, if possible according to the rites of the religion to which they belonged, POW's who died in captivity and to respect, maintain, and permanently mark their graves.

Americans are all too familiar with the anguish of POW's/ MIA's. Arguably, this issue more than any other has shaped United States-Vietnam relations. Such deep antagonism may mean little when two nations are separated by the Pacific and at peace, but Israel and Syria share a common border and are technically still at war.

If a permanent peace is to be achieved, Syria must abide by its international obligations and settle the mystery surrounding the fates of Ron Arad, Yehuda Katz, Zachavy Baumel, Tzvi Feldman, Joseph Fink, and Rachamim Alsheh.

I hope my colleagues will see fit to join in cosponsoring our resolution.•

SENATE RESOLUTION 253—CONGRATULATING THE WASHINGTON REDSKINS ON THEIR VICTORY IN SUPER BOWL XXVI

Mr. MITCHELL (for himself, Mr. DOLE, Mr. SARBANES, Ms. MIKULSKI, Mr. ROBB, and Mr. WARNER) submitted the following resolution; which was considered and agreed to:

S. RES. 253

Whereas the Washington Redskins were victorious in Super Bowl XXVI;

Whereas the Buffalo Bills are to be congratulated for their outstanding season and second straight Super Bowl appearance;

Whereas, Coach Joe Gibbs and his coaching staff put together an almost flawless game plan;

Whereas the Washington metropolitan area including all of Maryland and Virginia join in the pride of our local heroes; Now, therefore, be it

Resolved, That the Senate congratulates Jack Kent Cooke, Coach Joe Gibbs, and the entire Redskins organization for their outstanding season, flawless playoff record and magnificent victory in Super Bowl XXVI.

AMENDMENTS SUBMITTED

CABLE TELEVISION CONSUMER PROTECTION ACT

LOTT (AND BURNS) AMENDMENT NO. 1497

(Ordered to lie on the table.)

Mr. LOTT (for himself and Mr. BURNS) submitted an amendment intended to be proposed by him to the bill (S. 12) to amend title VI of the Communications Act of 1934 to ensure carriage on cable television of local news and other programming and to restore the right of local regulatory authorities to regulate cable television rates, and for other purposes, as follows:

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

SUBSCRIBER BILL ITEMIZATION

SEC. . Section 622(c) of the Communications Act of 1934 (47 U.S.C. 542(c)) is amended to read as follows:

"(c) Each cable operator may identify, in accordance with standards prescribed by the Commission, as a separate line item on each regular bill of each subscriber, each of the following:

"(1) The amount of the total bill assessed as a franchise fee and the identity of the franchising authority to which the fee is paid.

"(2) The amount of the total bill assessed to satisfy any requirements imposed on the cable operator by the franchise agreement to support public, educational, or governmental channels or the use of such channels.

"(3) The amount of any other fee, tax, assessment, or charge of any kind imposed by any governmental authority on the transaction between the operator and the subscriber.".

INOUYE AMENDMENT NO. 1498

Mr. INOUYE proposed an amendment to the bill S. 12, supra, as follows:

Strike all on page 66, line 11, through page 67, line 14, and insert in lieu thereof the following:

"(20)(A) the term 'local commercial television station' means any full power television broadcast station, determined by the Commission to be a commercial station, licensed and operating on a channel regularly assigned to its community by the Commission that, with respect to a particular cable system, is within the same television market as the cable system (for purposes of this subparagraph, a television broadcasting station's television market shall be defined as specified in section 73.3555(d) of title 47, Code of Federal Regulations, as in effect on May 1, 1991, except that, following a written request, the Commission may, with respect to a particular television broadcast station, include or exclude communities from such station's television market to better effectuate the purposes of this Act);

"(B) where such a television broadcast station would, with respect to a particular cable system, be considered a distant signal under section 111 of title 17, United States Code, it shall be deemed to be a local commercial television station upon agreement to reimburse the cable operator for the incremental copy-

right costs assessed against such operator as a result of being carried on the cable system;

"(C) the term 'local commercial television station' shall not include television translator stations and other passive repeaters which operate pursuant to part 74 of title 47, Code of Federal Regulations, or any successor regulations thereto;

On page 68, line 3, strike "and" and insert in lieu thereof "or".

On page 86, line 24, insert "any one" immediately before "service".

On page 87, lines 3 through 4, strike "or any person having other media interests".

Strike all on page 87, line 6, through page 88, line 11, and insert in lieu thereof the following:

CUSTOMER SERVICE

SEC. 10(a) Section 632(a) of the Communications Act of 1934 (47 U.S.C. 552(a)) is amended—

(1) by inserting "may establish and" immediately after "authority";

(2) by striking ", as part of a franchise (including a franchise renewal, subject to section 626),"; and

(3) in paragraph (1), by inserting immediately after "operator" the following: "that (A) subject to the provisions of subsection (e), exceed the standards set by the Commission under this section, or (B) prior to the issuance by the Commission of rules pursuant to subsection (d)(1), exist on the date of enactment of the Cable Television Consumer Protection Act of 1991".

(b) Section 632 of the Communications Act of 1934 (47 U.S.C. 552) is amended by adding at the end the following new subsection:

"(d)(1) The Commission, within 180 days after the date of enactment of this subsection, shall, after notice and an opportunity for comment, issue rules that establish customer service standards that ensure that all customers are fairly served. Thereafter the Commission shall regularly review the standards and make such modifications as may be necessary to ensure that customers of the cable industry are fairly served. A franchising authority may enforce the standards established by the Commission.

"(2) Notwithstanding the provisions of subsection (a) and this subsection, nothing in this title shall be construed to prevent the enforcement of—

"(A) any municipal ordinance or agreement, or

"(B) any State law,

concerning customer service that imposes customer service requirements that exceed the standards set by the Commission under this section.

Strike all on page 94, line 3, through page 95, line 19, and insert in lieu thereof the following:

"(b)(1) Following the date that is one year after the date of enactment of this subsection, no cable system or other multichannel video programming distributor shall retransmit the signal of a broadcasting station, or any part thereof, without the express authority of the originating station, except as permitted by section 614.

"(2) The provisions of this section shall not apply to—

"(A) retransmission of the signal of a noncommercial broadcasting station;

"(B) retransmission directly to a home satellite antenna of the signal of a broadcasting station that is not owned or operated by, or affiliated with, a broadcasting network, if such signal was retransmitted by a satellite carrier on May 1, 1991;

"(C) retransmission of the signal of a broadcasting station that is owned or operated by, or affiliated with, a broadcasting network directly to a home satellite antenna, if the household receiving the signal is an unserved household; or

"(D) retransmission by a cable operator or other multichannel video programming distributor of the signal of a superstation if such signal was obtained from a satellite carrier and the originating station was a superstation on May 1, 1991.

For purposes of this paragraph, the terms 'satellite carrier', 'superstation', and 'unserved household' have the meanings given those terms, respectively, in section 119(d) of title 17, United States Code, as in effect on the date of enactment of this subsection.

"(3)(A) Within 45 days after the date of enactment of this subsection, the Commission shall commence a rulemaking proceeding to establish regulations to govern the exercise by television broadcast stations of the right to grant retransmission consent under this subsection and of the right to signal carriage under section 614, and such other regulations as are necessary to administer the limitations contained in paragraph (2). The Commission shall consider in such proceeding the impact that the grant of retransmission consent by television stations may have on the rates for basic cable service and shall ensure that rates for basic cable service are reasonable. Such rulemaking proceeding shall be completed within six months after its commencement.

"(B) The regulations required by subparagraph (A) shall require that television stations, within one year after the date of enactment of this subsection and every three years thereafter, make an election between the right to grant retransmission consent under this subsection and the right to signal carriage under section 614. If there is more than one cable system which serves the same geographic area, a station's election shall apply to all such cable systems.

"(4) If an originating television station elects under paragraph (3)(B) to exercise its right to grant retransmission consent under this subsection with respect to a cable system, the provisions of section 614 shall not apply to the carriage of the signal of such station by such cable system.

"(5) The exercise by a television broadcast station of the right to grant retransmission consent under this subsection shall not interfere with or supersede the rights under section 614 or 615 of any station electing to assert the right to signal carriage under that section.

"(6) Nothing in this section shall be construed as modifying the compulsory copyright license established in section 111 of title 17, United States Code, or as affecting existing or future video programming licensing agreements between broadcasting stations and video programmers.".

Strike all on page 101, lines 5 through 7, and insert in lieu thereof the following:

"(A) any such station, if it does not deliver to the principal headend of the cable system either a signal of −45 dBm for UHF signals or −49 dBm for VHF signals at the input terminals of the signal processing equipment, shall be required to bear the costs associated with delivering a good quality signal or a baseband video signal;

Strike all on page 108, line 20, through page 109, line 5, and insert in lieu thereof the following:

" (3) The signal of a qualified local noncommercial educational television station shall be carried on the cable system channel number on which the qualified local noncommercial educational television station is broadcast over the air, or on the channel on which it was carried on July 19, 1985, at the election of the station, or on such other channel number as is mutually agreed on by the station and the cable operator. The signal of a qualified local noncommercial educational television station shall not be repositioned by a cable operator unless the operator, at least 30 days in advance of such repositioning, has provided written notice to the station and to all subscribers of the cable system. For purposes of this paragraph, repositioning includes deletion of the station from the cable system.

On page 112, lines 3 through 9, insert "or 615" immediately after "614" each place it appears.

On page 113, lines 3 through 5, strike "For purposes" and all that follows through "unreasonable.".

On page 69, line 7, strike "Rederal" and insert in lieu thereof "Federal".

On page 78, add "and" at the end of line 7.

Strike all on page 96, lines 24 through 25, and insert in lieu thereof "local commercial television station; and".

On page 98, line 7, strike "carriers" and insert in lieu thereof "carries".

GORTON (AND METZENBAUM) AMENDMENT NO. 1499

Mr. GORTON (for himself and Mr. METZENBAUM) proposed an amendment to the bill S. 12, supra, as follows:

At the appropriate place, insert the following new section:

SERVICES AND EQUIPMENT NOT AFFIRMATIVELY REQUESTED

SEC. . Section 623 of the Communications Act of 1934 (47 U.S.C. 543), as amended by section 5 of this Act, is further amended by adding at the end the following new subsection:

"(i) A cable operator shall not charge a subscriber for any service or equipment that the subscriber has not affirmatively requested by name. For purposes of this subsection, a subscriber's failure to refuse a cable operator's proposal to provide such service or equipment shall not be deemed to be an affirmative request for such service or equipment.".

GORTON AMENDMENT NO. 1500

Mr. GORTON proposed an amendment to the bill S. 12, supra, as follows:

At the appropriate place, insert the following new section:

PROTECTION OF SUBSCRIBER PRIVACY

SEC. . Section 631(c)(1) of the Communications Act of 1934 (47 U.S.C. 551(c)(1)) is amended by inserting immediately before the period at the end the following: "and shall take such actions as are necessary to prevent unauthorized access to such information by a person other than the subscriber or cable operator".

INOUYE AMENDMENT NO. 1501

Mr. INOUYE proposed an amendment to the bill S. 12, supra, as follows:

On page 83, between lines 20 and 21, insert the following new subsection:

(d) Section 612 of the Communications Act of 1934 (47 U.S.C. 532) is amended by adding at the end the following new subsection:

"(i)(1) Notwithstanding the provisions of subsections (b) and (c), a cable operator required by this section to designate channel

capacity for commercial use may use any such channel capacity for the provision of programming from a qualified minority programming source if such source is not affiliated with the cable operator), if such programming is not already carried on the cable system. The channel capacity used to provide programming from a qualified minority programming source pursuant to this subsection may not exceed 33 percent of the channel capacity designated pursuant to this section. No programming provided over a cable system on July 1, 1990, may qualify as minority programming on that cable system under this subsection.

"(2) For purposes of this subsection—

"(A) the term 'qualified minority programming source' means a programming source which devotes significantly all of its programming to coverage of minority viewpoints, or to programming directed at members of minority groups, and which is over 50 percent minority-owned; and

"(B) the term 'minority' includes Blacks, Hispanics, American Indians, Alaska Natives, Asians, and Pacific Islanders.".

BREAUX AMENDMENT NO. 1502

Mr. BREAUX proposed an amendment to the bill S. 12, supra, as follows:

On page 103, after line 24, add the following:

"(g) Nothing in this section shall require a cable operator to carry on any tier, or prohibit a cable operator from carrying on any tier, the signal of any commercial television station or video programming service that is predominantly utilized for the transmission of sales presentations or program-length commercials.

GRAHAM (AND BRYAN) AMENDMENT NO. 1503

Mr. GRAHAM (for himself and Mr. BRYAN) proposed an amendment to amendment No. 1502 proposed by Mr. BREAUX to the bill S. 12, supra, as follows:

At the appropriate place, insert the following new section:

USE OF CERTAIN TELEVISION STATIONS

SEC. . Within 90 days after the date of enactment of this Act, the Federal Communications Commission shall commence an inquiry to determine whether broadcast television stations whose programming consists predominantly of sales presentations are serving the public interest, convenience, and necessity. The Commission shall take into consideration the viewing of such stations, the level of competing demands for the channels allocated to such stations, and the role of such stations in providing competition to nonbroadcast services offering similar programming. In the event that the Commission concludes that one or more of such stations are not serving the public interest, convenience, and necessity, the Commission shall allow the licensees of such stations a reasonable period within which to provide different programming, and shall not deny such stations a renewal expectancy due to their prior programming.

LEAHY (AND GORE) AMENDMENT NO. 1504

Mr. LEAHY (for himself and Mr. GORE) proposed an amendment to the bill S. 12, supra, as follows:

On page 111, between lines 21 and 22, insert the following:

NOTICE AND OPTIONS TO CONSUMERS REGARDING CABLE EQUIPMENT

SEC. . The Communications Act of 1934 (47 U.S.C. 151 et seq.) is amended by adding after section 624 the following new section:

"NOTICE AND OPTIONS TO CONSUMERS REGARDING CONSUMER ELECTRONICS EQUIPMENT.

"SEC. 624A. (a) This section may be cited as the "Cable Equipment Act of 1992'.

"(b) The Congress finds that—

"(1) the use of converter boxes to receive cable television may disable certain functions of televisions and VCRs, including, for example, the ability to—

"(A) watch a program on one channel while simultaneously using a VCR to tape a different program or another channel;

"(B) use a VCR to tape consecutive programs that appear on different channels; or

"(C) use certain special features of a television such as a 'picture-in-picture' feature; and

"(2) cable operators should, to the extent possible, employ technology that allows cable television subscribers to enjoy the full benefit of the functions available on television and VCRs.

"(c) As used in this section:

"(1) The term 'converter box' means a device that—

"(A) allows televisions that do not have adequate channel tuning capability to receive the service offered by cable operators; or

"(B) decodes signals that cable operators deliver to subscribers in scrambled form.

"(2) The term 'VCR' means a videocassette recorder.

"(d)(1) Cable operators shall not scramble or otherwise encrypt any local broadcast signal, except where authorized under paragraph (3) of this subsection to protect against the substantial theft of cable service.

"(2) Notwithstanding paragraph (1) of this subsection, there shall be no limitation on the use of scrambling or encryption technology where the use of such technology does not interfere with the functions of subscribers' televisions or VCRs.

"(3) Within 180 days after the date of enactment of this section, the Commission shall issue regulations prescribing the circumstances under which a cable operator may, if necessary to protect against the substantial theft of cable service, scramble or otherwise encrypt any local broadcast signal.

"(4) The Commission shall periodically review and, if necessary, modify the regulations issued pursuant to this subsection in light of any actions taken in response to regulations issued under subsection (i).

"(e) Within 180 days after the date of enactment of this section, the Commission shall promulgate regulations requiring a cable operator offering any channels the reception of which requires a converter box to—

"(1) notify subscribers that if their cable service is delivered through a converter box, rather than directly to the subscribers' televisions or VCRs, the subscribers may be unable to enjoy certain functions of their televisions or VCRs, including the ability to—

"(A) watch a program on one channel while simultaneously using a VCR to tape a different program on another channel;

"(B) use a VCR to tape two consecutive programs that appear on different channels; or

"(C) use certain television features such as 'picture-in-picture';

"(2) offer new and current subscribers who do not receive or wish to receive channels the reception of which requires a converter box, the option of having their cable service installed, in the case of new subscribers, or reinstalled, in the case of current subscribers, by direct connection to the subscribers' televisions or VCRs, without passing through a converter box; and

"(3) offer new and current subscribers who receive, or wish to receive, channels the reception of which requires a converter box, the option of having their cable service installed, in the case of new subscribers, or reinstalled, in the case of current subscribers, in such a way that those channels the reception of which does not require a converter box are delivered to the subscribers' televisions or VCRs, without passing through a converter box.

"(f) Any charges for installing or reinstalling cable service pursuant to subsection (e) shall be subject to the provisions of Section 623(b)(1).

"(g) Within 180 days after the date of enactment of this section, the Commission shall promulgate regulations relating to the use of remote control devices that shall—

"(1) require a cable operator who offers subscribers the option of renting a remote control unit—

"(A) to notify subscribers that they may purchase a commercially available remote control device from any source that sells such devices rather than renting it from the cable operator; and

"(B) to specify the types of remote control units that are compatible with the converter box supplied by the cable operator; and

"(2) prohibit a cable operator from taking any action that prevents or in any way disables the converter box supplied by the cable operator from operating compatibly with commercially available remote control units.

"(h) Within 180 days after the date of enactment of this section, the Commission, in consultation with representatives of the cable industry and the consumer electronics industry, shall report to the Congress on means of assuring compatibility between televisions and VCRs and cable systems so that cable subscribers will be able to enjoy the full benefit of both the programming available on cable systems and the functions available on their televisions and VCRs.

"(i) Within 1 year after the date of enactment of this section, the Commission shall issue regulations requiring such actions as may be necessary to assure the compatibility interface described in subsection (h).".

