TAUZIN will be incorporated into this legislation. These amendments, which will significantly improve the bill, are the result of spirited negotiations that the Speaker requested we undertake. Although the negotiations were at times difficult, both sides worked in good faith to reach a final compromise which helped pave the way for today's floor consideration.

The first amendment provides that, not less than 30 days before offering interLATA high speed data service or Internet backbone service in an in region State, a Bell operating company shall submit to the Attorney General a statement expressing the intention to commence providing such service, providing a description of the service to be offered, and identifying the geographic region in which the service will be offered. This statement shall not be made public except as may be relevant to any administrative or judicial proceeding.

This amendment is important because of the long and checkered antitrust history of the telecommunications market. H.R. 1542 would eliminate the need to go through a regulatory process in deploying broadband, as the RBOCs will continue to be required to do for telephone services, and this amendment mandates that the antitrust enforcers at the Department of Justice will get 30 days notice before such service is offered.

The second amendment provides that the savings clause found in section 601(b) of the Telecommunications Act of 1996 shall be interpreted to mean that the antitrust laws are not repealed by, not precluded by, not diminished by, and not incompatible with the Communications Act of 1934, this Act, or any law amended by either such Act. This amendment, a version of which was adopted by the Judiciary Committee, is a response to concerns raised about any conflicting, confusing, or contradictory language found in the Seventh Circuit Court of Appeals opinion in *Goldwasser* v. *Ameritech Corp.,* 222 F. 3d 390 (7th Cir. 2000). In *Goldwasser*, the Seventh Circuit Court of Appeals construed the savings clause found in section 601(b)(1) (47 U.S.C. § 152 note) of the Telecommunications Act of 1996 (P.L. No. 104–104, 110 Stat. 56).

Mr. Speaker, many Members have labored on these issues and I appreciate their work, particularly the efforts of Chairman TAUZIN. I support the rule and yield back the balance of my time.

Mr. FROST. Mr. Speaker, I yield back the balance of my time.

Mr. LINDER. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. LAHOOD). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. LINDER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently, a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 282, nays 142, not voting 10, as follows:

[Roll No. 42]

YEAS—282

Ackerman
Aderholt
Akin
Armey
Baca
Bachus
Baker
Baldwin
Ballenger
Barcia
Barr
Barton
Bass
Bentsen
Bereuter
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Boozman
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cantor
Capito
Cardin
Carson (IN)
Castle
Chabot
Chambliss
Clay
Clement
Clyburn
Coble
Collins
Combest
Cooksey
Cox
Cramer
Crane
Crenshaw
Crowley
Culberson
Cummings
Cunningham
Davis (IL)
Davis, Jo Ann
Deal
DeLay
Diaz-Balart
Dingell
Doggett
Doolittle
Dreier
Duncan
Dunn
Ehlers
Emerson
Engel
English
Everett
Ferguson
Filner
Fletcher
Foley
Forbes
Ford
Fossella
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gonzalez
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hart
Hastings (FL)
Hastings (WA)
Hayworth
Herger
Hilleary
Hilliard
Hinojosa
Hobson
Holden
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, Sam
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
LaHood
Lampson
Langevin
Larsen (WA)
Latham
LaTourette
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Maloney (CT)
Maloney (NY)
Manzullo
Matheson
Matsui
McCarthy (NY)
McCrery
McHugh
McInnis
McKeon
McKinney
McNulty
Meek (FL)
Meeks (NY)
Menendez
Mica
Miller, Dan
Miller, Gary
Miller, Jeff
Moran (KS)
Murtha
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Ortiz
Osborne
Ose
Otter
Oxley
Pascrell
Pastor
Payne
Pence
Petri
Platts
Pombo
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Regula
Rehberg
Reyes
Reynolds
Riley
Rodriguez
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Roukema
Royce
Rush
Ryan (WI)
Ryun (KS)
Sandlin
Sawyer
Saxton
Schiff
Schrock
Sensenbrenner
Serrano
Sessions
Shaw
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Souder
Spratt
Stearns
Stump
Sullivan
Sweeney
Tancredo
Tanner
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Towns
Turner
Upton
Visclosky
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watson (CA)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (SC)
Wynn
Young (FL)