HELMS (AND THURMOND) AMENDMENT NO. 1505

Mr. HELMS (for himself and Mr. THURMOND) proposed an amendment to amendment No. 1502 proposed by Mr. BREAUX to the bill S. 12, supra, as follows:

At the end add the following new section:

SEC. . Section 624(d) of Communications Act of 1934 (47 U.S.C. 544(d)) is amended by adding the following new paragraph:

"(3)(A) If a cable operator provides a "premium channel" without charge to cable subscribers who do not subscribe to the "premium channel(s)", the cable operators shall, not later than 60 days before such "premium channel" is provided without charge—

"(i) notify all cable subscribers that the cable operator plans to provide a "premium channel(s)" without charge, and

"(ii) notify all cable subscribers when the cable operator plans to provide a "premium channel(s)" without charge, and

"(iii) notify all cable subscribers that they have a right to request that the channel carrying the "premium channel(s)" be blocked, and

"(iv) block the channel carrying the "premium channel" upon the request of a subscriber.

"(B) For the purposes of this section, the term "premium channel" shall mean any pay service offered on a per channel or per program basis, which offers movies rated by the Motion Picture Association as X, NR-17 or R."

DOLE AMENDMENT NO. 1506

Mr. INOUYE (for Mr. DOLE) proposed an amendment to the bill S. 12, supra, as follows:

On page 97, lines 11 through 12, strike "and accompanying audio" and insert in lieu thereof ", accompanying audio, and Line 21 closed caption".

On page 108, line 2, strike "and accompanying audio" and insert in lieu thereof ", accompanying audio, and Line 21 closed caption".

On page 63, line 21, strike "(27)" and insert in lieu thereof "(28)"; and on page 71, strike all on line 2, and insert in lieu thereof the following:

"(27) the term 'Line 21 closed caption' means a data signal which, when decoded, provides a visual depiction of information simultaneously being presented on the aural channel of a television signal; and".

SIGNING OF A CEASE-FIRE IN EL SALVADOR

DURENBERGER AMENDMENT NO. 1507

Mr. DURENBERGER proposed an amendment to the resolution (S. Res. 248) expressing the sense of the Senate regarding the signing on January 16, 1992, of the agreements for a formal cease-fire in El Salvador, and for other purposes, as follows:

On page 3, line 14, strike the words "commit itself," and insert in lieu thereof "remain committed."

On page 3, line 20, strike the words "commit itself," and insert in lieu thereof "remain committed."

On page 3, line 24, strike the words "commit itself," and insert in lieu thereof "remain committed."

CABLE TELEVISION CONSUMER PROTECTION ACT

PRESSLER AMENDMENT NO. 1508

Mr. PRESSLER proposed an amendment to the bill S. 12, supra, as follows:

Strike all on page 113, line 22, through page 116, line 14, and insert in lieu thereof the following:

DIRECT BROADCAST SATELLITE SERVICES

SEC. 21. (a) The Federal Communications Commission shall, within one year after the date of enactment of this Act, submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Energy and Commerce of the House of Representatives a report analyzing the need for, and the form, nature, and extent of, the most appropriate public interest obligations to be imposed upon direct broadcast satellite services in addition to what is required pursuant to subsection (b)(1). The report shall include—

(1) a consideration of the national nature of direct broadcast satellite programming services;

(2) an evaluation of a phase-in of such public interest obligations for direct broadcast satellite services commensurate with the degree to which direct broadcast satellite services have become a source of effective competition to cable systems; and

(3) an analysis of the Commission's authority to impose such public interest obligations recommended in the report without further legislation.

(b)(1) Notwithstanding its report to be provided pursuant to subsection (a), the federal Communications Commission shall require, as a condition of any provision, initial authorization, or authorization renewal for a direct broadcast satellite service providing video programming, that the provider of such service reserve a portion of its channel capacity, equal to not less than 4 percent nor more than 7 percent, exclusively for nonduplicated, noncommercial, educational, and informational programming.

(2) A provider of such service may utilize for any purpose any unused channel capacity required to be reserved under this subsection pending the actual use of such channel capacity for noncommercial, educational, and informational programming.

(3) A direct broadcast satellite service provider shall meet the requirements of this subsection by leasing, to national educational programming suppliers (including qualified noncommercial educational television stations, other public telecommunications entities, and public or private educational institutions), capacity on its system upon reasonable prices, terms, and conditions, taking into account the nonprofit character of such suppliers. The direct broadcast satellite service provider shall not exercise any editorial control over any video programming provided pursuant to this subsection.

(c) There is established a study panel which shall be comprised of a representative of the Corporation for Public Broadcasting, the National Telecommunications and Information Administration, and the Office of Technology Assessment selected by the head of each such entity. Such study panel shall within two years after the date of enactment of this Act submit a report to the Congress containing recommendations on—

(1) methods and strategies for promoting the development of programming for transmission over the public use channels reserved pursuant to subsection (b)(1);

(2) methods and criteria for selecting programming for such channels that avoids conflict of interest and the exercise of editorial control by the direct broadcast satellite service provider;

(3) identifying existing and potential sources of funding for administrative and production costs for such public use programming; and

(4) what constitute reasonable prices, terms, and conditions for provision of satellite space for public use channels.

(d) As used in this section, the term "direct broadcast satellite service" includes—

(1) any satellite system licensed under part 100 of title 47, Code of Federal Regulations; and

(2) any distributor using a fixed service satellite system to provide video service directly to the home and licensed under part 25 of title 47, Code of Federal Regulations.

PRESSLER (AND MCCAIN) AMENDMENT NO. 1509

Mr. PRESSLER (for himself and Mr. MCCAIN) proposed an amendment to the bill S. 12, supra, as follows:

On page 79, line 21, insert before the period at the end the following: ", without any obligation on the direct broadcast satellite distributor or the programmer to pay the costs necessary for C-band distribution".

On page 80, line 14, immediately after "A", insert "fixed service".

WELFARE DEPENDENCY MEASUREMENT AND ASSESSMENT ACT

MOYNIHAN AMENDMENT NO. 1510

Mr. FORD (for Mr. MOYNIHAN) proposed an amendment to the bill (S. 1256) to direct the Secretary of Health and Human Services to develop and implement an information gathering system to permit the measurement, analysis, and reporting of welfare dependency, as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Welfare Dependency Act of 1992".

SEC. 2. FINDINGS.

The Congress finds that welfare dependency has reached threatening levels:

(1) In the period since 1960 the average annual caseload of the aid to families with dependent children (AFDC) program under title IV of the Social Security Act has quintupled.

(2) In 1990 there were on average almost twice as many households receiving aid to families with dependent children payments as the number of households and individuals receiving unemployment compensation benefits.

(3) nearly one-quarter of children born in the period 1967 through 1969 were dependent on welfare (AFDC) before reaching age 18. For minority children this ratio approached three-quarters.

(4) At any given time one-quarter of school children are from single parent families, or households with neither parent. The National Assessment of Educational Progress has documented the educational losses associated with single parent or no parent households.

(5) Only one-quarter of father-absent families receive full child support and over one-half receive none.

(6) The average aid to families with dependent children benefit has declined by more than one-third since 1960.

(7) The burden of welfare dependency is an issue of necessary concern to women, who in overwhelming proportion are the heads of single parent families.

(8) The rate of welfare dependency is rising. However, the statistical basis on which to assess this national issue is wholly inadequate, much as the statistical basis for addressing issues of unemployment was inad-

equate prior to the Employment Act of 1946, which required the creation of the annual economic report of the President and the development of unemployment rates.

SEC. 3. CONGRESSIONAL POLICY.

The Congress hereby declares that—

(1) it is the policy and responsibility of the Federal Government to reduce welfare dependency to the lowest possible level, and to assist families toward self-sufficiency, consistent with other essential national goals;

(2) it is the policy of the United States to strengthen families, to ensure that children grow up in families that are economically self-sufficient and to underscore the responsibility of parents to support their children;

(3) the Federal Government should help welfare recipients as well as individuals at risk of welfare dependency to improve their education and job skills, to obtain access to necessary support services, and to take such other steps as may assist them to meet their responsibilities to become financially independent; and

(4) it is the purpose of this Act to aid in lowering welfare dependency by providing the public with generally accepted measures of welfare dependency so that it can track dependency over time and determine whether progress is being made in reducing welfare dependency and enabling families to be self-sufficient.

SEC. 4. DEVELOPMENT OF WELFARE DEPENDENCY INDICATORS, RATES, AND PREDICTORS.

(a) IN GENERAL.—The Secretary of Health and Human Services (referred to in this Act as the "Secretary") shall develop indicators, rates, and predictors of welfare dependency.

(b) DEVELOPMENT.—The Secretary shall—

(1) develop—

(A) indicators and rates related to the level of welfare dependency in the United States; and

(B) predictors that are correlated with welfare dependency;

(2) assess the data needed to report annually on the indicators, rates, and predictors, including the ability of existing data collection efforts to provide such data and any additional data collection needs; and

(3) not later than 2 years after the date of enactment of this Act, provide an interim report containing conclusions resulting from the development and assessment described in paragraphs (1) and (2), to—

(A) the Committee on Ways and Means of the House of Representatives;

(B) the Committee on Education and Labor of the House of Representatives;

(C) the Committee on Finance of the Senate; and

(D) the Committee on Labor and Human Resources of the Senate.

(c) CONSIDERATIONS.—In developing the indicators, rates, and predictors, the Secretary shall consider the complexity of patterns of welfare dependency and self-sufficiency attainment, and the external factors, including the economy, that affect welfare dependency.

SEC. 5. ADVISORY BOARD ON WELFARE DEPENDENCY.

(a) ESTABLISHMENT.—There is established an Advisory Board on Welfare Dependency (referred to in this Act as the "Board").

(b) COMPOSITION.—The Board shall be composed of 12 members with equal numbers to be appointed by the House of Representatives, the Senate, and the President. The Board shall be composed of experts in the fields of welfare research and statistical methodology, representatives of State and local welfare agencies, and organizations concerned with welfare issues.

(c) VACANCIES.—Any vacancy occurring in the membership of the Board shall be filled in the same manner as the original appointment for the position being vacated. The vacancy shall not affect the power of the remaining members to execute the duties of the Board.

(d) DUTIES.—Duties of the Board shall include—

(1) providing advice and recommendations to the Secretary on the development of indicators, rates, and predictors of welfare dependency, and the identification of data collection needs and existing data collection efforts, described in section 4(b)(2); and

(2) providing advice on the development and presentation of the annual report on welfare dependency indicators, rates, and predictors required under section 6.

(e) TRAVEL EXPENSES.—Members of the Board shall not be compensated, but shall receive travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, for each day the member is engaged in the performance of duties away from the home or regular place of business of the member.

(f) DETAIL OF FEDERAL EMPLOYEES.—The Secretary shall detail, without reimbursement, any of the personnel of the agency to the Board to assist the Board in carrying out its duties. Any detail shall not interrupt or otherwise affect the civil service status or privileges of the Federal employee.

(g) VOLUNTARY SERVICE.—Notwithstanding section 1342 of title 31, United States Code, the Board may accept the voluntary services provided by a member of the Board.

SEC. 6. ANNUAL WELFARE DEPENDENCY REPORT.

(a) PREPARATION.—The Secretary shall prepare an annual report on welfare dependency in the United States. The report shall attempt to identify indicators, rates, and predictors of welfare dependency and trends in dependency, and provide information and analysis on the causes of dependency.

(b) COVERAGE.—The report shall include analysis of families and individuals receiving assistance under means-tested benefit programs, including the program of aid to families with dependent children under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), the food stamp program under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) and the Supplemental Security Income program under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.), or as general assistance under programs administered by State and local governments.

(c) CONTENTS.—Each report shall set forth—

(1) for each of the means-tested benefit programs described in subsection (b)—

(A) current trends in the number and rates of recipients and the characteristics, including age, sex, marital status, presence of children, labor force participation, and disability, of the recipients; and

(B) total expenditures;

(2) the proportion of the total population receiving each of the programs and patterns of multiple program participation and recipiency duration;

(3)(A) characteristics of each such program, including total expenditures broken down by Federal and State shares, gross income limit, need standards, and maximum potential benefit by State; and

(B) a description of the interactions among the programs;

(4) in the case of the second, or a subsequent, report, changes in the information described in paragraphs (1) through (3) from the previous year, and trends in program participation;

(5) annual numerical goals for recipients, and expenditures, within each program and within significant subgroups within the population, for the calendar year in which the report is transmitted and for each of the following 4 calendar years, which goals shall, consistent with other essential national goals, reflect the objectives of—

(A) reducing welfare dependency to the lowest possible level; and

(B) increasing family self-sufficiency at or above the Federal poverty level to the greatest extent possible.

(6)(A) the programs and policies as the Secretary, in consultation with the Board, determines are necessary to meet the goals for each of the 5 years; and

(B) such recommendations for legislation, which shall not include proposals to reduce eligibility levels or impose barriers to program access, as the Secretary may determine to be necessary or desirable to reduce welfare dependency; and

(7) interim goals for reducing the proportion of children, and families with children, who are recipients of aid to families with dependent children to 10 percent of families with children, adjusted for economic conditions.

(d) SUBMISSION.—The Secretary shall submit such a report not later than 3 years after the date of the enactment of this Act, and annually thereafter, to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate. The report shall be transmitted during the first 60 days of each regular session of Congress.

Amend the title so as to read: "An Act to direct the Secretary of Health and Human Services to develop and implement an information gathering system to permit the measurement, analysis, and reporting of welfare dependency rates.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FINANCE

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on January 29, 1992, at 10 a.m. to hold a hearing on legislation to further extend unemployment compensation benefits for jobless Americans.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. FORD. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, January 29, 1992, at 2 p.m. to hold a closed hearing on intelligence matters.

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

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate, 9:30 a.m., January 29, 1992,

to receive testimony on two of the Federal Energy Regulatory Commission's pending natural gas rulemakings: First, the notice of proposed rulemaking [NOPR] regarding pipeline service obligations in docket No. RM91-11-000, the so-called mega NOPR; and second, order No. 555 concerning revisions to regulations governing authorizations for the construction of natural gas pipeline facilities.

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

COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate, Wednesday, January 29, 1992, at 10 a.m. to conduct a hearing on the nomination of Alan Greenspan to be Chairman and member of the Board of Governors of the Federal Reserve System.

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

ADDITIONAL STATEMENTS

A TRIBUTE TO THE HISPANIC ENTREPRENEURSHIP PROGRAM

• Mr. WIRTH. Mr. President, over the years it has been my pleasure to recognize the achievements of many community leaders in Colorado, including Hispanic Coloradans who are making a real difference in the political and economic future of the Hispanic community.

Today, I want to recognize a remarkable young woman who, still in her twenties, has a long list of achievements to her credit. Stephanie Herrera, currently the Colorado Hispanic League's vice president, is also the founder and president of the U.S. Hispanic Junior Chamber of Commerce.

I first met Ms. Herrera several months ago, and was immediately impressed with her leadership skills. She is an up-and-coming young professional woman, and a fine example of the kind of aggressive and articulate leader the Hispanic community is generating across the Nation.

I also want to recognize Mr. Andres Salazar, who was hired by the Hispanic Chamber of Commerce and directed the highly successful Colorado Hispanic Entrepreneurship Program. This program fast tracks young Hispanic business leaders into 2-year degrees in entrepreneurship. Mr. Salazar worked hard to get community colleges in Colorado to support this innovative program, and I commend it to each of my colleagues as an example for other States.

These two individuals, along with other leaders in the Hispanic business community—including my good friend, George Autobee, a Vietnam veteran and successful businessman who has inspired many Coloradans with his spirit, good humor and get things done attitude—are building a foundation for progress in the Hispanic community. Combining educational opportunities with financial and business expertise is not a new idea. It is an old idea that works very well, and is precisely the kind of investment we should be making on a grander scale.

I commend these individuals for their outstanding dedication and for their commitment to the Hispanic community. Their work enriches us all.•

CLASS, STYLE, AND PRIDE IN WEBSTER, NY

• Mr. D'AMATO. Mr. President, I rise today to speak on behalf of a group of individuals who exude class, style, and pride, the Webster High School Marching Band. They brought recognition to New York State when they were selected, from among hundreds of marching bands, to participate in the annual Fiesta Bowl celebration in Phoenix, AZ, New Year's Week. The Fiesta Bowl celebration is one of the most prestigious competitions and parades in the country. The Webster High School Marching Band competed against top bands from all over the country in front of a panel of national judges and won first place in the Fiesta Bowl Parade and other honors.

During the week between Christmas and New Years over 200 students, staff, and parents of the Webster High School Marching Band traveled to Phoenix as the northeast United States representative to compete against the top marching bands in the country in the Pageant of Bands and the Fiesta Bowl Parade. After a second place finish in the band pageant, they performed before a live parade attendance of over 300,000 and a national TV audience of millions and won the parade competition by defeating over 20 bands from around the country. What's most amazing about this achievement is that after the normal end of the marching band season in early November, the weather permitted only minimal outdoor practice for the band to remain focused on the intricate moves and complex music that is required at this level of competition.

It takes a lot of dedication and perseverance to attain such a high level of performance. Band members practice for long hours and travel by bus to competitions on weekends. Band members load, unload, and assemble band equipment. Once at an event, the band has 15 minutes to get out there and really perform.

High level performance, both marching and instrument playing, is just part of the many intricacies that are involved in getting to a major national competition. It's not just the band members and their director, Paul Maginn, that brought the Webster High School Marching Band to the Fiesta Bowl, but the combined efforts of parents, boosters, and many community organizations.

To all of these very special people: band members, directors, staffers, parents, boosters, and members of the greater-Rochester community, I thank you for all of your efforts. I would like to commend Paul Maginn for doing a superb job of preparing the Webster High School Marching Band for the competition in Arizona. Mr. Maginn will be leaving the band and will be replaced by Steve Landgren, who will be taking over as the new band director. I am proud that such fine individuals come from New York State. I salute the Webster High School Marching Band for their valiance and their success. Congratulations on your achievement. You are among the best of the best. Best wishes for a future filled with continued success.•

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS UNDER RULE 35, PARAGRAPH 4, PERMITTING ACCEPTANCE OF A GIFT OF EDUCATIONAL TRAVEL FROM A FOREIGN ORGANIZATION

• Mr. SANFORD. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD notices of Senate employees who participate in programs, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee received a request for a determination under rule 35 for Elizabeth Gardner, a member of the staff of Senator BIDEN, to participate in a program in France, sponsored by the Franco-American Foundation and the German Marshall Fund, from February 8–16, 1992.

The committee has determined that participation by Ms. Gardner in this program, at the expense of the Franco-American Foundation and the German Marshall Fund is in the interest of the Senate and the United States.•

PROVISION OF SERVICES TO BANKCARD ASSOCIATION MEMBERS

• Mr. GARN. Mr. President, I would like to ask permission to insert into the CONGRESSIONAL RECORD the following memo from the Bankcard Holders of America which I referenced in my statement of January 21, 1992. The statement concerned the efforts of section 471 of the Federal Deposit Insurance Corporation Improvement Act of 1991 and the memo was inadvertently left out.

The memo follows:

BANKCARD HOLDERS OF AMERICA,

To: Sen. Metzenbaum.

From: Elgie Holstein, Executive Director.

Re: Provision of Services to Bankcard Association Members.

Date: November 19, 1991.

Bankcard Holders of America is an eleven-year-old national consumer protection organization focusing exclusively on consumer credit issues. For example, we strongly support Sen. D'Amato's proposed limit on credit card interest rates.

The purpose of this memo is to inform you of our strong opposition to any weakening of section 1133 of the Senate's banking reform legislation. As you know, that section would require bankcard associations to continue to provide services to failed financial institutions after any change in their ownership. The provision is intended to reinforce service guarantees we believe Congress included in FIRREA, but which Visa has chosen to ignore.

Bankcard Holders of America believes that there is inadequate competition in the credit card marketplace, resulting in exorbitant rates and fees charged to consumers. We filed an amicus brief on behalf of consumers in Sears' lawsuit against Visa, in which Sears is challenging Visa's refusal to provide its franchise services to a bank acquired by Sears. That institution, Mountain West Financial Services, did enjoy Visa's franchise services under its former ownership.

We believe an important opportunity to enhance competition in the credit card marketplace would be lost if section 1133 were weakened in any way. Sears' intention, frustrated by Visa's refusal to provide its services, is to market a low-interest-rate, no-annual-fee credit card. We believe that such cards—particularly when offered by major financial institutions—can have a dramatic and desirable impact in terms of encouraging competition in the credit card industry. We urge you to support section 1133 as currently drafted.

If you have any questions, please feel free to call me at 703-481-1205.•

PROJECTS WITH INDUSTRY

• Mr. COHEN. Mr. President, as one who has for many years supported legislation to improve the rights of the disabled, I am intimately aware of the many challenges that disabled individuals face in the workplace.

Therefore, I am pleased to draw your attention to a special program in my home State of Maine, the Projects With Industry, that does much to assist disabled job seekers in finding jobs and in learning what special challenges they may confront in the workplace.

As reporter Dale McGarrigle states in the Bangor Daily News article, "Disabled find new life in workplace," Projects With Industry has helped over 44 people in its first year of operation. Sheila Dean of Orono, who is profiled in the piece, is one of the program's remarkable success stories. Dean has been confined to a wheelchair since birth. Through Projects With Industry, Dean found professional guidance, a support system, and most importantly, a job.

Mr. President, I ask that the text of the article be entered into the RECORD.

The article follows:

[From the Bangor Daily News, Oct. 24, 1991]

DISABLED FIND NEW LIFE IN WORKPLACE

(By Dale McGarrigle)

Sheila Dean knew she wanted to work, but she wasn't sure where to start. "I was tired of sitting at home," said the Orono resident. "But I had no clue how to go about finding a job."

Dean, 26, also faced another obstacle. She is confined to a wheelchair, the result of spina bifida, which has left her paralyzed from the waist down since birth.

But the Brownville Junction native found the answer to her dilemma in the organization Projects With Industry.

A division of Phoenix Industries of Bangor, Projects With Industry is a program designed to train individuals with disabilities to seek, find and keep jobs. It is funded by a five-year grant from the U.S. Department of Education.

Dean was one of the 44 people served by PWI in its first year of operation. She found the experience beneficial.

"It was a lot of help," Dean said. "They held workshops to let people know what challenges they'd face in the workplace, how to interview, how to find a job and what to do once you found a job."

She also urged others with disabilities to contact PWI.

"They are very helpful and supportive," she said. "The staff will bend over backward to help you find a job and follow up afterward."

Dean has been one of the program's success stories. She now works full time at the Air Force National Guard Base as a switchboard operator.

"She has fit right in from day one," said Master Sgt. Linda Duncan, Dean's boss. "She's been wonderful to work with."

Dean is also one of four people who will receive a recognition award for superior performance from Gov. John R. McKernan, at a PWI function Thursday morning. Others receiving awards are Dawna Cornett of Orono and Shawn Piscioniere and Pat Curtis, both of Bangor.

Dean understands well the problems faced by the disabled in the workplace. She looked for an office job from February until she was hired in July.

"The depression came with applying for jobs and getting nothing," she said. "It was getting frustrating, because everyone I had gone through the program with had gotten hired."

She also observed tentativeness by employers to hire those with disabilities.

"There were times when I'd call up to request an interview," she said. "Then I'd ask if the building is accessible. They'd ask 'Why?' I'd tell them I was in a wheelchair. That made people nervous."

The Guard didn't hesitate to modify the office setup for Dean, moving some equipment, making the bathroom accessible, adding some lowered tables and building a wheelchair ramp.

"No one made a big deal out of it," Dean said. "That was the nice thing here."

Dean is glad she hooked up with PWI and found her job.

"It's been a big boost to my self-esteem, knowing I could make it on my own," she said. "This is perfect for me. I get to talk on the phone, and see men in uniform.•

IMPLEMENTATION OF THE AMERICANS WITH DISABILITIES ACT

• Mr. DURENBERGER. Mr. President, last Sunday was an important landmark for 43 million Americans. America began keeping the promise it made 18 months ago when the ADA, the Americans with Disabilities Act, was signed into law.

Seventeen percent of the population—1 in 6 Americans—is challenged by some kind of disability. For these Americans, barriers still exist to simple activities that most of us take for granted: Eating at a restaurant; going to a movie; riding a bus; visiting a doctor; shopping for groceries.

But that will all change. January 26 was the effective date for portions of the ADA that affect public accommodations and services. That means that from now on, millions of public facilities across America will be accessible to the disabled in ways that they had not been before.

State and local governments—and their instrumentalities—will not be able to discriminate on the basis of a disability. Disabled citizens will be able to participate in and benefit from the same services, programs, and activities that all other Americans enjoy.

Services open to the public that are run by the private sector will also comply with the ADA. New buildings will be constructed to be fully accessible. Existing physical barriers will be removed where readily achievable. And efforts will be made to assist the disabled in communication.

This means that we will see a lot more ramps and curb cuts for wheelchairs. Tables, chairs, and racks may be rearranged in restaurants, theaters, and retail stores. There will be raised letters or Braille by elevator buttons. Note takers, interpreters, or telecommunication devices will be provided for the hearing impaired. Some activities will be relocated to fully accessible locations.

In other words, many simple daily activities will no longer be a Herculean task for 43 million Americans.

And in another 6 months, we will begin dismantling barriers that have hit the disability community the hardest—unnecessary obstacles in the workplace. Two-thirds of the disabled population do not have jobs. Most of these people want to work and are extremely capable, but many employers have discriminated against them simply because they are disabled.

Wasting the talents of the disabled community is not only wrong from a moral standpoint; it costs the Federal Government billions of dollars each year in Social Security benefits and lost income tax revenues.

In July of this year, the portion of the ADA affecting employment will go into effect. This will require employers to make reasonable, relatively inexpensive accommodations to give disabled people access to the workplace. Employers will also not be able to discriminate against disabled employees who can perform the essential functions of a job.

The cost of making society accessible to all Americans will be minuscule compared to the payoff. In exchange for the removal of some physical barriers and the installation of reasonable accommodations, the business community will receive increased consumerism from the disabled community. We will pay less in Social Security benefits. And we will be widening our pool of human resources and increasing American competitiveness.

A disability becomes disabling because of the barriers we erect to major life activities. I believe that history will record the process that began last Sunday—breaking down unnecessary barriers—as progress toward taking the "dis" out of disability. We owe 43 million of our relatives, friends, and neighbors nothing less.

Mr. President, I ask that a list of addresses and phone numbers that provide information about the implementation of the ADA be printed at the conclusion of my remarks.

The information follows:

ADA INFORMATION RESOURCES

For a copy of the regulations or more specific information about the Public Services and Public Accommodations requirements of the ADA, please write to: Office on the Americans with Disabilities Act, Civil Rights Division, U.S. Department of Justice, P.O. Box 66118, Washington, D.C. 20035-6118.

Or call on weekdays between 11 a.m. and 5 p.m. EST: (202) 514-0301 (Voice); (202) 514-0381 (TDD); (202) 514-0383 (TDD).

For information on the ADA requirements regarding employment: Equal Employment Opportunity Commission, 1801 L Street NW., Washington, DC 20507, (202) 663-4900 (Voice), 1-800-800-3302 (TDD).

Other resources: Disability Rights, Education and Defense Fund ADA Hotline: 1-800-466-4ADA (Voice and TDD); The Architectural and Transportation Barriers Compliance Board, 1111—18th Street NW, Suite 501, Washington, D.C. 20036, 1-800-USA-ABLE (Voice and TDD).

POLISH ROMAN CATHOLIC UNION OF AMERICA MICHIGAN STATE BALL

• Mr. RIEGLE. Mr. President, the Polish Roman Catholic Union of America [PRCUA] is the oldest Polish-American fraternity in the United States. It was established in 1873 in the spirit of brotherhood to unite and assist Polish immigrants. Today the PRCUA, which has developed into a dynamic fraternal beneficent society, has over 90,000 members and is operating in 24 States. I am proud to report that in Michigan there are more than 10,000 members.

Thirty-six years ago, through the foresight and determination of Marian Siwula, a PRCUA State-director, the PRCUA Michigan School of Dance was organized. Recognizing the need for children to be introduced to and educated in the traditions, heritage, and culture of their ancestors, Mrs. Siwula was determined to make dance training available that young people would both enjoy and appreciate.

Mrs. Siwula took that thought to Mr. Joseph Drobot, then a PRCUA supervisor and later the 23d national president of the organization. She then enlisted the services of Shirley Hojnacki, an aspiring teacher of dance who was to be the first teacher of the PRCUA Michigan Dance School. Together these three individuals organized the West Side PRCUA Dance School and located it in the former Graystone Theater on Michigan Avenue near Springwells in Detroit.

The seed planted 36 years ago continues to flower to this day. The first PRCUA Dance School is still in operation but is now known as the Wieliczka Dance School—named after the famous Polish salt mines. In addition there are 11 other schools in the metropolitan area. The sister schools include "Opole" of Warren, "Halka" of Detroit, "Gwiazda" and "Polskie Maki" of Hamtramck, Wyandotte Polish School of Wyandotte, "Tatry" and "Syrena" of Dearborn Heights, "Piastowie" of Dearborn, "Polonijny" of Garden City, "Mala Polska" of Troy, and Pope John Paul II Ensemble of Sterling Heights. Altogether, more than 800 students are enrolled, and the numbers are increasing annually.

The purpose of the PRCUA schools continues to be to instill within young people in Michigan the pride and knowledge of the Polish-American heritage. Through song, dance, language, and art, the students become more aware and appreciative of their heritage and grow in their appreciation of other nationalities and cultures as well. The students are also taught to be good Americans, good Poles, and good Catholics through participation and visibility in both religious and civic activities within their respective communities throughout the calendar year.

Reaching out to touch lives is the slogan for all members of the fraternal congress. Over the last 36 years, community service has always played an important role in the education of the PRCUA students. Performing at nursing and convalescent homes and special fund raisers for the needy were and still are a priority in the schools. Over the years the students have been involved in collections for the less fortunate—especially for the people of Poland and for the poor of our own metropolitan area. Other projects included fund raisers for kidney and liver transplants for children and providing assistance for the Sarah Fisher Home and needy families during the seasonal holidays.

The alumni members of the Michigan PRCUA are productive, educated, and contributing members of society. They provide our State with professionals in almost every career. From doctors, lawyers, and engineers to actors, musicians, artists, and writers they enrich our State.

On Saturday, February 15, 1992, 23 graduating seniors, representing the Polish Roman Catholic Union of America, will be honored and presented at the first annual Michigan State ball. Organized by State Director Shirley Galanty, with the enthusiasm of all school directors, every effort is being made to acknowledge, honor, and present graduates who have earned the respect of the community for their considerable and outstanding accomplishments as Polish-Americans. Their many talents, personal and academic achievements, as well as community service projects, have made this a better world for us all.

As Senator of the State of Michigan, I salute the PRCUA, its officers, teachers, graduates, and students and commend the organization for subsidizing and supporting educational and cultural endeavors for young people in Michigan. I also recognize that the programs of the PRCUA are the result of not only the hard work of those directly involved with the organization but also to the efforts of many parents.

The programs of the PRCUA are built on the determination of a people to preserve their Polish-American heritage for their children and for future generations. These efforts enhance the lives of all Michigan residents, adding to the beauty of our multicultural mosaic. May this first gathering on February 15, 1992, be only a beginning—a symbolic continuum of the pride in Polish-American values—for these are the same values which have brought the winds of freedom to all of Eastern Europe.•

BLOCKADE STRANGLING ARMENIA

• Mr. SIMON. Mr. President, for many months the Republic of Azerbaijan has illegally blockaded the Republic of Armenia, and has recently stepped up its assault on the Armenian enclave of Nagorno-Karabakh. The situation is getting worse every day.

Many Armenians have still not recovered from the severe earthquake that left 25,000 dead and 500,000 homeless. Yet on top of this ongoing tradegy, Azerbaijan has prevented trains and trucks from delivering food and fuel, and has cut oil and gas pipelines into Armenia. Military attacks on Armenians in Nagorno-Karabakh are increasing daily.

We must speak out forcefully against what Secretary Baker last month called Azerbaijan's aggressive policy against Armenians. We have to let the Azerbaijani authorities know the friendship and good will of the United States depends on their adherence to basic principles of human rights and respect for interntional law. I urge my colleagues to speak out against these hostile Azerbaijani policies.

Mr. President, I ask that a Chicago Tribune story of January 20, 1992, enti-

tled "Blockade Strangling Armenia," be entered into the RECORD in full.

The article follows:

BLOCKADE STRANGLING ARMENIA

(By Michael McGuire)

Ana Hartoonian can do little but watch carefully as her two small sons, bundled in layers of clothing, warm their hands above the only heat source in their icy apartment: an electric hot plate.

A few blocks away at the American University of Armenia, administrator Ashot Ghazarian has discovered that keeping the bathroom lights on night and day will stop the toilets from freezing solid.

And at the Republican Hospital across town, where patients now must arrange for their own drugs, Dr. Vartan Hagopian performs complicated operations while hoping there won't be another power failure before he sews up the patient. The hospital has neither anesthetics nor pain-deadening morphine, Hagopian said.

Armenians struggling to keep warm and fed during one of the coldest winters in memory have had to deal with the added burden of a blockade imposed by neighboring Azerbaijan in a centuries-old dispute over Nagorno-Karabakh, a mountainous Armenian-populated enclave inside Azerbaijan.

Since Sept. 12, Azerbaijan has stopped trains carrying food, fuel and other necessities from entering land-locked Armenia.

Oil and gas pipelines crossing the Caucasus Mountains through Azerbaijan to Armenia have been severed. Another pipeline bringing in natural gas from Russia is being tapped by Georgians suffering shortages of their own. The threat of civil war in Georgia makes future supplies even more uncertain.

"It (the city) is in a catastrophic situation," Yerevan's mayor, Hampartsoum Kalstian, said last week as the temperature dipped to 10 degrees.

Kalstian had returned to his office from a tour of several city districts where the supply of water to homes and power stations had been interrupted overnight by frozen pumps and water mains.

Throughout this city of 1.4 million, illustrations of warship and inconvenience were visible everywhere.

"Our people are able to live with this. We know it's not the government's fault," said author Vardges Petrossian. "There is an Armenian proverb: 'Hope outlives man.' In other words, Armenians would die before they give up."

At least 80 percent of the factories and industrial shops are closed and all construction has ceased because of the disruption of energy supplies, raw materials and spare parts.

Officials estimate that 1 million tons of consumer goods and industrial and medical supplies that would have filled 28,690 rail cars were stopped by the blockade.

Meat production is reported down 1,800 tons and milk 1,200 tons.

Only 48 percent of public housing is being heated, and then only for a few hours each day. Hotels and restaurants are without heat or hot water. Hospitals have frequent power failures.

"We've become accustomed to talking at the table looking through the fog from our breath," said a Yerevan journalist.

Officials say 50 to 55 deaths are being reported each day, compared to 40 to 43 last winter.

All of the city's schools and other educational institutions have been closed for lack of heat and won't reopen until the weather warms up toward spring.

Officials have announced that Yerevan's electrical power would be shut off for eight hours each day, up from four hours earlier in the week.

The mayor said only 2 million cubic meters of natural gas is coming in daily through neighboring Georgia, but Armenia needs 15 million cubic meters a day.

Automobile traffic is at a virtual standstill, and buses run infrequently because of lack of gasoline and spare parts.

And one of the blockade's more emotional calamities can be found atop Tsitsernakaberd Hill: the eternal flame commemorating the death of an estimated 1.5 million Armenians in the Turkish deportations of 1915–1918 has been snuffed out for lack of fuel.

"Incredible," said Hovik Eordekian, an editor whose family had sought sanctuary in Lebanon. "It's the first time since it was lit in 1965 that the flame has gone out. It's a dramatic symbol of the blockade."

Despite the hardships, there were few signs of unrest.

"Armenians are a far-sighted people," said Ara Sahakian, secretary of Armenia's parliament, noting that people did not want to add to the government's crisis. "They are patient. But there is a limit."

Dr. Hagopian said his patients try to comfort him when he laments the lack of heat, the power outages and shortages of medicines. "They say—on the operating table—'Don't worry. Things will get better,'" he said.

The parliament has been preoccupied with passing laws relating to Armenia's status as an independent state for the first time since 1828, when eastern Armenia became part of the Russian empire and western Armenian remained under Turkish control.