NAYS—142

Abercrombie
Allen
Andrews
Baird
Barrett
Bartlett
Becerra
Berkley
Berman
Blumenauer
Borski
Boswell
Brown (OH)
Cannon
Capps
Capuano
Carson (OK)
Clayton
Condit
Conyers
Costello
Coyne
Davis (CA)
Davis (FL)
Davis, Tom
DeFazio
DeGette
Delahunt
DeLauro
DeMint
Deutsch
Dicks
Dooley
Doyle
Edwards
Ehrlich
Eshoo
Etheridge
Evans
Farr
Fattah
Flake
Frank
Gephardt
Goode
Harman
Hefley
Hill
Hinchey
Hoeffel
Hoekstra
Holt
Honda
Hooley
Inslee
Israel
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kilpatrick
Kucinich
LaFalce
Lantos
Larson (CT)
Leach
Lee
Lipinski
Lofgren
Lowey
Luther
Lynch
Markey
Mascara
McCarthy (MO)
McCollum
McDermott
McGovern
McIntyre
Meehan
Millender-McDonald
Miller, George
Mink
Moore
Moran (VA)
Morella
Nadler
Napolitano
Oberstar
Obey
Olver
Owens
Pallone
Pelosi
Peterson (MN)
Phelps
Pickering
Pitts
Pomeroy
Price (NC)
Ramstad
Rangel
Rivers
Roemer
Rothman
Roybal-Allard
Sabo
Sanchez
Sanders
Schaffer
Schakowsky
Scott
Shadegg
Shays
Sherman
Skelton
Slaughter
Snyder
Solis
Stark
Stenholm
Strickland
Stupak
Sununu
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Udall (CO)
Udall (NM)
Velazquez
Waters
Watt (NC)
Waxman
Weiner
Wilson (NM)
Wolf
Woolsey
Wu

NOT VOTING—10

Baldacci
Cubin
Gilman
Hayes
Mollohan
Myrick
Paul
Peterson (PA)
Traficant
Young (AK)

□ 1215

Ms. CARSON of Indiana changed her vote from ''nay'' to ''yea.''

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mrs. MYRICK. Mr. Speaker, I was unable to participate in the following votes. If I had been present, I would have voted as follows: Rollcall vote 41, on approving the Journal, I would have voted ''yea.'' Rollcall vote 42, on providing consideration of H.R. 1542, I would have voted ''yea.''

□ 1215

The SPEAKER pro tempore (Mr. SIMPSON). Pursuant to House Resolution 350 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1542.

The Chair designates the gentleman from Texas (Mr. BONILLA) as chairman of the Committee of the Whole, and requests the gentleman from Illinois (Mr. LAHOOD) to assume the chair temporarily.

□ 1215

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1542) to deregulate the Internet and high speed data services, and for other purposes, with Mr. LAHOOD (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Louisiana (Mr. TAUZIN) and the gentleman from Michigan (Mr. DINGELL) each will control 30 minutes. The gentleman from Wisconsin (Mr. SENSENBRENNER) and the gentleman from Michigan (Mr. CONYERS) each will control 10 minutes.

The Chair recognizes the gentleman from Louisiana (Mr. TAUZIN).

(Mr. TAUZIN asked and was given permission to revise and extend his remarks.)

Mr. TAUZIN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, as we begin debate on the Tauzin-Dingell bill, I think it is important to recognize that once the House gets through with its business today perhaps Americans can start enjoying Coca-Cola and Pepsi commercials again instead of these massive commercials advertising for or against Tauzin-Dingell. It is also important to say what Tauzin-Dingell is as opposed to what it is not.