Armenia became part of the Soviet Union in 1920, but was the first to rise against Soviet power in 1988 when an estimated 1 million Armenians demonstrated in Yerevan after a series of attacks on Armenians in the Azerbaijani city of Sumgait.

Some foreign aid has reached the capital by air. Some $1.5 million worth of aid, the first of a promised $15 million U.S. aid package, was flown to Armenia earlier this month.

A Boeing 707 jet chartered by the United Armenian Front arrived recently carrying 40 tons of medical, agricultural, construction, electrical and food supplies valued at $698,253. It was sent by groups in the United States and France.

An Armenian scientist called Azerbaijan's blockade an attempt at "economic genocide." And an educator called it "criminal behavior" but said he wasn't surprised.

"After the earthquake in 1988 (which claimed 25,000 lives and left 500,000 homeless), we shipped prefabricated housing through Azerbaijan. But we found the Azeris had smashed much of it," he said.

"It was useless—and these were houses intended for earthquake victims."•

WELFARE DEPENDENCY ACT

Mr. FORD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar 305, S. 1256, a bill to direct the Secretary of Health and Human Services to develop and implement an information-gathering system to permit the measurement, analysis, and reporting of welfare dependency.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 1256) to direct the Secretary of Health and Human Services to develop and implement an information gathering system to permit the measurement, analysis, and reporting of welfare dependency.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Labor and Human Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Welfare Dependency Act of 1991".

SEC. 2. FINDINGS.

The Congress finds that welfare dependency has reached threatening levels:

(1) In the period since 1960 the average annual caseload of the aid to families with dependent children (AFDC) program under title IV of the Social Security Act has quintupled.

(2) In 1990 there were on average almost twice as many households receiving aid to families with dependent children payments as the number of households and individuals receiving unemployment compensation benefits.

(3) Nearly one-quarter of children born in the period 1967 through 1969 were dependent on welfare (AFDC) before reaching age 18. For minority children this ratio approached three-quarters.

(4) At any given time one-quarter of school children are from single parent families, or households with neither parent. The National Assessment of Educational Progress has documented the educational losses associated with single parent or no parent households.

(5) Only one-quarter of father-absent families with child support due receive full child support and over one-half receive none.

(6) The average aid to families with dependent children benefit has declined by more than one-third since 1960.

(7) The burden of welfare dependency is an issue of necessary concern to women, who in overwhelming proportion are the heads of single parent families.

(8) The rate of welfare dependency is rising. However, the statistical basis on which to assess this national issue is wholly inadequate, much as the statistical basis for addressing issues of unemployment was inadequate prior to the Employment Act of 1946 and the creation of the annual economic report of the President.

(9) Hourly wages of nonsupervisory and production workers are at their lowest real value at any time since 1965, complicating the task of reducing welfare dependency.

SEC. 3. CONGRESSIONAL POLICY.

The Congress hereby declares that—

(1) it is the policy and responsibility of the Federal Government to reduce welfare dependency to the lowest possible level, and to assist families toward self-sufficiency, consistent with other essential national goals;

(2) it is the policy of the United States to strengthen families, to ensure that children grow up in families that are economically self-sufficient and to underscore the responsibility of parents to support their children;

(3) the Federal Government should help welfare recipients as well as individuals at risk of welfare dependency to improve their education and job skills, to obtain access to necessary support services, and to take such other steps as may assist them in becoming financially independent; and

(4) it is the purpose of the Welfare Dependency Act to aid in lowering welfare dependency by providing the public with generally accepted measures of welfare dependency so that it can track dependency over time and determine whether progress is being made in reducing welfare dependency and enabling families to be self-sufficient at or above the Federal poverty guideline, and also to determine the adequacy of welfare benefits.

SEC. 4. DEVELOPMENT OF WELFARE DEPENDENCY INDICATORS AND PREDICTORS.

(a) IN GENERAL.—The Secretary of Health and Human Services (referred to in this Act as the "Secretary") shall develop indicators and predictors of welfare dependency, based on recommendations of the Advisory Board on Welfare Dependency established in section 5.

(b) DEVELOPMENT.—The Secretary shall—

(1) develop—

(A) indicators related to the level of welfare dependency in the United States; and

(B) predictors that are correlated with welfare dependency;

(2) assess the data needed to report annually on the indicators, and predictors, including the ability of existing data collection efforts to provide such data and any additional data collection needs; and

(3) not later than 2 years after the date of enactment of this Act, provide an interim report containing conclusions resulting from the development and assessment described in paragraphs (1) and (2), to—

(A) the Committee on Ways and Means of the House of Representatives;

(B) the Committee on Education and Labor of the House of Representatives;

(C) the Committee on Finance of the Senate; and

(D) the Committee on Labor and Human Resources of the Senate.

(c) CONSIDERATIONS.—In developing the indicators and predictors, the Secretary shall consider the complexity of patterns of welfare dependency and self-sufficiency attainment, and the external factors, including the economy, that affect welfare dependency.

SEC. 5. ADVISORY BOARD ON WELFARE DEPENDENCY.

(a) ESTABLISHMENT.—There is established an Advisory Board on Welfare Dependency (referred to in this Act as the "Board").

(b) COMPOSITION.—The Board shall be composed of 12 members with equal numbers to be appointed by the House of Representatives, the Senate, and the President. The Board shall be composed of experts in the fields of poverty and welfare research, representatives of State and local public welfare recipients, and organizations representing welfare recipients.

(c) VACANCIES.—Any vacancy occurring in the membership of the Board shall be filled in the same manner as the original appointment for the position being vacated. The vacancy shall not affect the power of the remaining members to execute the duties of the Board.

(d) DUTIES.—Duties of the Board shall include—

(1) providing advice and recommendations to the Secretary on the development of indicators and predictors of welfare dependency, and the identification of data collection needs and existing data collection efforts, described in section 4(b)(2); and

(2) providing ongoing advice on the development and presentation of the annual report on welfare dependency indicators and predictors required under section 6.

(e) TRAVEL EXPENSES.—Members of the Board shall not be compensated, but shall receive travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, for each day the member is engaged in the performance of duties away from the home or regular place of business of the member.

(f) DETAIL OF FEDERAL EMPLOYEES.—The Secretary shall detail, without reimbursement, any of the personnel of the agency to the Board to assist the Board in carrying out its duties. Any detail shall not interrupt or otherwise affect the civil service status or privileges of the Federal employee.

(g) VOLUNTARY SERVICE.—Notwithstanding section 1342 of title 31, United States Code, the Board may accept the voluntary services provided by a member of the Board.

SEC. 6. ANNUAL WELFARE DEPENDENCY REPORT.

(a) PREPARATION.—The Secretary, in consultation with the Board, shall prepare an annual report on welfare dependency in the United States. The report shall attempt to identify indicators and predictors of welfare dependency and trends in dependency, and provide information and analysis on the causes of dependency.

(b) COVERAGE.—The report shall include analysis of families and individuals receiving assistance under means-tested benefit programs, including the program of aid to families with dependent children under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), the food stamp program under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) and the medicaid program under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.), or as general assistance under programs administered by State and local governments.

(c) CONTENTS.—Each report shall set forth—

(1) for each of the means-tested benefit programs described in subsection (b)—

(A) current trends in the number of recipients and the characteristics, including age, sex, marital status, presence of children, labor force participation, and disability, of the recipients; and

(B) total expenditures;

(2) the proportion of the total population receiving each of the programs and patterns of multiple program participation and recipiency duration;

(3)(A) characteristics of each such program, including total expenditures broken down by Federal and State shares, gross income limit, need standards, maximum potential benefit by State and the number of recipients below the official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 9902(2)); and

(B) a description of the interactions among the programs;

(4) in the case of the second, or a subsequent, report, changes in the information described in paragraphs (1) through (3) from the previous year, and trends in program participation;

(5) annual numerical goals for recipients, and expenditures, within each program and within significant subgroups within the population, for the calendar year in which the report is transmitted and for each of the following 4 calendar years, which goals shall, consistent with other essential national goals, reflect the objectives of—

(A) reducing welfare dependency to the lowest possible level; and

(B) increasing family self-sufficiency at or above the Federal poverty level to the greatest extent possible;

(6)(A) the programs and policies as the Secretary, in consultation with the Board, determines are necessary to meet the goals for each of the 5 years; and

(B) such recommendations for legislation, which shall not include proposals to reduce eligibility levels or impose barriers to program access, as the Secretary may determine to be necessary or desirable to reduce welfare dependency; and

(7) interim goals for reducing the proportion of children, and families with children, who are recipients of aid to families with dependent children to 10 percent of families with children, adjusted for economic conditions.

(d) SUBMISSION.—The Secretary shall submit such a report not later than 3 years after the date of the enactment of this Act, and annually thereafter, to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate. The report shall be transmitted during the first 60 days of each regular session of Congress.

AMENDMENT NO. 1510

(Purpose: To provide a substitute amendment)

Mr. FORD. Mr. President, on behalf of Senator MOYNIHAN, I send a substitute amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Kentucky [Mr. FORD], for Mr. MOYNIHAN, proposes an amendment numbered 1510.

Mr. FORD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Welfare Dependency Act of 1992".

SEC. 2. FINDINGS.

The Congress finds that welfare dependency has reached threatening levels:

(1) In the period since 1960 the average annual caseload of the aid to families with dependent children (AFDC) program under title IV of the Social Security Act has quintupled.

(2) In 1990 there were on average almost twice as many households receiving aid to families with dependent children payments as the number of households and individuals receiving unemployment compensation benefits.

(3) nearly one-quarter of children born in the period 1967 through 1969 were dependent on welfare (AFDC) before reaching age 18. For minority children this ratio approached three-quarters.

(4) At any given time one-quarter of school children are from single parent families, or households with neither parent. The National Assessment of Educational Progress has documented the educational losses associated with single parent or no parent households.

(5) Only one-quarter of father-absent families receive full child support and over one-half receive none.

(6) The average aid to families with dependent children benefit has declined by more than one-third since 1960.

(7) The burden of welfare dependency is an issue of necessary concern to women, who in overwhelming proportion are the heads of single parent families.

(8) The rate of welfare dependency is rising. However, the statistical basis on which to assess this national issue is wholly inadequate, much as the statistical basis for addressing issues of unemployment was inadequate prior to the Employment Act of 1946,

which required the creation of the annual economic report of the President and the development of unemployment rates.

SEC. 3. CONGRESSIONAL POLICY.

The Congress hereby declares that—

(1) it is the policy and responsibility of the Federal Government to reduce welfare dependency to the lowest possible level, and to assist families toward self-sufficiency, consistent with other essential national goals;

(2) it is the policy of the United States to strengthen families, to ensure that children grow up in families that are economically self-sufficient and to underscore the responsibility of parents to support their children;

(3) the Federal Government should help welfare recipients as well as individuals at risk of welfare dependency to improve their education and job skills, to obtain access to necessary support services, and to take such other steps as may assist them to meet their responsibilities to become financially independent; and

(4) it is the purpose of this Act to aid in lowering welfare dependency by providing the public with generally accepted measures of welfare dependency so that it can track dependency over time and determine whether progress is being made in reducing welfare dependency and enabling families to be self-sufficient.

SEC. 4. DEVELOPMENT OF WELFARE DEPENDENCY INDICATORS, RATES, AND PREDICTORS.

(a) IN GENERAL.—The Secretary of Health and Human Services (referred to in this Act as the "Secretary") shall develop indicators, rates, and predictors of welfare dependency.

(b) DEVELOPMENT.—The Secretary shall—

(1) develop—

(A) indicators and rates related to the level of welfare dependency in the United States; and

(B) predictors that are correlated with welfare dependency;

(2) assess the data needed to report annually on the indicators, rates, and predictors, including the ability of existing data collection efforts to provide such data and any additional data collection needs; and

(3) not later than 2 years after the date of enactment of this Act, provide an interim report containing conclusions resulting from the development and assessment described in paragraphs (1) and (2), to—

(A) the Committee on Ways and Means of the House of Representatives;

(B) the Committee on Education and Labor of the House of Representatives;

(C) the Committee on Finance of the Senate; and

(D) the Committee on Labor and Human Resources of the Senate.

(c) CONSIDERATIONS.—In developing the indicators, rates, and predictors, the Secretary shall consider the complexity of patterns of welfare dependency and self-sufficiency attainment, and the external factors, including the economy, that affect welfare dependency.

SEC. 5. ADVISORY BOARD ON WELFARE DEPENDENCY.

(a) ESTABLISHMENT.—There is established an Advisory Board on Welfare Dependency (referred to in this Act as the "Board").

(b) COMPOSITION.—The Board shall be composed of 12 members with equal numbers to be appointed by the House of Representatives, the Senate, and the President. The Board shall be composed of experts in the fields of welfare research and statistical methodology, representatives of State and local welfare agencies, and organizations concerned with welfare issues.

(c) VACANCIES.—Any vacancy occurring in the membership of the Board shall be filled in the same manner as the original appointment for the position being vacated. The vacancy shall not affect the power of the remaining members to execute the duties of the Board.

(d) DUTIES.—Duties of the Board shall include—

(1) providing advice and recommendations to the Secretary on the development of indicators, rates, and predictors of welfare dependency, and the identification of data collection needs and existing data collection efforts, described in section 4(b)(2); and

(2) providing advice on the development and presentation of the annual report on welfare dependency indicators, rates, and predictors required under section 6.

(e) TRAVEL EXPENSES.—Members of the Board shall not be compensated, but shall receive travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, for each day the member is engaged in the performance of duties away from the home or regular place of business of the member.

(f) DETAIL OF FEDERAL EMPLOYEES.—The Secretary shall detail, without reimbursement, any of the personnel of the agency to the Board to assist the Board in carrying out its duties. Any detail shall not interrupt or otherwise affect the civil service status or privileges of the Federal employee.

(g) VOLUNTARY SERVICE.—Notwithstanding section 1342 of title 31, United States Code, the Board may accept the voluntary services provided by a member of the Board.

SEC. 6. ANNUAL WELFARE DEPENDENCY REPORT.

(a) PREPARATION.—The Secretary shall prepare an annual report on welfare dependency in the United States. The report shall attempt to identify indicators, rates, and predictors of welfare dependency and trends in dependency, and provide information and analysis on the causes of dependency.

(b) COVERAGE.—The report shall include analysis of families and individuals receiving assistance under means-tested benefit programs, including the program of aid to families with dependent children under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), the food stamp program under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) and the Supplemental Security Income program under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.), or as general assistance under programs administered by State and local governments.

(c) CONTENTS.—Each report shall set forth—

(1) for each of the means-tested benefit programs described in subsection (b)—

(A) current trends in the number and rates of recipients and the characteristics, including age, sex, marital status, presence of children, labor force participation, and disability, of the recipients; and

(B) total expenditures;

(2) the proportion of the total population receiving each of the programs and patterns of multiple program participation and recipiency duration;

(3)(A) characteristics of each such program, including total expenditures broken down by Federal and State shares, gross income limit, need standards, and maximum potential benefit by State; and

(B) a description of the interactions among the programs;

(4) in the case of the second, or a subsequent, report, changes in the information described in paragraphs (1) through (3) from the previous year, and trends in program participation;

(5) annual numerical goals for recipients, and expenditures, within each program and within significant subgroups within the population, for the calendar year in which the report is transmitted and for each of the following 4 calendar years, which goals shall, consistent with other essential national goals, reflect the objectives of—

(A) reducing welfare dependency to the lowest possible level; and

(B) increasing family self-sufficiency at or above the Federal poverty level to the greatest extent possible.

(6)(A) the programs and policies as the Secretary, in consultation with the Board, determines are necessary to meet the goals for each of the 5 years; and

(B) such recommendations for legislation, which shall not include proposals to reduce eligibility levels or impose barriers to program access, as the Secretary may determine to be necessary or desirable to reduce welfare dependency; and

(7) interim goals for reducing the proportion of children, and families with children, who are recipients of aid to families with dependent children to 10 percent of families with children, adjusted for economic conditions.

(d) SUBMISSION.—The Secretary shall submit such a report not later than 3 years after the date of the enactment of this Act, and annually thereafter, to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate. The report shall be transmitted during the first 60 days of each regular session of Congress.

Amend the title so as to read: "An Act to direct the Secretary of Health and Human Services to develop and implement an information gathering system to permit the measurement, analysis, and reporting of welfare dependency rates.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1510) was agreed to.

The PRESIDING OFFICER. Without objection, the substitute amendment, as amended, is agreed to.

Mr. FORD. Mr. President, I ask unanimous consent that the bill, S. 1256, be set aside temporarily.

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

BILL READ THE FIRST TIME—S. 2166

Mr. FORD. Mr. President, I ask that S. 2166, introduced earlier today by Senator JOHNSTON, be read for the first time.

The PRESIDING OFFICER. The clerk will state the bill by title.

Mr. FORD. Mr. President, I ask unanimous consent that the bill be read for the second time.

The PRESIDING OFFICER. is there objection?

Mr. PRESSLER. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

The bill will lay over 1 legislative day pursuant to rule XIV.

ADJOURNMENT FOR 30 SECONDS

Mr. FORD. Mr. President, I ask unanimous consent that the Senate stand in adjournment for 30 seconds; that when the Senate reconvenes, the call of the calendar be waived, no motions or resolutions come over under the rule; that the morning hour be deemed to have expired following the second reading of the bills and joint resolutions that have been read for the first time, and that the Journal of the proceedings be approved to date.

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

Thereupon, the Senate, at 6:47 p.m., adjourned for 30 seconds; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. SIMON].

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

BILL READ FOR THE SECOND TIME AND PLACED ON CALENDAR—S. 2166

The PRESIDING OFFICER. The bill will be stated by title for the second time.

The assistant legislative clerk read as follows:

A bill (S. 2166) to reduce the Nation's dependence on imported oil to provide for the energy security of the Nation, and for other purposes.

Mr. FORD. Mr. President, I object to further proceedings on this bill.

The PRESIDING OFFICER. Objection having been heard, the bill will be placed on the Senate Calendar pursuant to rule XIV.

WELFARE DEPENDENCY ACT

Mr. FORD. Mr. President, the pending business now, I believe, is Calendar 305, S. 1256.