What it is is an effort that my good friend, the gentleman from Michigan (Mr. DINGELL), the ranking minority member of the Committee on Energy and Commerce, the former chairman of the committee and I have worked on for years, a bill we filed in 1999 because we saw in advance of what has occurred the collapse of so much of the high tech industry if we did not free broadband from the grip of bureaucratic regulation and if we did not create an incentive for there to be real competition in the marketplace, so we filed the Internet Freedom and Broadband Deployment Act. That is the real title. Internet Freedom and Broadband Deployment, that is what it is all about.

Now, there are two worlds out there. There are two worlds out there in communications. There is the old world of communications, the old voice telephone world that is still heavily regulated by government at all levels, local, State and Federal levels. That is an old world that is regulated in price and terms and conditions in a way that separates the way we talk to one another on the basis of distance, long distance and local.

There is a new world, the future of communications that is characterized by the Internet which does not care how far we live from one another. It does not care how tightly we are packed into communities or how sparsely we live in rural communities of America. It is the Internet world. It is the satellite world. It is the world of cable-delivered systems where distance is irrelevant, where we pay a single rate and then we can communicate, and we are not caught in this old world recollection of distance. On the Internet it does not matter whether I live in Tokyo or Seattle or Jack Bay, Louisiana. I can communicate with anybody in the world.

But even the Internet is part of the old world now. Today we talk about a new world of Internet communications called broadband.

As I said earlier, when I tried to explain this to my buddies at the hunting camp, I like to use this analogy: When you think about the old Internet it is like going to the refrigerator to get a cold beer and finding out the refrigerator is turned off, and you have to turn it on, and you have to put your beer in and wait for it to get cold, and then sometime later you finally get it and enjoy it. That is the old Internet, the old dial-up service.

The new broadband Internet we are talking about has systems that are so fast, so rich, always on, always ready, it is like going to that refrigerator, and it is always on, and when you open the door you have the bierskeller in there. There are so many varieties of rich, wonderful choices for you.

In the real world we talk about choices on entertainment, information, education, and all sorts of things like long distance tele-medicine, all made possible when we finally connect America to the big broadband Internet systems that have been built in this system in this country but do not have on or off ramps for Americans to get on and off.

After all these years, only 10 percent of Americans are connected to these systems. These are the lowest denominator systems. If I am in high speed and you are at low speed and we are connected, I am at your speed. Until we get more Americans connected with broadband, until we get real competition in those systems, America is handicapped and the high tech economy is in neutral.

This bill is about jobs. It is about creating 1.2 million jobs by turning loose the investments in broadband deployment, by making sure that every company that can deliver a line to a house can offer broadband services.

It is about consumers. It is about ensuring that consumers who live in the country, consumers who live in the inner cities of this country who might wait forever for broadband services get it on a lot quicker. It says there must be deployment within the 5-year period to every part of this country, every community. It says we will have competition in that deployment.

I was on the floor of this House in 1992, a long time ago, to make sure that cable television had a real competitor. And this House joined with me and the Senate joined with me, and eventually we had to override a veto to make sure that satellite television had a chance to compete against cable television.

Today, we make the same fight for consumers. We make the same fight to make sure everybody has a chance to get broadband Internet services, and we want to make sure that they have competition and choice in that marketplace. That is what the Internet Freedom and Broadband Deployment Act is all about.

It is good for consumers. It is great for jobs. It is great for this economy. It sends the right message. It sends the Internet, high speed, rich, fast, fully deployed broadband Internet is going to be available to Americans without the heavy hand of government regulating it in terms, prices and conditions. It means that we will have choice and competition in that marketplace and that all Americans will enjoy the benefits instead of just a few of this amazing revolution in communication.

This is about the future. There are people who rise on the floor and will talk to you about the past and how we ought to employ all the rules and regulations of the past to this new communications structure. The gentleman from Michigan (Mr. DINGELL) and I will ask you to think about the future and how we can build a future where every American has access to these new systems and we can be rich in education and information and entertainment and commerce again. We can put America back to work and get this economy going and give Americans real choice in high speed broadband Internet services.