The PRESIDING OFFICER. The Senator is correct.

Is there any debate on the bill?

Mr. FORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceded to call the roll.

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

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

Mr. MOYNIHAN. Mr. President, the distinguished acting majority leader has just called up S. 1256, the Welfare Dependency Act of 1991.

Mr. President, although the occasion is a quiet evening in the Senate, this event is not a small one. We hope to the contrary it will mark the beginning of our Government's effort to measure and to understand the problem of dependency in our country.

President Bush, in his State of the Union Message last night, spoke of welfare. He spoke of a consensus among the Democratic and Republican mayors of the Conference of Mayors, and that the problems of families were central to the problems of cities.

For some 5 years on the Committee on Finance, the Subcommittee on Social Security and Family Policy, we have been looking into this question and have come to the judgment that in the post-industrial age that we are entering, dependency has become a problem very much in the nature that unemployment was a problem during the industrial age that we associate with the 19th and the early 20th century.

Unemployment came upon the world misunderstood and immeasurable. People just did not know what do with this business cycle which suddenly would put people out of work, and people were standing around amid vast amounts of disorder, dislocation, misery.

In the 19th century, we referred to these as panics and, indeed, panic was what spread through the land. We did not know what it was. We did not know whether individuals were to blame or whether some other hidden forces were responsible. John Maynard Keynes and Schumpeter had not come along, statistical measures had not yet been developed.

In 1921—if I have the date correct—President Harding in the aftermath of the recession of that year, in the course of it, held a large White House conference on the subject and he made an interesting remark. He said that when a large number of people are out of work, unemployment results. And that is about as much as anybody knew.

And the first measurement of an unemployment rate was done by Alvin Hansen of Harvard University on a WPA grant about 1938. The statistics of sampling were getting to the point where you could do this.

The Employment Act of 1946 created the Council of Economic Advisers, and the Joint Economic Committee, and established the Economic Report. And the object of that report was to talk about how you get to—they did not say "full employment"—the largest level of employment compatible with other concerns.

The first thing to do was to learn to measure it. And if you look at that report—we will be receiving the most recent edition in a few days now—you will find the unemployment rate. The Presiding Officer follows these matters very closely, I know this. Actually, the unemployment rate in the United States did not begin until 1948.

Back then, we measured unemployment every 10 years in the spring of 1930 and the spring of 1940. The Great Depression did not exist, does not exist in our official statistics.

Thirty years ago, I became an Assistant Secretary of Labor in the Kennedy administration. I can tell you that the unemployment rate in those days when it came out was the object of great scrutiny. The chamber of commerce wanted to know whether it was too high; The AFL-CIO wanted to know whether it was too low.

A great deal of effort was expended before we got to the point where we are today, where we knew how to do it. Today, if there are adjustments, we make adjustments. But the process is understood.

We do not understand that process as regards the subject of welfare, welfare dependency, single parent, dependent children.

Last night, the President, meaning no harm and with perfect good faith, cited President Roosevelt on the issue of the debilitating, demoralizing aspects of being dependent on welfare, and read as if he was talking about welfare as you and I understand it. But that was not the case at all.

"Americans are the most generous people on Earth," said President Bush last night. "But we have to go back to the insight of Franklin Roosevelt who, when he spoke of what had become the welfare program, warned that it must not become a narcotic and a subtle destroyer of the spirit."

Actually, that was from President Roosevelt's State of the Union Address of 1935, before the Social Security Act was enacted. He was talking about home relief for unemployed men. The unemployment rate was probably about 25 percent then.

Francis Perkins would say that the typical AFDC recipient was a West Virginia miner's widow. And that gradually would fade away, wither away, as the survivors insurance under Social Security came into effect. Back then many widows were on this program. Not so today. But there is an enormous population of children in single parent families.

We have, with the cooperation of the very able officials, Secretary Barnhart and Secretary Gary in the Department of Health and Human Services, developed a welfare dependency rate. We can say to you with confidence that of children born in 1967, 1968, 1969, nearly one-quarter were on welfare before they reached age 18, nearly three-quarters of minority children, 72 percent. We project that of children born in 1980, going on a third, 30.2 percent, will have been on welfare before age 18.

And so what we would like to do with this legislation is to start to measure this subject, find out what its predictors are, what its indicators are. Break it down. We no longer have just one unemployment rate. We can tell you how many unemployed have just entered the labor market, how many people have lost their jobs, how many people have left their jobs to get a new one, how many people have been out of work for 6 weeks, how many have been out for 6 months. It will take time to

do this kind of statistical analysis. But we are going to learn to measure. We are going to learn to say to people who want to talk about it, here are the facts, the agreed-upon numbers, the predictors, the indicators.

Those first economic reports that follow the Employment Act of 1946 were pretty thin affairs. As I said earlier, it was not until 1948 that the Federal Government could publish an unemployment rate. We know how to do that now. We know how to disaggregate. You know, people who are just entering the labor market, people returning, people changing jobs, people losing their jobs because the plant closed, and so forth.

I am happy to say this measure has unanimous support in the Senate. I hope we can go to the House and find equal interest in getting our numbers together, learning about the single most important fact of the life of children in our country today, which is that at the end of three centuries of unprecedented growth a third of our children will be paupers before they turn 18. It shows in every aspect of our life and it has to be attended to, just as unemployment had to be attended to.

I said a quarter of the cohort born in the late 1960's. A quarter of the population was unemployed in 1935, when President Roosevelt made the statement that President Bush cited last night. That does not happen anymore. We have learned. The social learning required took place.

We hope that with this act, which is modeled directly on the Employment Act of 1946, we will begin the same kind of inquiry and develop a welfare dependency rate. And the legislation calls for the Secretary of Health and Human Services to advise Congress and the President on how that rate can be brought down.

Mr. MOYNIHAN. Mr. President, if there are no further Senators wishing to speak, I urge the passage of the bill.

The PRESIDING OFFICER. (Mr. KOHL). If there is no further debate, the bill, as amended, is deemed read for the third time and passed.

So the bill, S. 1256, as amended, was deemed read the third time and passed as follows:

S. 1256

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Welfare Dependency Act of 1992".

SEC. 2. FINDINGS.

The Congress finds that welfare dependency has reached threatening levels:

(1) In the period since 1960 the average annual caseload of the aid to families with dependent children (AFDC) program under title IV of the Social Security Act has quintupled.

(2) In 1990 there were on average almost twice as many households receiving aid to families with dependent children payments as the number of households and individuals receiving unemployment compensation benefits.

(3) Nearly one-quarter of children born in the period 1967 through 1969 were dependent on welfare (AFDC) before reaching age 18. For minority children this ratio approached three-quarters.

(4) At any given time one-quarter of school children are from single parent families, or households with neither parent. The National Assessment of Educational Progress has documented the educational losses associated with single parent or no parent households.

(5) Only one-quarter of father-absent families receive full child support and over one-half receive none.

(6) The average aid to families with dependent children benefit has declined by more than one-third since 1960.

(7) The burden of welfare dependency is an issue of necessary concern to women, who in overwhelming proportion are the heads of single parent families.

(8) The rate of welfare dependency is rising. However, the statistical basis on which to assess this national issue is wholly inadequate, much as the statistical basis for addressing issues of unemployment was inadequate prior to the Employment Act of 1946, which required the creation of the annual economic report of the President and the development of unemployment rates.

SEC. 3. CONGRESSIONAL POLICY.

The Congress hereby declares that—

(1) it is the policy and responsibility of the Federal Government to reduce welfare dependency to the lowest possible level, and to assist families toward self-sufficiency, consistent with other essential national goals;

(2) it is the policy of the United States to strengthen families, to ensure that children grow up in families that are economically self-sufficient and to underscore the responsibility of parents to support their children;

(3) the Federal Government should help welfare recipients as well as individuals at risk of welfare dependency to improve their education and job skills, to obtain access to necessary support services, and to take such other steps as may assist them to meet their responsibilities to become financially independent; and

(4) it is the purpose of this Act to aid in lowering welfare dependency by providing the public with generally accepted measures of welfare dependency so that it can track dependency over time and determine whether progress is being made in reducing welfare dependency and enabling families to be self-sufficient.

SEC. 4. DEVELOPMENT OF WELFARE DEPENDENCY INDICATORS, RATES, AND PREDICTORS.

(a) IN GENERAL.—The Secretary of Health and Human Services (referred to in this Act as the "Secretary") shall develop indicators, rates, and predictors of welfare dependency.

(b) DEVELOPMENT.—The Secretary shall—

(1) develop—

(A) indicators and rates related to the level of welfare dependency in the United States; and

(B) predictors that are correlated with welfare dependency;

(2) assess the data needed to report annually on the indicators, rates, and predictors, including the ability of existing data collection efforts to provide such data and any additional data collection needs; and

(3) not later than 2 years after the date of enactment of this Act, provide an interim report containing conclusions resulting from the development and assessment described in paragraphs (1) and (2), to—

(A) the Committee on Ways and Means of the House of Representatives;

(B) the Committee on Education and Labor of the House of Representatives;

(C) the Committee on Finance of the Senate; and

(D) the Committee on Labor and Human Resources of the Senate.

(c) CONSIDERATIONS.—In developing the indicators, rates, and predictors, the Secretary shall consider the complexity of patterns of welfare dependency and self-sufficiency attainment, and the external factors, including the economy, that affect welfare dependency.

SEC. 5. ADVISORY BOARD ON WELFARE DEPENDENCY.

(a) ESTABLISHMENT.—There is established an Advisory Board on Welfare Dependency (referred to in this Act as the "Board").

(b) COMPOSITION.—The Board shall be composed of 12 members with equal numbers to be appointed by the House of Representatives, the Senate, and the President. The Board shall be composed of experts in the fields of welfare research and statistical methodology, representatives of State and local welfare agencies, and organizations concerned with welfare issues.

(c) VACANCIES.—Any vacancy occurring in the membership of the Board shall be filled in the same manner as the original appointment for the position being vacated. The vacancy shall not affect the power of the remaining members to execute the duties of the Board.

(d) DUTIES.—Duties of the Board shall include—

(1) providing advice and recommendations to the Secretary on the development of indicators, rates, and predictors of welfare dependency, and the identification of data collection needs and existing data collection efforts, described in section 4(b)(2); and

(2) providing advice on the development and presentation of the annual report on welfare dependency indicators, rates, and predictors required under section 6.

(e) TRAVEL EXPENSES.—Members of the Board shall not be compensated, but shall receive travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, for each day the member is engaged in the performance of duties away from the home or regular place of business of the member.

(f) DETAIL OF FEDERAL EMPLOYEES.—The Secretary shall detail, without reimbursement, any of the personnel of the agency to the Board to assist the Board in carrying out its duties. Any detail shall not interrupt or otherwise affect the civil service status or privileges of the Federal employee.

(g) VOLUNTARY SERVICE.—Notwithstanding section 1342 of title 31, United States Code, the Board may accept the voluntary services provided by a member of the Board.

SEC. 6. ANNUAL WELFARE DEPENDENCY REPORT.

(a) PREPARATION.—The Secretary shall prepare an annual report on welfare dependency in the United States. The report shall attempt to identify indicators, rates, and predictors of welfare dependency and trends in dependency, and provide information and analysis on the causes of dependency.

(b) COVERAGE.—The report shall include analysis of families and individuals receiving assistance under means-tested benefit programs, including the program of aid to families with dependent children under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), the food stamp program under

the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) and the Supplemental Security Income program under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.), or as general assistance under programs administered by State and local governments.

(c) CONTENTS.—Each report shall set forth—

(1) for each of the means-tested benefit programs described in subsection (b)—

(A) current trends in the number and rates of recipients and the characteristics, including age, sex, marital status, presence of children, labor force participation, and disability, of the recipients; and

(B) total expenditures;

(2) the proportion of the total population receiving each of the programs and patterns of multiple program participation and recipiency duration;

(3)(A) characteristics of each such program, including total expenditures broken down by Federal and State shares, gross income limit, need standards, and maximum potential benefit by State; and

(B) a description of the interactions among the programs;

(4) in the case of the second, or a subsequent, report, changes in the information described in paragraphs (1) through (3) from the previous year, and trends in program participation;

(5) annual numerical goals for recipients, and expenditures, within each program and within significant subgroups within the population, for the calendar year in which the report is transmitted and for each of the following 4 calendar years, which goals shall, consistent with other essential national goals, reflect the objectives of—

(A) reducing welfare dependency to the lowest possible level; and

(B) increasing family self-sufficiency at or above the Federal poverty level to the greatest extent possible;

(6)(A) the programs and policies as the Secretary, in consultation with the Board, determines are necessary to meet the goals for each of the 5 years; and

(B) such recommendations for legislation, which shall not include proposals to reduce eligibility levels or impose barriers to program access, as the Secretary may determine to be necessary or desirable to reduce welfare dependency; and

(7) interim goals for reducing the proportion of children, and families with children, who are recipients of aid to families with dependent children to 10 percent of families with children, adjusted for economic conditions.

(d) SUBMISSION.—The Secretary shall submit such a report not later than 3 years after the date of the enactment of this Act, and annually thereafter, to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate. The report shall be transmitted during the first 60 days of each regular session of Congress.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MORNING BUSINESS

Mr. FORD. Mr. President, I ask unanimous consent that we return to morning business.

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

ORDERS FOR TOMORROW

Mr. FORD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand adjourned until 10 a.m., Thursday, January 30; and that, when the Senate reconvenes on Thursday, January 30, the journal of proceedings be deemed to have been approved to date; the call of the calendar be waived, and no motions or resolutions come over under the rule; that the morning hour be deemed to have expired; I further ask unanimous consent that the time for the two leaders be reserved for their use later in the day; that there then be a period for morning business, not to extend beyond 11 a.m., with Senators permitted to speak therein; with the following Senators recognized to speak: Senators NUNN and DASCHLE for up to 15 minutes each; Senators LEVIN and SEYMOUR for up to 10 minutes each; and Senator CRANSTON for up to 5 minutes; that at 11 a.m., Thursday, the Senate resume consideration of S. 12, the cable bill.

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

PROGRAM

Mr. FORD. Mr. President, I would like, on behalf of the majority leader and the managers of the cable bill, to announce for the information of the Senator that on tomorrow, Thursday, at 11 a.m., Senator PACKWOOD is expected to offer his substitute amendment, and that other amendments are expected to be offered during the day. Therefore, rollcall votes are anticipated and could occur into the evening.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. FORD. Mr. President, if there is no further business to come before the Senate today, and if the acting Republican leader has no further business, I now ask unanimous consent the Senate stand in adjournment as previously ordered.

There being no objection, the Senate, at 7:05 p.m. adjourned until Thursday, January 30, 1992, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate January 29, 1992:

IN THE ARMY

THE FOLLOWING NAMED OFFICERS, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE U.S. ARMY IN ACCORDANCE WITH SECTIONS 624 AND 628, TITLE 10, UNITED STATES CODE. THE OFFICERS IDENTIFIED WITH AN ASTERISK ARE NOMINATED FOR APPOINTMENT IN THE REGULAR ARMY IN ACCORDANCE WITH SECTION 531, TITLE 10, UNITED STATES CODE.

JUDGE ADVOCATE GENERAL'S CORPS

To be colonel

ROBERT F. GANZALES [redacted]

To be lieutenant colonel

RICHARD G. TOTTEN [redacted]

To be major

*MICHAEL J. FUCCI [redacted]

CHAPLAIN CORPS

To be major

*WALTER E. DREW [redacted]

MEDICAL CORPS

To be major

*MICHAEL A. RANDOLPH [redacted]

IN THE ARMY

THE FOLLOWING NAMED OFFICERS, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE U.S. ARMY IN ACCORDANCE WITH SECTIONS 624 AND 628, TITLE 10, UNITED STATES CODE.