Mr. Chairman, I reserve the balance of my time.

Mr. DINGELL. Mr. Chairman, I ask unanimous consent to yield 15 minutes to the distinguished gentleman from Massachusetts (Mr. MARKEY) for purposes of control.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DINGELL. Mr. Chairman, I yield 3 minutes to the gentleman from Virginia (Mr. BOUCHER), a principal cosponsor of this legislation.

Mr. TAUZIN. Mr. Chairman, I yield 1 minute to the gentleman from Virginia (Mr. BOUCHER).

(Mr. BOUCHER asked and was given permission to revise and extend his remarks.)

Mr. BOUCHER. Mr. Chairman, I am the supporter of the Tauzin-Dingell measure, and I rise this morning to describe why its passage is in the public interest. I will take this time to make three points.

First, passage of this measure will stimulate the deployment of broadband services by telephone companies. The 1996 Telecommunications Act contains an unbundling requirement that enables competitors to lease at highly favorable rates only a portion of a telephone company's network and then to

combine that leased element with the telephone company's own equipment in order to offer a complete service.

Now this provision is good policy if the goal is to promote competition in the offering of traditional voice telephone service, and I would note that many of the cities in the United States have as many as one-half of the lines serving businesses in the hands of the competitors to the local telephone companies. But the unbundling requirement is terrible policy if the goal is to encourage the telephone company to offer high speed Internet access service to a larger number of homes and businesses.

The rate at which the network must be leased to competitors is below the cost of building and maintaining the network in the first instance for the telephone company. The lines and the other equipment necessary to provide these high speed services are costly, and that cost cannot be recovered by the telephone company under the dramatically reduced rate that is available for the lease of these facilities.

Congress always intended this regulation to apply to local telephone service. It was not intended to be applied to high speed Internet access. But the Federal Communications Commission has applied it to these advanced telephone services nonetheless, and that is the problem that we are trying to resolve.

The result of this action by the FCC is that the deployment of DSL by telephone companies severely lags the deployment of cable modem service which is completely unregulated. Of the 20 percent of American Internet users who have high speed access two-thirds are using cable modem service, and the DSL service offered by telephone companies has less than one-third of the market.

The Tauzin-Dingell measure is needed to remove the unbundling requirement from advanced services to create a closer parity of regulation between DSL and cable and to encourage the broad deployment of DSL by telephone companies.

The second point I would make is that this is a jobs bill. The head of our Nation's leading technology companies have said that a revival of the technology sector of our economy hinges on one pivotal development, and that is the mass and rapid deployment of broadband services. The Tauzin-Dingell bill will lead to that deployment. It will result in hundreds of billions of dollars in business investment. It will create more than one million new jobs.

Third, all of our regulations now in place will remain for local telephone service. This bill does not affect traditional voice telephony.

□ 1230

Unbundled network elements, forward-looking cost pricing, and terms-of-service regulation will remain for local telephone service. That is totally unaffected by this bill.

The bill only affects the provision of high-speed Internet services. This market is competitive and telephone companies are the second entrants with only one-third of total customers. The dominant market participant, the cable industry, has no regulation and enjoys two-thirds of the share of this market.

This regulatory disparity is unfair. It poorly serves the public interest because it dampens the deployment of broadband services.

I urge support for the Tauzin-Dingell bill. That will create more even-handed regulation and lift the restraints of current law on broadband deployment.

Mr. SENSENBRENNER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I will support final passage of H.R. 1542, the Internet Freedom and Broadband Deployment Act. While I did not support this legislation in the Committee on the Judiciary, I am persuaded that sufficient changes will be made to the bill today that merits supporting the bill and moving the process forward.

I believe two changes negotiated between the gentleman from Louisiana (Mr. TAUZIN) and myself significantly improve the bill. There is general agreement that rapid deployment of broadband could dramatically improve communications, electronic commerce, and more easily deliver digital goods to consumers. However, there is disagreement over how broadband should be deployed. The Committee on the Judiciary had several days of hearings on these complex and difficult issues.