To be lieutenant colonel

ARMY

FRANCISCO B. IRIARTE [redacted]
MARK N. ROCHLIN [redacted]
DONALD T. STUCK [redacted]

IN THE NAVY

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS TO BE APPOINTED PERMANENT LIEUTENANT IN THE MEDICAL CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

MASON X. DANG
KARLYNA L. DELGER
JACKIE S.DHERMY
AMALIA B. DIGAN
JEFFREY J. DYER
LAURA M. DYER
JEROME G. ENAD
JOHNATHAN T. FLEENOR
MARK A. FONTANA
MICHAEL I. FREW
MARY E. GALASSO
SAWSAN GHURANI
MICHAEL N. HABIBE
WILLIAM M. HALL
ROBERT A. HARRIS
DANIEL J. HERBERT
CHARLES R. HOWSARE
PAUL D. KANE
CON Y. LING
JASON D. MAGUIRE
MELISSA A. MASQUELIER
SCOTT T. MAURER
GREGORY H. MCKINNIS
JOSEPH P. MCMAHON
SHARON M. MILLER
ALLEN O. MITCHELL
JOHN B. NEWMAN
SANDOR S. NIEMANN
JOHN D. O'BOYLE
MAUREEN E. O'HARA
DAVID A. OLIVER
JAMES R. PATE
TODD B. PETERSON
KENNETH G. PUGH
TIMOTHY R. QUINER
JASON R. ROSS
MICHAEL S. ROUNDY
CHERYL A. SAMPSON
CATHERINE E. SIMPSON
ROBERT E. STAMBAUGH
TERRY A. STAMBAUGH
CHRISTOPHER P. STOLLE
DAWN E. SULLIVAN
JOHN M. TRAMONTI
SAMUEL K. TSANG
MELANIE R. WAITE
ROBERT O. WOODBURY
JON S. WOODS

IN THE NAVY

THE FOLLOWING NAMED NAVAL RESERVE OFFICERS TRAINING CORPS PROGRAM CANDIDATES TO BE APPOINTED PERMANENT ENSIGN IN THE LINE OR STAFF CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

BRUCE W. GLASKO
DAVID A. PETERSON
CHARLES A. WHITECOTTON

THE FOLLOWING NAMED DISTINGUISHED NAVAL GRADUATES TO BE APPOINTED PERMANENT ENSIGN IN THE LINE OR STAFF CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

STEVEN P. BALTHAZOR
BRIAN K. BARTLETT
WILLIAM M. BAULKMAN
SCOTT M. BROWN
LAWRENCE A. COBLE
CHARLES COMEAU
STEVEN CORDES
DAVID E. LINEBACK
RAYMOND G. MORRISON
GREGORY S. NICHOLS
SIL A. PERRELLA
WILLIAM H. SCHOTANUS
NEIL A. SZANYI
JEFFREY R. YOUNG

THE FOLLOWING NAMED U.S. NAVAL OFFICERS TO BE APPOINTED PERMANENT LIEUTENANT IN THE MEDICAL CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

WALTER S. BEW
ALISA J. BLITZ-SEIBERT
WILLIAM C. BRUNNER
ROY J. CARLS
DAVID T. CARPENTER
CHRISTOPHER D. CLAGGETT
JEFFREY B. COLE
GLEN C. CRAWFORD

IN THE NAVY

THE FOLLOWING NAMED U. S. NAVAL RESERVE OFFICER, TO BE APPOINTED PERMANENT COMMANDER IN THE LINE OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

COMMANDER, LINE, USN, PERMANENT

PAUL R. COX

THE FOLLOWING NAMED U. S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT COMMANDER IN THE LINE OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT COMMANDER, LINE, USN, PERMANENT

GRACE E. ALLINDER
GERALD R. ANDERSON
DAVID S. ANGRISANI
BARRY C. BRATTON
STEPHEN S. CAMPBELL
VINCENT J. CORONA
WILLIAM L. CRAVER, JR
KEVIN J. CRONIN
WILLIAM F. DANELLA
ALAN K. DEWITT
PHILIP K. DOUGHERTY
JEFFREY DUERRWAECHTER
MICHAEL L. DUNN
STEPHEN R. EDSON, III
STEVEN J. GASPAROVICH
MICHAEL K. GLEASON
JUAN M. GRADO
PHILLIP J. GUZINSKI
RICHARD P. HAJEK
JOHN R. HALEY
DANIEL J. HARRIGAN
LEWIS E. HARTMAN, III
GARY E. HENDRICKSON
FREDERIC A. HENNEY, JR
ALAN L. HENSLEY
TIMOTHY C. HINES
MARK W. KAMINSKI
THOMAS S. KING
MIKAL E. KISSICK
HOWARD E. KOTH
ERNEST K. LATIMORE
DAVID A. LENNOX
CHARLES E. LOWE
GARRY R. MACE
JOHN J. MARALDO
JOHN J. MARSHALL
ROBERT T. MCCAMPBELL
ROBERT P. MCLAUGHLIN, JR
ROBERT C. MEYERS
TERRY T. MILLER
JEFFREY L. MORMAN
JONATHAN D. MOSIER
WILLIAM J. MOYER, JR
MARI C. OBNINSKY
CHARLES P. OTOOLE
JOHN F. PATTEN, II
MARK J. PETERS
GARY D. POE
BOBBY J. RIVERS
MARK R. SCHAEFER
MARK R. SCHERBERGER
JOSEPH C. SCHROEDER
DANIEL R. SEESHOLTZ
LINDA W. SHEDLOCK
RICHARD J. SHY
THEODORE H. B. SMYTHE, II
GERALD L. SOCHA
PHILLIP M. TINSLEY
BRIAN R. TOON
PAUL H. WALL, III
DAVID L. WEGNER
JEFFREY J. WILLIS
GARY L. WOLFE

THE FOLLOWING NAMED U. S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT CAPTAIN IN THE MEDICAL CORPS OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

CAPTAIN, MEDICAL CORPS, USN, PERMANENT

KARL G. BAER
JOHN F. CARSON
PAUL J. CHRISTENSON
JAY D. HARVIEL
STEPHEN L. HOFFMAN
DENNIS G. HOOPER
LARRY K. MILLER
CALVIN L. POLLAND
PERRY W. STAFFORD
GEORGE C. WILSON
EVELINA YUNAN

THE FOLLOWING NAMED U. S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT COMMANDER IN THE MEDICAL CORPS OF THE U. S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

COMMANDER, MEDICAL CORPS, USN, PERMANENT

RICHARD J. ACKERMANN
JOHN F. ALBURGER
BRYAN S. APPLE
RICHARD W. ASHBURN
CHARLES R. AUKER
MARK W. AUSTIN
KEVIN G. BERRY
PHILIP B. BESHANY
CRAIG E. BISCHOFF
BILL N. BOSWELL
JOHN T. BRAUN
TERESA M. BRENNAN
JOE P. BRYAN
STEVEN L. BUCKLEY
PATRICIA L. BUSS
WILLIAM L. CODY
MARGARET L. COHEN
WILLIAM R. CORSE
MICHAEL D. COURTNEY
LANCE E. CROPP
CHRISTOPHER G. CUNNINGHAM
CRAIG L. CUPP
TERESA A. DARCY
JAMES R. DEVOLL
ROBERT J. DHAEM
JAMES P. DORMAN
ROBERT P. DRISCOLL
MARK EDWARDS
THOMAS F. GIESECKE
DANIEL L. GRIFFEN, III
JAMES A. GRIGGS
LARRY K. GRUBB
DAVID M. HARLAN
JAMES M. JOHNSTON
ELAINE M. KAIME
DAVID A. KALLMAN
EDWARD M. KILBANE
EUGENE S. KILLEAVY
PATRICK J. LANIGAN
RAYMOND B. LEIDICH
DAVID LEIVERS
RICKY LOCKHART
SEAN R. LOGAN
HUGH P. MADDEN
EVERETT F. MAGANN
MICHAEL P. MALANOSKI
STEPHEN V. MAWN
BRIAN R. MCDONALD
WILLIAM A. MCDONALD
KEVIN W. MCNEELY
JOHN K. MEHL
PAULA J. MELONE
JOHN E. MURNANE
JONATHAN C. NESBITT
DALE C. NEWTON
JEFFREY M. OGORZALEK
MARSHA G. PIERDINOCK
CHRISTOPHER RAMOS
KIRBY G. RIDGWAY
KENNETH J. RILEY
GEORGE RODELSPERGER
ELLESTON C. RUCKER
ELISABETH J. RUSHING
BARBARA A. SCHIBLY
SAUL S. SCHWARZ
DAVID G. SCOTT
RANDALL V. SELLERS
THOMAS J. STILLWELL
RICHARD A. SUMMA
JEFFREY M. SWALCHICK
WILLIAM TAYLOR
MICHAEL A. TURNER
WILLIAM A. WALKER
PETER J. WEIMERSKIRCH
WALTER R. WEISS
THOMAS G. WESTBROOK
LAURA WILLIAMS
ROGERS L. WORTHAM

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT COMMANDER IN THE SUPPLY CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT COMMANDER, SUPPLY CORPS, USN, PERMANENT

THOMAS W BOONE
PAUL F. BRAUN
JOE E. FAULKNER
RICHARD F. GONZALEZ
WILLIAM T. SWAIN
JEFFREY L. SWANSON

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICER, TO BE APPOINTED PERMANENT CAPTAIN IN THE CHAPLAIN CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

CAPTAIN, CHAPLAIN CORPS, USN, PERMANENT

GEORGE C. PAUL

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT COMMANDER IN THE CHAPLAIN CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

COMMANDER, CHAPLAIN CORPS, USN, PERMANENT

DONALD W. AVEN
ROBERT P. BELTRAM
ROBERT N. EDWARDS
WAYNE T. WEINLADER

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT COMMANDER IN THE CHAPLAIN CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT COMMANDER, CHAPLAIN CORPS, USN, PERMANENT

ALAN T. BAKER
ROGER R. BOUCHER
THOMAS E. BRAITHWAITE
LEWIS E. BROWN
DONALD E. BUCHANAN
BASIL P. CONGRO
ROBERT D. CROSSAN
THEOFANIS J. DEGAITAS
NEAL J. DESTEFANO
JOHN S. EVANS
MARK E. FARRIS
ROBERT S. FEINBERG
JAMES R. FISHER, JR
JON C. FREDRICKSON
LUIS F. GARCIA
MICHAEL W. HAMILTON
FREDERICK A. HILDER, JR
ROBERT C. HRDLICKA
GERALD H. JONES
MARK A. JUMPER
RONNIE C. KING
THOMAS G. KLAPPERT
LANCE P. KRZYWICKI
MICHAEL E. LAVELLE
THOMAS J. LOVE, JR
HOWARD L. MARSHALL
CHARLES P. MCGATHY
MICHAEL P. MONAHAN
MICHAEL G. ORR
DALE W. PARKER
DAVID P. REMY
GEORGE A. RIDGEWAY
ERICH M. SCHAEFER
JOHN C. SMITH
STEPHEN J. STAVOY
LYNN WAGNER
WANDA L. WEIDMAN

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT COMMANDER IN THE CIVIL ENGINEER CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT COMMANDER, CIVIL ENGINEER CORPS, USN, PERMANENT

CHARLES E. CASSIDY
TIMOTHY M. SMITH

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICER, TO BE APPOINTED PERMANENT CAPTAIN IN THE DENTAL CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

CAPTAIN, DENTAL CORPS, USN, PERMANENT

LARRY J. DERMODY

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT COMMANDER IN THE MEDICAL SERVICE CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT COMMANDER, MEDICAL SERVICE CORPS, USN, PERMANENT

RICKEY D. ADAMS
STEPHEN T. AHLERS
PAUL G. ANJESKI
JOHN D. BELL
SOMPONG CHIA
HARRY G. CHURCHILL, JR
RICHARD O. CLARK
LEE L. CORNFORTH
IRVE B. DENENBERG
GREGORY P. ERNST
RAYMOND A. FRITZ, JR
THOMAS A. GASKIN
MICHAEL G. GELLES
JOSEPH P. GOMES
PHILIP M. HOLMES
MANUEL F. LLUBERAS
WILLIAM J. MEA
PAMELA A. MURPHY
JUDITH A. ROBERTSON
ROBERT K. ROGERS
JOHN K. SCHMIDT
PAUL R. SCHRATZ, JR
RONALD N. SHULL
GARY E. TETREAULT
RICKY D. TOYAMA
LYNDA E. WALLS

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT COMMANDER IN THE NURSE CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

COMMANDER, NURSE CORPS, USN, PERMANENT

CAROL S. R. BOHN
LEAH S. FEYH
JEANNETTE A. LIVELY
WENDY L. LUM
SANDRA R. OKATANROSA

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT COMMANDER IN THE NURSE CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT COMMANDER, NURSE CORPS, USN, PERMANENT

MELINDA T. BAKER
ELIZABETH J. BRUMFIELD
CESAR P. CABALFIN
SAMUEL E. DIXON
PATRICIA G. LONG
MARYLYN MADDENMADDOX
JOSEPH F. MURRAY
BONNY C. SCHOFIELD
KATHERINE A. SURMAN
DANETTE M. SVOBODNY
VALDYNE M. VIERS
CATHY L. WAGSTAFF

IN THE NAVY

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICER, TO BE APPOINTED PERMANENT LIEUTENANT COMMANDER IN THE LINE OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT COMMANDER, LINE, USN, PERMANENT

JOHN GEOFFREY SPEER

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT IN THE LINE OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT, LINE, USN, PERMANENT

EUGENE JOSEPH AGER
DEAN FREDERICK AKER
ROGER DALE ALBERS
STUART JAMES ALEXANDER
ANNIE BELLE ANDREWS
CARLOS EMILIO APONTE
RUSSELL JON ARIZA
EVERETTE KEITH ASTON
ROSS EDWARD AVERY
GARY ROBERT AYERS
ERIC ROBERT BACHMANN
ROBERT HIRAM BARR, II
PATRICIA ANN BARROWS
ROBIN CLAIRE BEDINGFIELD
ALAN DEAN BERGMAN
TODD JOSEPH BERHOW
JOEL THOMAS BILES, JR
PATRICK JOSEPH BINDL
ROBERT MILTON BLAIR
ROBERT JAMES BLANCHARD
GORDON FORREST BLEDSOE
JOHN ADDISON BREAST
FREDERICK ELLIOTT BREAUX
TIMOTHY ROLAND BRIDGES
GERARD DAVID BROSKUS
MICHAEL ANDREW BROTHERS
ROBERT DAVID BROWN
CHRISTOPHER KEITH BURGESS
BARRY BARTON BUSS
RAYMOND PAUL BUTTS
JAMES WALTER BYERLY
BRUCE LUTHER CALDWELL
JOSEPH HENRY CAPPER
JOHN WILKINS CARTER
BRIAN PATRICK CASEY
DAVID EARL CASHER
DEBORAH MARIE ZUVER CASHMAN
CORWIN DUNBAR CHAMBERLAIN
MARK ANTHONY CHAVES
DONNA ANITA CHERRY
BERNARD JOSEPH COLACICCO
DENNIS RAY CONKLIN
DAVID PATRICK CONNELLY, III
DEBRA ROOB COSTELLO
BETTY LEAH CRAIG
GARY DEAN CRASE
FREDERICK HILL CRAWFORD
MATTHEW WARD DANEHY
KEVIN THOMAS DAVIS
DAVID DEWAIN DAVISON
DANIEL FITCH DEBUCHANANNE
MICHAEL EDMOND DEVINE
VITOR JOAO SOUSA DIAS
PAUL ANDREW DICKERSON
STANTON WILLIAM DIETRICH
DAVID ANTHONY DOBIS
DANA ALLAN DOBRENCHUK
BRUCECECIL DOLEZAL
PETER ANTHONY EAGLE
ANTHONY JOHN EGGERT, JR
PHILLIP CHARLES EHR
CHARLES EVANS EMDE
CHRISTOPHER CHARLE ENGSTROM
JEFFREY DONALD ETTER
PATRICK RICHARD FALLEY
MICHAEL BURTON FARRELL
BRIAN A. FAZZONE
MICHAEL LLOYD FICHTNER
THOMAS FLATLEY
GLEN DANIEL FOLTZ
MARIE FRIERSON
ROBERTO LUIS FUENTES
JOHN MARTIN FUHRY
DALE GREGORY FULLER
ANDREW LOUIS GAGNON
SHANE GARRAUN GAHAGAN
JOSEPH EDWARD GARDNER
BRIAN ROBERT GATES
RODNEY JAY GIBSON
STEPHEN EDWARD GOZZO
CATHERINE MARIE GRAHAM
GLENN M. GRAM
WILLIAM DAVID GREEN
KEVIN FRANCIS GREENE
SUMAPORN P. GUERRERO
ROBERT GEORGE HAHN
RICHARD PETER HAJEK
RANDY DALE HALDEMAN
PETER HALL
KRAIG ALLEN HAMEL
MARY ELIZABETH HANSON
MICHAEL FLOYD HARDIN
MICHAEL WILLIAM HARKLEROAD
HOWARD DANIEL HART
JOSEPH MICHAEL HART, III
JEFFREY MOORE HARVEY
CHARLES ALLEN KERR HAZARD
ANDREW ALBERT HEAL
DOUGLAS PETER HENCHEN
JOHN EDWIN HERBERT
BRYAN EDWARD HERDLICK
MICHAEL PERRY HIETT
JON ANTHONY HILL
PAUL KEVIN HIMEBAUGH
TIMOTHY LEE HOBBS
JOHN MCCORMICK HODGES, III
ROBERT SCOTT HOSPODAR
GEORGE NELSON HUGHES
BRICK ROGER IMERMAN
CHARLES ALBIN JENNINGS
TROY DUANE JENSEN
BRYAN DOUGLAS JOHNSON
DARREN ANTHONY JOHNSON
JOSEPH CARL JOHNSON
KEVIN ROBERT JOHNSON
PHILLIP ANDREW JONES
VORESA ELIZABETH JONES
KEVIN JOSEPH KEILTY
JOHN CHARLES KENNY
ROBERT LEONARD KING
MARY ANNA KIRBY
DONALD SOLOMON KITCHEN, JR
WILLIAM SEDGLEY KNOLL
MARK STEPHEN KOSEWICZ
TIMOTHY MICHAEL KRUKOWSKI
TIMOTHY KENNETH LANGDON
ERNEST KELVIN LATIMORE
JUDITH ANN LAUDER
SANFORD WESLEY LEATHERS
DEL BENTLEY LEBARRON
LEWIS EDWARD LEFTWICH, JR
CHRISTOPHER EDWARD LEHNER
RICHARD RYAN LENCH
JAY EDWARD LENTZ
KENT STEVEN LIDKE
DAVID LYLE LILLY
CHARLES ELDON LOWE
ROBERT EDWARD LUTHY
BRADLEY JAMES MAAK
DUNCAN JOHN MACDONALD
FORBES OWEN MACVANE
KURT ERNST KARL MAEHLER
MARK DWIGHT MALSICK
TIMOTHY SCOTT MATTINGLY
SUSAN KAPIGIAN MCAVEETY
ROBERT MILES MCCLOSKEY
WILLIAM TERENCE MCGAGH
STEPHEN EDWARD MCLAUGHLIN
DAVID SCOTT MILLS
JOHN ALDEN MORIARTY
JONATHAN DEAN MOSIER
MICHAEL HOLLIS MOSLEY
DANA SHAW MULLENHOUR
JOHN EDWARD MUNN
MARK GERARD NIEZGODA
JAMES WARRINGTON OLD
JIMMY WAYNE OLDHAM
RODNEY ALAN OVERFIELD
CHARLES TIMOTHY PALMER
TIM PATRICK PANGONAS

CARLOS FRANCIS PARADA
MARCO ANTHONY PATI
CHARLES JOHN PECKHAM
MATTHEW JAMES PITTNER
GEOFFREY STEPHEN PLETCHER
CURTIS DEAN POPE
MARK ALLEN PRICER
SEAN AVERELL PYBUS
JAMES MICHAEL QUALLS
RANDY JAMES RACHAL
MICHAEL DAVID RENIE
DAVID ALLAN ROBINSON
PATRICK GERALD ROCHE
MICHAEL PATRICK ROGERS
PAUL WILLIAM ROMAINE
JOHN ROBERT RONCORONI
WILLIAM NICHOLAS RUDY
MADELINE RUSSELL
ROBERT JAMES RUSSELL
LEROY HENRY SAUNDERS, JR
MARC STEVEN SCACCIA
JOHN KENNETH SCHEENSTRA
STEVEN ALAN SCHELLBERG
RICHARD ALLEN SCHILL
DAVID ALLAN SCHNELL
WALTER MICHAEL SCHNELL
MICHAEL MONTE SHANKS
JOHN MICHAEL SHEPHERD
JAMES RYMAN SHOAF
DAVID CHRISTOPHER SHUGHROU
TAMMIE JO SHULTS
RICHARD J. SHY
DAVID MILLER SIMBOLI, JR
SCOTT DOUGLAS SINCLAIR
CHRISTOPHER MCCABE SIRKIS
ERIC STEPHEN SLEZAK
BYRON LEON SMITH
EDWARD DANIEL SMITH
WADE HAMPTON SMITH, JR
DONALD MERLE SNOVER
THEODORE MARTIN SOLIS
DAVID WALTER SOMERS, III
PAUL ADRIEN SOUTTER
SCOTT STOOPS
OTTO JOHN STOREY, JR
CHARLES LIONEL STUPPARD
DONALD RAYMOND SULLIVAN, JR
KENNETH ANTHONY SZMED, JR
MEGAN ELISSA TABER
CHARLES WILLIAM TARLTON
MARK DENNIS TATE
TROY LEE TEADT
TIMOTHY JAMES THALER
JEFFREY NEILSON THOMAS
MARK WAYNE THOMAS
PAUL GILBERT THOMASSON
JOHN GUNN TILSON
PETER ALLEN TOMCZAK
MOISES TORRES
JADEL TRIPLETTPHILLIPS
ROBERT BRIAN TYMAN
ROSS VINCENT VELARDI
MICHAEL TERENCE VOGEL
MARK FRANCIS VOLPE
WILLIAM SCOTT WALES
JOHN DIETRICH WALKER
MICHAEL G. WARD
MATTHEW GORDON WARNER
MARK ADRIAN WENZEL
ROBERT KEITH WHELAN
MARK ALAN WILCOX
RINEHART MCLELLAND WILKE, IV
BRUCE WILLIAM WILLARD
DAVID MARK WILLIAMS
ROBERT RANSOM WILLIAMS, IV
STEPHEN JOHN WILLIAMS
JEFFREY JOYNER WINSTEAD
SCOTT JOSEPH WISE
MICHAEL EMANUEL WOJCIK
STEPHANIE LEE WRIGHT
LAURA GARZA YAMBRICK
JAMES SIDNEY YBARRA
MARK OWEN ZAVACK
ERIC JOHN ZIMMER
WILLIAM EDWARD ZOROVICH

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS TO BE APPOINTED PERMANENT LIEUTENANT (JUNIOR GRADE) IN THE LINE OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT (JUNIOR GRADE), LINE, USN, PERMANENT

GREGORY ALAN ARCHIBALD
HAROLD LEVELLE BARNES
CRISTOBAL SANTOS BENAVIDES
PAULA SUE BLOOM
DAVID CHARLES BOYLE
MORDAUNT PLATT BRABNER
REBECCA JOANNE BRADLEY
JEFFREY ALLEN BRESLAU
CLARK VICTOR BRIGGER
EMIL JULIAN AMBROS CHUIDIAN
JOSEPH C. COLELLA
JOHN M. COVER
MATTHEW KIRK DAVENPORT
BRYAN LAWRENCE DICKERSON
KYLE W. ECHARD
KRISTEN JENSEN EGGERT
JAMES CLEVELAND EISENZIMMER
JAMES EDWARD ELGIN
ELLEN HALE EMERSON
DANIEL PATRICK FALLON
NIELS ANDREW FARNER
PETER BRADFORD FIELD
SCOTT ROMNEY GALLAGHER
ARTURO MANUEL GARCIA
RAYMOND CLAUDE GAW
MARK ALAN GERSCHOFFER
JONATHAN A. GILL
PAULA DEMETRIUS GOINS
FRANCIS ROBERT GUTIERREZ, JR
WILLIAM KENNETH HALVERSON
TOD ARLISS HARPER
DIANA HARRIS
WILLIAM OSMOND HARRIS, III
PAUL GILES HATMAKER
JASON COOPER HINES
JOHN DEAN HOOD
JOSEPH GREGORY HUBBELL
DAVID RAY HUNT
RICHARD ALLEN JEFFRIES
GORDON K. JUDD
DAVID SCOTT KAISER
RICHARD JOHN KRYSTOF
GLENN DENNIS KYRK
RICKY ALLEN LEE
ROGER WAYNE LIGON
RICHARD J. LINEHAN
FELIPE RAUL LOPEZ
SAMUEL ALLEN MAROON
JAMES NICHOLAS MASSELLO
GREGORY KENT MCINTOSH
SCOTT ALEXANDER MCKENZIE
JEFFREY PETER MENNE
QUINCY NEAL MILTON, II
CHRISTOPHER GEORGE PADDOCK
BENJAMIN LAWRENCE PALLEIKO
LAWRENCE A. PEMBERTON
REID MATTHEW PERRY
PATRICK MEYER PICKARD
MATTHEW PLANTE
ELISA ANNE RANEY
LOUIS WAYNE RANKIN
JEFFREY TAYLOR REES
JEFFREY ALAN RICHARDSON
THOMAS JAMES SCHMIDT
MARK M. SCOTT
TIMOTHY RANDALL SCOTT
JAMES A. SEWELL
CHRISTOPHER DAVID SILVER
PAUL ANDREW SLAJUS
THOMAS BURL SMITH, II
JEFFREY SCOTT SPEARMAN
JAMES JOSEPH STAFFORD
MICHAEL SCOTT STEINER
KRISTIN BYNG STRONG
NIGEL JAMES SUTTON
JANET SUE TEETS
SUZANNE PROSE TURNER
KIERAN SEAN TWOMEY
DANIEL EDWARD VOTH
AMY M. WADE
DANIEL KENNETH WALSH
TIMOTHY JARROD WEST
JOHNNY RAY WOLFE, JR
JOSEPH NMN ZANDERZUK
MICHAEL WILLIAM ZARKOWSKI
LYDIA RUTH ZELLER
MARY MARGARET ZIZZI

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS TO BE APPOINTED PERMANENT ENSIGN IN THE LINE OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

ENSIGN, LINE, USN, PERMANENT

RODNEY A. ARMAND
SCOTT M. ARMANDO
MARK A. BARBIERI
JOHN C. BARNHART
JOSEPH D. BASSO
WARREN E. BAXLEY
JEFFREY L. BESSA
CRAIG R. BLAKELY
THOMAS G. BOHRER
RICK D. BONEAU
BRIAN W. BOOKER
DAVID P. BOSSIO
CHAD D. BROWN
DAVID J. BROWN
GERALD CANFIELD
CHARLES CANTRELL
JOHN E. CARRIER
MICHAEL COSTARELL
ROLAND L. DILLEY
STEPHEN DOWLING
EUGENE J. DOYLE
ANDREW DRUFFNER
ROBERT D. DUNN
KEVIN B. EDWARDS
ROBERT ELEVELD
TIMOTHY ERICKSON
STEVEN EVERARD
KEVIN SEAN FORD
NICHOLA FORSMAN
BRYAN FRATELLO
DAVID D. GAMMELL
TIMOTHY GERRISH
JIMMY HACKWORTH
JEFFREY M. HANNA
DEAN NMN HARPER
JAMES E. HASSETT
TREVOR K. HENRY
ROBERT G. HENTZ
ERIC B. HOFACKET
WARD C. HOOTER
GREGORY HOWARD
DAVID S. HUDSON
JAMES W. JENKS
WILLIAM JOYNER
MATTHEW JUNKER
JEFFREY KALMANEK
JOSEPH Y. KAN
SILAS R. KENNEDY
GARY KIRKPATRICK
SCOTT A. KNECHT
JOHN DAVID KNOX
WILLIAM LATHAM
PAUL R. LEMESTRE
CARL LEUSCHNER
MATTHEW LINDEN
JOHN H. LOCKETT
JOHN J. LUND
DENNIS T. MADURA
RICHARD MAGILL
WILLIAM MARLOWE
WILLIAM H. MARSH
WILLIAM MCCAULEY
LAUREN MCCLURE
SHAWN MCCRACKEN
DONALD L. MCGEE
DANIEL J. MCLAIN
PATRICK S. MCLAY
TYLER L. MEADOR
CLYDE S. MILLER
DARIN MONTIERTH
DAVID A. MONTY
JEFFREY W. NEGUS
DEVON C. NUGENT
FREDERICK OELRICH
S. ORTIZVILLAJOS
ANTHONY L. PATE
KENNETH PEDOTTO
DAVID PELLICCIARINI
JODY LEE PERRY
TIM H. PHAM
DAVID A. POST
MARK D. PYLE
JAMES O. RASURE
ALAN A. RECHEL
KEVIN R. REINERS
MARTIN A. RILEY
JOHN A. SAGER
JOSEPH SCHMIDT
ALLEN F. SCHULTZ
JEFFREY SCHWARTZ
MARK E. SCHWIEG
MARSHAL SEAVERS
PETER S. SHIRLEY
RICHARD W. SHORE
DAVID M. SLIGER
BRENTON D. SMITH
PATRICK F. SMITH
SCOTT T. STEVENS
JOHN STRICKLAND
THOMAS A. TRAPP
CHRISTOPHER TRIMBLE
MICHAEL UMBRELL
R. VAIDYANATHAN
GEORGE VANRIJN
THOMAS S. WALL
SCOTT C. WHALEN
CURT D. WHEADON
STEVEN P. WHITES
JOHN W. WILLIS

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS TO BE APPOINTED PERMANENT COMMANDER IN THE MEDICAL CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

COMMANDER, MEDICAL CORPS, USN, PERMANENT

ROBERT S. CARNES
CLYDE M. HUNT
MANUEL EN RIVERAALSINA
NATALIE A. WILLENBERG

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS TO BE APPOINTED PERMANENT LIEUTENANT COMMANDER IN THE MEDICAL CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT COMMANDER, MEDICAL CORPS, USN, PERMANENT

WILLIAM BRUCE BARHAM
DAVID TANKSLEY BUTLER
RANDALL CULPEPPER
KAREN A. DALY
THOMAS F. GIESECKE
GEORGE M. HUDSON
JAMES ANDREW LIPTON
EVERETT FRANCIS MAGANN
TIMOTHY DANIE MONAGHAN
THOMAS G. WESTBROOK

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS TO BE APPOINTED PERMANENT LIEUTENANT IN THE MEDICAL CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT, MEDICAL CORPS, USN, PERMANENT

WILLIAM B. ADAMS
LAUREL BLAIR SAL CLARK
ROBERT A. HILL
DEBORAH A. HINKLEY
CURTIS OLLAYOS
ALBERT C. WINFIELD

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS TO BE APPOINTED PERMANENT LIEUTENANT IN THE SUPPLY CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT, SUPPLY CORPS, USN, PERMANENT

JOHN CRISPIN ANDERSON
DAVID BRIAN BAYARD
GRAFTON D. CHASE, JR
HUGH ROGER CLINTON, III
ROBERT ADKERSON GANTT
DAVID EVAN GUILBERT
RICK WOODRUFF JOHNSON
KEITH WILLIAM KIRKLAND
PATRICK ORVIN MCCABE
JAMES ANDREW MCCORMACK
ROBERT LEO MICHELS
LUIS MICHAEL MOLINA
EDWARD MAGOFFIN SHINE

THE FOLLOWING NAMED LINE OFFICERS TO BE REAPPOINTED PERMANENT LIEUTENANT (JUNIOR GRADE) IN THE SUPPLY CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATED CODE, SECTIONS 531 AND 5582(B):

LIEUTENANT (JUNIOR GRADE), SUPPLY CORPS, USN, PERMANENT

FELIPE AMOR LUNA, JR
DANIEL EDWARD SCANGO

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS TO BE APPOINTED PERMANENT LIEUTENANT (JUNIOR GRADE) IN THE SUPPLY CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT (JUNIOR GRADE), SUPPLY CORPS, USN, PERMANENT

ROBERT PHILIP ALLEN
THOMAS RICHARD CLOUTHIER
JAMES ARTHUR COLLINS
TIMOTHY WILLIAM COLYER
STEPHEN COX
MARK ANDREW GELSINGER
JOHN VINCENT HARMON
RONALD JAY KOCHER
JOHN MARK MCVEIGH
THOMAS PATRICK MOORE
MARK SCOTT MURPHY
GARY COLIN ROBERTSON
JAMES JOSEPH WEISER
MARK WILLIAM WERNER
JAMES OLIVER WILLIAMS, JR

THE FOLLOWING NAMED LINE OFFICERS TO REAPPOINTED PERMANENT ENSIGN IN THE SUPPLY CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5582(B):

ENSIGN, SUPPLY CORPS, USN, PERMANENT

BRYAN MATTHEW BAQUER
KARA FLATLEY BROPHY
CHRISTOPHER ELLIOTT CRANE
THOMAS J. DICKPEDDIE
JEFFREY CARNEY JOCKELL
THOMAS JOHN MCBRIDE
SCOTT T. MCCAIN
JAMES ALFRED PALOMBO
ROBERT S. SOLOW
TRAVIS R. WORTHINGTON

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICER TO BE APPOINTED PERMANENT LIEUTENANT IN THE CHAPLAIN CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT, CHAPLAIN CORPS, USN, PERMANENT

ROBERT SETH FEINBERG

THE FOLLOWING NAMED LINE OFFICERS TO BE REAPPOINTED PERMANENT LIEUTENANT IN THE CIVIL ENGINEER CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5582(B):

LIEUTENANT, CIVIL ENGINEER CORPS, USN, PERMANENT

HAROLD ALLEN BOUIKA
WILLIAM LESTER COBLENTZ
CHRISTOPHER NEIL HICKEY
PAUL ALEXANDER MULLINS
JORGE PATRICIO RIOS
JAMES T. STONE
PAUL JOSEPH TUZZOLO
JAMES MICHAEL WINK

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS TO BE APPOINTED PERMANENT LIEUTENANT IN THE CIVIL ENGINEER CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT, CIVIL ENGINEER CORPS, USN, PERMANENT

MARK ALLEN BERGIN
DENNIS LEE CARLSON
KEVIN BRIAN HOLMES
ANTHONY EVERETT MASSENBURG
CHERLYNN EMMA MOES
MARC ALLEN MYRUM
JAMES MICHAEL PACE
MICHAEL LEE PHILLIPS
WILLIAM BRUCE SHOEMAKER
MICHAEL ANTHONY ZANOLI

THE FOLLOWING NAMED LINE OFFICERS TO BE REAPPOINTED PERMANENT LIEUTENANT (JUNIOR GRADE) IN THE CIVIL ENGINEER CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5582(B):

LIEUTENANT (JUNIOR GRADE), CIVIL ENGINEER CORPS, USN, PERMANENT

JEFFREY JOSEPH HAHN
HENRY SCOTT YOUNG

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS TO BE APPOINTED PERMANENT LIEUTENANT (JUNIOR GRADE) IN THE CIVIL ENGINEER CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT (JUNIOR GRADE), CIVIL ENGINEER CORPS, USN, PERMANENT

ROBERT JOSEPH CORDELL
MICHAEL JAMES CREBBIN
VICENTE NMN DEARMAS
CRAIG STEPHEN HAMER
HEATHER ANNE LASKA
SHARON BRISCOE OBY

KEVIN PATRICK OCONNOR
DEBORAH ELLEN ROE
RICHARD STEPHEN SCHNABEL
RODNEY ORLUND WORDEN

THE FOLLOWING NAMED LINE OFFICER TO BE REAPPOINTED PERMANENT ENSIGN IN THE CIVIL ENGINEER CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5582(B):

ENSIGN, CIVIL ENGINEER CORPS, USN, PERMANENT

DEBORAH POTTER COX

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICER TO BE APPOINTED PERMANENT LIEUTENANT COMMANDER IN THE JUDGE ADVOCATE GENERAL'S CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT COMMANDER, JUDGE ADVOCATE GENERAL'S CORPS, USN, PERMANENT

RICHARD D. ZEIGLER

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS TO BE APPOINTED PERMANENT LIEUTENANT IN THE JUDGE ADVOCATE GENERAL'S CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT, JUDGE ADVOCATE GENERAL'S CORPS, USN, PERMANENT

RICK DENIS BASTIEN
TRACY RENEE BRIGGS
DONALD MITCHELL BROWN
GREGG ANTHONY CERVI
BENJAMIN BEALE CLANCY
DAVID EDWARD GROGAN
STEPHEN ANTHON JAMROZY
TERESA ANN MCPALMER
JAMES BRENFORD MELTON
MATTHEW GRAHAM SHIRLEY
JULIE LYNN TINKER
JOHN KIRK WAITS
MICHAEL JOHN WENTWORTH

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS TO BE APPOINTED PERMANENT LIEUTENANT COMMANDER IN THE DENTAL CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT COMMANDER, DENTAL CORPS, USN, PERMANENT

THOMAS LEWIS BOWERS
SAMUEL FELIBERTI
RICHARD A. JORALMON

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS TO BE APPOINTED PERMANENT LIEUTENANT IN THE DENTAL CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT, DENTAL CORPS, USN, PERMANENT

DOUGLAS CHARLES ASHMAN
WOODY CHARLES BAKER
BOOKER TYRONE BROWN
JOHN PERRY BROWNING
JAMES THEODORE CASTLE
RUTH CHEU
GEORGE J. EULER
STEVEN CARL FISHER
MATTHEW JOHN GRAMKEE
RANDY LEE HEIBEL
SCOTT EUGENE HOLMES
CHARLES IRA KNAPP
WILLIAM JOHN LYONS
BRYAN TIMOTHY MARSHALL
SHELLEA JEAN MILLER
SYLVIA ROSEMARY MILLER
PATRICK JOHN MUNLEY
TIMOTHY JAMES NEUMANN
DONALD RAY RATLIFF
MICHAEL CHARLES ROYSE
SIDNEY JOE STROTHER
DAVID IRA TINDLE
BART TIRRELL
VANESSA LYNETT VAZQUEZ
ROBERT BERNARD WALSH
BONNIE LYNN YALE