As the chairman of the Committee on the Judiciary, which has jurisdiction over unlawful restraints of trade, I am cognizant of antitrust problems which gave rise to our modern telecommunications policy. After the 1984 breakup of AT&T, competition in the long distance market flourished. As a result, rates decreased and service improved.

However, when local telephone competition failed to materialize, Congress in 1996 attempted to open up the local markets by offering the regional Bell operating companies, RBOCs for short, a basic trade. They were to open their local exchanges to competitors for interconnection; and in return, they were to be allowed entry into the long distance market.

Since 1996, there has been major consolidation in the industry as the RBOCs have merged with one another. Furthermore, the RBOCs have not had a stellar record regarding compliance with the 1996 act. Hence, the gentleman from Michigan (Mr. UPTON) and the gentleman from Texas (Mr. GREEN) will offer an amendment increasing penalties for violation of the Communications Act of 1934, which I urge the committee to adopt. Consolidation and a history of anticompetitive market restraints should give one pause.

Many would argue with considerable justification that there has been not enough progress in the local markets and that the RBOCs should not be rewarded by giving them the unregulated green light to the lucrative data market. On the other hand, we should continuously review public policy to determine whether regulatory regimes are meeting the public interests.

We must also remain vigilant to make sure that the RBOCs do not use their market dominance to undermine competition because competition is the only way to ensure the most efficient delivery of the highest-quality and lowest-price goods and services.

Notwithstanding the changes that will be made today, including two within the jurisdiction of the Committee on the Judiciary, incorporated into the bill by the rule, I remain concerned about competition in the broadband and telecommunications market as a whole and will continue to review these issues to search for ways to ensure that the benefits of competition, lower prices, more choices and better service, are available to the consumer.

No bill is perfect; and after much deliberation, debate, and consideration, I believe on the whole that final passage of this legislation should be supported. Many Members have labored on this legislation, and I want to specifically thank the members of the Committee on the Judiciary on both sides of the aisle for their hard work. The committee performed quickly and thoughtfully under unreasonably tight time constraints last June, and all Members should be proud of their accomplishments.

I would also like to thank the gentleman from Louisiana (Mr. TAUZIN) and his staff for working an agreement in the language contained in section 9 of the bill which preserves the powers of the Justice Department to review antitrust considerations.

Mr. Chairman, I reserve the balance of my time.

Mr. Chairman, I ask that the balance of my time be yielded to the gentleman from Utah (Mr. CANNON) and that he be allowed to yield such portions of that time to other Members as he desires.

The CHAIRMAN pro tempore (Mr. LAHOOD). Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. TAUZIN. Mr. Chairman, I yield myself 30 seconds.

I want to thank the gentleman from Wisconsin (Mr. SENSENBRENNER), the chairman of the Committee on the Judiciary, for the excellent work I think we put in together with our staffs to ensure, in fact, that the antitrust laws will fully apply to all operations of the Bell companies as they currently conduct their business and telephone service and in their new businesses in broadband. He and I are equally committed to watch carefully the performance of these companies and others to make sure that consumers have the benefits of competition and not the penalties of monopoly unregulated service.

We are going to work together, and I thank him again for working with our subcommittee.

Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Michigan (Mr. UPTON), the chairman of the Subcommittee on Telecommunications and the Internet.

Mr. UPTON. Mr. Chairman, I rise in strong support of H.R. 1542, and as chairman of the Subcommittee on Telecommunications and the Internet, I would say that today, in fact, is the defining moment in our Nation's telecommunications policy.

Yes, the issues are complex, but there certainly is much at stake. The choice in this debate could not be simpler or clearer. Today's regulation of broadband is based on yesterday's technology. So we can either seize the moment and move forward, or we can stay stuck in the outmoded regulatory rut and watch other countries take our jobs and industry away.