THE FOLLOWING NAMED REGULAR OFFICER TO BE REAPPOINTED PERMANENT LIEUTENANT IN THE MEDICAL SERVICE CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT, MEDICAL SERVICE CORPS, USN, PERMANENT

RICHARD DANIEL HAYDEN

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS TO BE APPOINTED PERMANENT LIEUTENANT IN THE MEDICAL SERVICE CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT, MEDICAL SERVICE CORPS, USN, PERMANENT

MICHAEL ANTHONY ANAYA
IRIS JANNICE ASHMEADE
CYNTHIA ELIESE BAKER
WILLENE GREEN BROWN
KENNETH CHARLES BURGER
DONALD STEPHEN CLEMENS
GLENN CEFRE CONTE
VICKI LYNN CORFIELD
RICHARD GLENN CRABB
ANN CHRISTIN CZERW
STEVEN KENNETH DAVIS
AARON CHARLES DECKER
DANA JAY GANT
THOMAS AUBREY GASKIN
GERALD RANDOL GRIMSLEY
DAVID HENRY HAMBLETT
DEXTER ANDRE HARDY
GAIL LOUISE HATHAWAY
DAVID WARREN HAYS
VELDA RENAE HOLTHUS
MICHAEL JACKSON
MARYE VIRGINIA JOHNSON
PIETRO DOMEN MARGHELLA
MICHAEL JAMES MATHEWS
DWIGHT MYRO MCCLENDON
WILLIAM PATR MCCORMACK
FREDERICK JOS MCDONALD
DENISE KAY MCELDOWNEY
RONALD ANTHONY J. NOSEK
JOHN CHARLES PARKER
EDGARDO PEREZLUGO
GLEN RAYMOND PORTER
ANN L. RIFFLE
MARGE M. SELL
DANNY DEAN URBAN
MICHAEL LEE VINEYARD
STANLEY GLENN WADE
BRENDA B. WHITE
DIANA L. WILLIAMSON
GEORGE STANLE WOLOWICZ

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS TO BE APPOINTED PERMANENT LIEUTENANT (JUNIOR GRADE) IN THE MEDICAL SERVICE CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT (JUNIOR GRADE), MEDICAL SERVICE CORPS, USN, PERMANENT

BECKY LYNN BAILEY
ROBERT CHAR BARRIEAULT
ARLEN WAY BOLENBAUCHER
DANIEL JOSEPH CORNWELL
MICHAEL CRICCHIO
LAWRENCE M. CUMMINGS, JR
JAIME EDUARDO DIAZSOLA
DAVID WAYNE DROZD
JAMES WILLIAM ELLIOTT
DEANN JOLENE FARR
STEPHEN PAUL FOSTER
FREDERICK PETER FRANZE
GERALYN ANN HARADON
ALISON KAY KNIGHT
CELSO BILLEZA MACASPAC
CARLOS JAMES MARTINEZ
MICAH LAWRENCE MEYERS
ERNEST ELMON J. PARRISH
STEVEN RICHARD PATTON
JULIE DENE PEREZ
DAVID PATRIC SHUEMAKER
STEVEN DOUGLAS TATE
GREGORY EDWIN THOMAS
HELEN VIRGINI THOMPSON
ANTONETTE KATHE TUMPEK
SHARON MARIE WRIGHT

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS TO BE APPOINTED PERMANENT LIEUTENANT COMMANDER IN THE NURSE CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT COMMANDER, NURSE CORPS, USN, PERMANENT

CAROL S. R. BOHN
VANESSA A. NOGGLE
SANDRA RODR OKATANROSA

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS TO BE APPOINTED PERMANENT LIEUTENANT IN THE NURSE CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT, NURSE CORPS, USN, PERMANENT

MARY E. BACHKO
CHARLENE PATRICE BURNS
SUSAN ANN CARMACK
DOROTHY CATHE CHRISTEN
PATRICIA RANDOLPH COCO
MARK NEIL COPENHAVER
CHRISTOPHER J. COSTIGAN
EDWIN MANUEL GALAN
COLLEEN KATE GALLAGHER
SARA JANE HANSON
JOHN STEPHE HILTIBIDAL
REMEDIOS J. LABRADOR
LOUIS XAVIER LESH
MICHELLE LORIE LOFLAND
JAMES KENNETH LOHMANN
PETER ANDREW LOMBARDO
ANNE MARIE MITCHELL
QUYEN HANH NGUYEN
MARY ELLEN OGDEN
LINDA PETIT
MELISSA R. PHELPS
REBECCA JANE POWERS
CHRISTOPHER JEAN PRATT
MARK L. REITNAUER
BONNIE SUE SCOTT
DOREEN ESTHER TATE
DEBRA ELAINE TOOKE
LINDA EMILY TROUP

THE FOLLOWING NAMED U.S. NAVAL RESERVE OFFICERS TO BE APPOINTED PERMANENT LIEUTENANT (JUNIOR GRADE) IN THE NURSE CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

LIEUTENANT (JUNIOR GRADE), NURSE CORPS, USN, PERMANENT

SARAH BETH ALEXANDER
EDWARD SMITH BATES, JR
JOSEPH FRANCIS BURKARD
JAY ELWOOD CHAMBERS
HARRIET EMILY COFFEY
GREGORY WILLIAM DAVIS
ELISABETH ERIN DEEGAN
KENNETH EDWARD DEMOTT
MICHAEL DIBONAVENTURA
BRENDA KAY HOOLAPA
JAMES THOMAS HOSACK
SHIRLEY LOUISE JOHNSON
ANN LOUISE KLABOUGH
PHILIP GERAR ROSENBERG
SCOTT KARL SHAFFER
CAROLINE MIRIAM SHARP
DAVID VELEZ
VICKIE ANN WEAVER
KEVIN LESLIE WHEELOCK

THE FOLLOWING NAMED LIMITED DUTY OFFICERS TO BE REAPPOINTED PERMANENT LIEUTENANT COMMANDER AS REGULAR OFFICERS IN THE LINE OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5589(E):

LIEUTENANT COMMANDER, LINE, USN, PERMANENT

WILLIAM THOMAS CROOKS
LARRY DWIGHT WILCHER

THE FOLLOWING NAMED LIMITED DUTY OFFICER TO BE REAPPOINTED PERMANENT LIEUTENANT AS REGULAR OFFICERS IN THE LINE OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5589(E):

LIEUTENANT, LINE, USN, PERMANENT

NICHOLAS LOUIS GIANACAKOS
DONALD LEE SAYRE

THE FOLLOWING NAMED TEMPORARY LIMITED DUTY OFFICERS TO BE APPOINTED PERMANENT LIEUTENANT IN THE LINE OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5589(A):

LIEUTENANT, LINE, USN, PERMANENT

JOHN ALBERT COTE

THE FOLLOWING NAMED TEMPORARY LIMITED DUTY OFFICER TO BE APPOINTED PERMANENT LIEUTENANT (JUNIOR GRADE) IN THE LINE OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5589(A):

LIEUTENANT (JUNIOR GRADE), LINE, USN, PERMANENT

MARY CATHERINE COSTA

IN THE NAVY

THE FOLLOWING NAMED TEMPORARY LIMITED DUTY OFFICERS, TO BE APPOINTED AS PERMANENT LIMITED DUTY OFFICERS IN THE LINE OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5589(A):

LIEUTENANT, LIMITED DUTY OFFICERS, LINE, USN, PERMANENT

NEAL ADAMS
JOHN J. AHNEN
KENNETH R. ALLEN
EDGARDO G. ALMINAR
STEPHEN M. ANDERJACK
FEDERICO B. ARCAINA
JAMES R. ARNOLD, JR
JAMES F. ARRIGHI
PETER S. ASBY, JR
GERALD L. AULENBACH
CATHALENE BABINEAUX
DAVID A. BACKER
GEORGE M. BAIN
JEFFREY S. BAKER
KEVIN L. BALLINGER
SONNIE I. BARLOW
CARL R. BARNHARDT
GLENN E. BARRICK
HARRY F. BAYNES
RONALD B. BISHOP
MICHAEL I. BISSON
RONALD BLANKENSHIP
WILLIAM J. BODINE
WILLIAM C. BOLES
ERICH W. BORGSTEDE
GREG A. BOX
MICHAEL B. BOYKIN
ROBERT F. BRADSHAW
STEVEN O. BRADSHAW
JEFFREY S. BRATVOLD
PATRICK M. BROPHY
THOMAS E. BURLESON
FRANCIS C. BUSH
DONALD A. BUZARD
GARY L. CALDWELL
JOEL M. CANNON
ANTONIO J. CARDOSO
DAVID A. CARTES
DOUGLAS J. CAWTHRA
GARY K. CHAMBLISS
CHARLES J. CHAN
RICHARD H. CHAPMAN
TIMOTHY A. CHEATHAM
MICHAEL A. CHEATWOOD
GEORGE J. CHIPMAN
JOHNNY D. CHRISTENSEN
PETER J. CHRISTENSEN
EDWARD R. CLARY
JACK P. CLAUSEN
JOHN W. CLIFTON
JAMES COCKLIN, JR
GORDON W. COLLICK
ANTHONY C. CONANT
TIMOTHY S. CONRAD
GERALD M. COOK
STEVEN A. COOK
DENNIS M. COOKE
STEVEN E. CRABB
RONALD L. CRANFILL
MARK H. CRAVER
CARLON J. CUBBEDGE
BERNARD L. DALLY
STEVEN T. DAVIS
LEOPOLDO F. DECARDENAS
CHARLES S. DELLINGER
KENNETH B. DEPEW
GREGORY DEVAUGHN
THOMAS W. DILL
GEORGE E. DORTCH
BRETT K. EASLER
EARL R. EDER
RICHARD A. ELKINS
JOHNNY L. ELWOOD
DALE L. ERLEWINE
JAMES D. FALKNER
CRAIG S. FAUBION
MICHAEL D. FERRARI
LAURENCE W. FITZPATRICK
EDWARD A. FLINT
DEAN C. FLOYD
ANNETTE M. GARDINAL
MELVIN C. GATES
ERIC F. GEDULTVONJUNGENFELD
STEVEN R. GELBACH
HELENA A. GILBERT
EVARISTO GINES
CURTIS L. GOMER
SUSAN E. GRAHAM
DAVID L. GREEN
RODERICK F. GRINER
JAMES E. HAGY
MARK A. HAMMARGREN
PHILIP L. HANS, IV
CORLYNN G. HARALDSON
ROBERT D. HARBOUR
ROBERT W. HARGRAVE
MICHAEL W. HARLOW
ALLEN R. HELMS, JR
BRIAN L. HENRY
BARBARA P. HESS
KEVIN C. HESTER
STEPHEN F. HIEGL
JEFFERY L. HINKEL
PAUL T. HINZ
TOMMY L. HOLLOWAY
EDWIN W. HOLT
HERBERT H. HONAKER
TIMOTHY HOOYER
DENNIS W. HORMANN
STEVEN R. HUBBELL
TERRY L. HUNTER
CLEM P. HURN
LARRY W. ISON
HERBERT A. JANSEN
JOHN R. JENSEN, JR
JAMES H. JONES
JOHN R. JONES
JOHNATHAN L. JONES
JEFFREY D. JORGENSEN
MITCHELL D. KAAS
STANLEY E. KAPP
ROBERT D. KASS
DONALD H. KELLER
JAMES P. KELLOGG
THOMAS G. KELLY
CHRISTOPHER T. KELSALL
GREGORY R. KIDD
WILLIAM D. KIMBALL
JOHNNY C. KING
CARL KLEINHOLZ
DAVID K. KLINEDINST
EDWARD R. KNOWLES
JOSEPH A. KORNAHRENS
ARARAT KRIKORIAN
STEPHEN M. KRUEGER
JIM W. LACEY, JR
NANCY D. LAKE
STEPHEN M. LARIVIERE
WALTER J. LATALL
HARRY E. LAWSON, JR
LINDSAY C. LECUYER
STEPHEN L. LEE
JEFFREY E. LESSIE
WALTER K. LETHIN
HAROLD F. LEUPP
WILLIAM T. LEUTZ
BRUCE E. LOBACH
KEVIN S. LONDKE
MARK C. LOOSE
GREGORY K. LORICK
JOHN F. LYMAN
MICHAEL R. LYNCH
JONATHAN M. LYTLE
PETER A. MAGARELLI
BRUCE J. MANNING
CARL W. MARTIN
HENRY E. MARTIN
GREGORY K. MAXEY
RICHARD D. MCCLELLAN
MICHAEL W. MCDANIEL
RONALD P. MCDAVID
CLEMENT J. MCDONALD
BRADLEY S. MCFARLAND
JOHN M. MCKITTRICK
JIMMY R. MCLAUGHLIN
HERNDON R. MCMILLAN
JOE L. MCMULLEN
DWAINE D. MEAGHER
DARIAN R. MEANS
KENNETH R. MINOGUE
JOSEPH T. MINTON
SANTOS L. MOLINA
WATHEN T. MONTGOMERY
PHILIP J. MORAN
ALAN D. MORRIS
JEROME S. MORRISON
CHARLES R. MOUSAW
WILLIAM G. MYNHIER
ROBERT S. NEVILLE
ROLANDO R. NIEVES
EUGENE A. NYGARD
KAREN L. OBERG
DWIGHT D. OLSON
MICHAEL S. ONAN

THOMAS H. OSMUNSON
MARC R. OUELLET
SAMUEL W. OVERMYER
FRANKY L. PARKER
GLEN D. PASCO
DONALD R. PATTERSON
WESTLEY M. PEDERSON
GARY E. PERKINS
JEAN M. PERRY
GREGORY S. PETERMAN
WILLIAM F. PETERSON
LINDAHL H. PICKENS
GLENN F. PIOTROWSKI
KENT C. POTTER
DOUGLAS G. POTTS
PATRICK E. POWERS
THOMAS L. PRICE
KEITH G. RABOTEAU
GARY E. RAINES
DALE C. RAMSEY
DEBORAH C. RAWLS
IRIS J. REEVES
MICHAEL V. REID
HENRY R. RHODES
JAMES E. RICHARDSON
WALLACE D. RICHMOND
JAMES F. RISLEY
WILLIAM D. ROBERTS
ERIC L. ROBINSON
HENRY P. ROUX
KEVIN L. ROWLAND
TIMOTHY J. RUSH
DOUGLAS P. RUSKA
DAVID M. SAIP
JEFFERY D. SALISBURY
RICHARD SANTOMAURO
BRUCE D. SARSFIELD
MAX G. SCATES
MICHAEL E. SCHARF
DOUGLAS F. SCHERER
MICHAEL R. SCHLEIS
GEORGE P. SCHMIDT
CRAIG A. SCHMOLL
MICHAEL J. SCHOEP
JOHN E. SCHUMANN
BRIAN J. SCHWANDT
GLEN N. SCOTT
DAVID L. SEAVEY
JACQUES SHAKE
STEVEN D. SHARER
ANTHONY M. SHEPHERD
THOMAS A. SHOEMAKER
MICHAEL W. SHULTS
STEPHEN R. SKAW
JAMES E. SKIBA
STEVEN P. SMITH
RICHARD N. SOUCIE
RICHARD A. STAGERS
JAMES P. STEIL
KEVIN W. STEWART
BARRY L. STIFFLER
JAMES E. STOLZE, JR
STEVEN A. STOPLER
JOHN A. SUCCO
PATRICK M. SULLIVAN
JOHN M. SUTHERLAND
DANIEL I. SUTTON
STEVEN J. SWANSON
MICHAEL F. SWEENEY
RAYMOND J. SZCZEPAN
CLIFFORD TAYLOR
SAMUEL L. TOWNSEND
CHRISTOPHER P. TRIMPEY
EDWARD M. TUCKER
EMMETT S. TURK
ROBERT A. TURNER
DAVID C. UNCUR
ROBERTA C. UTT
RICHARD C. VALENTINE
XAVIER M. VARGAS
EWIN T. VERDICT
SIDNEY J. VIGIL
JOHN E. WADSWORTH
MARK D. WARREN
ROBERT L. WARREN
CHARLES W. WATTS
GARY T. WEBB
CARL B. WEICKSEL
DEL E. WEIHERT
MICHAEL W. WENDT
JOHNNY R. WHEAT
LARRY W. WHEATON
JOHN D. WICKENHOFER
JOHN D. WIEDEMANN
DEBRA A. WILLIQUETTE
ELMER L. WILSON
HAROLD M. WINNINGS
JOHN E. WIX
BENNIE L. WYNKOOP
ROBERT L. YOUNG, JR

THE FOLLOWING NAMED TEMPORARY LIMITED DUTY OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT IN THE SUPPLY CORPS AS LIMITED DUTY OFFICERS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5589(A):

LIEUTENANT, LIMITED DUTY OFFICERS, SUPPLY CORPS, USN, PERMANENT

ALAN C. BETSINGER
PHILIP B. BUMA
GEORGE E. CHRISTENSEN
RICHARD COWAN, JR
OSCAR V. GARCIA
STEVEN S. HARTZELL
CRAIG A. HENDERSON
REBECCA D. HOROWITZ
LAURENCE C. JOHNSON
WALLACE W. JOHNSON
HILLARY KING, JR
WALTER G. PATTERSON
MICHAEL W. RUTTEN
LYNN M. SCHRAGE
MICHAEL V. SNYDER
JOHN A. WILLIAMS

THE FOLLOWING NAMED TEMPORARY LIMITED DUTY OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT IN THE CIVIL ENGINEER CORPS AS LIMITED DUTY OFFICERS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5589(A):

LIEUTENANT, LIMITED DUTY OFFICERS, CIVIL ENGINEER CORPS, USN, PERMANENT

DENNIS M. FEGAN
GORDON F. JANSKY
ROBERT L. ZEMINA

THE FOLLOWING NAMED TEMPORARY LIMITED DUTY OFFICERS, TO BE APPOINTED PERMANENT LIEUTENANT IN THE LAW PROGRAM AS LIMITED DUTY OFFICERS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5589(A):

LIEUTENANT, LIMITED DUTY OFFICERS, LAW PROGRAM, USN, PERMANENT

STEVEN J. BARTLETT
BILLY A. DAVIDSON
CURTIS W. HOVEY
STANLEY D. RHOADES