Recently, I had the opportunity to chat with the head of the Southwestern Michigan Realtors Association, and it was no surprise to learn that the number one question on the minds of prospective home buyers in Michigan these days is not about property taxes and local schools but, rather, whether there is broadband access available in the neighborhoods. These folks are willing to commute, in fact, more than 30 minutes, even across State lines, just to live in communities which have broadband.

Small businesses in the area are reporting similar competitive disadvantages as well. I compare broadband access to the interstate highway system which was built through southwest Michigan back in the late 1950s and 1960s; and as I crisscross my district, I can see the population and the economic growth which has occurred in these towns that have access to interstate highways.

Those communities which do not have access have remained in a virtual time capsule, great little towns, but they virtually stood still throughout the past number of decades. That is what I fear will happen if we do not move soon, as soon as possible in fact, to get these communities connected to the high-speed Internet access highway.

That is why we need to provide deregulatory parity for broadband, regardless of the platform by which it is delivered, whether it be telephone lines, cable, wireless, satellite; and by doing that we can undo the enormous regulatory shackles which stand in the way of telephone companies providing DSL.

Mr. MARKEY. Mr. Chairman, I yield 3 minutes to the gentlewoman from California (Ms. ESHOO).

Ms. ESHOO. Mr. Chairman, I would like to thank the gentleman from Massachusetts (Mr. MARKEY) for his leadership and everyone that I have worked with on this issue for now, I think, at least 3 years.

I stand in opposition to the bill and have from the very beginning, and I would like to very quickly go through my top 10 reasons.

I think it is bad for the economy. Why? Because it is going to throw people out of work. The proponents say it is going to create jobs. In fact, it is going to shut down the CLECs in this country who are the children that were born out of the telecom act. So it is not going to do what the promise of the bill says. It is going to lose jobs, no net gains.

I think it is bad for consumers, and consumer organizations across the board oppose the bill. Why? Because it further enlarges the monopoly that the Bells are right now. If someone has a monopoly in their DNA, this is the bill for them.

It is bad for small business because I think the prices without the CLECs, without the CLECs who are competing right now, small business is going to end up paying more. That really is a tax on high-speed access for small businesses.

It is bad for broadband because it stifles innovation. When we think of innovation, and the district that I come from is all about that, we do not think of the local Bells as being the fathers or mothers of innovation.

It is bad for rural areas and the bill promises to get DSL to the rural areas. It does not, and it will not. The homes that are located 3 miles from a Bell central office would still be dependent upon other broadband providers.

It is bad for the States, and 31 State PUCs oppose it. Why? Because the bill takes away the ability from our constituents to protect consumers and oversee quality of service. In California alone the Bells have been fined $350 million for bad service. Under this bill they would not be able to do it.

Lastly, the e-rate. If my colleagues voted for the e-rate, it is in trouble. Our schools, our law libraries, it is bad law. The Bells do not need any legislation to offer high-speed Internet services.

I compliment the proponents of the bill for their advertising of it because they say it is jobs, it is the economy, it is competition, it is going to take high-speed Internet access to all communities right away. That is great advertising, but my colleagues have to read the print in the bill, and the Bells do not need this in order to bring the competition and the high-speed Internet access that it says only the Bell can do.

This enlarges a monopoly that will lumber on, and my colleagues and I are going to have to answer to our constituents on the accountability issue. No PUC, no FCC. I do not think that kind of deregulation in terms of accountability is where we should go.

I think to be about the future we have to get rid of the past. This reeks of the past and does not speak well to the future.

Mr. DINGELL. Mr. Chairman, I yield 1½ minutes to the distinguished gentleman from New York (Mr. ENGEL).

Mr. ENGEL. Mr. Chairman, I thank the gentleman from Michigan (Mr. DINGELL), the dean of the House, for yielding me the time.

Mr. Chairman, I rise in strong support of the Tauzin-Dingell bill. Mr. Chairman, to paraphrase Charles Dickens, this is a tale of two cities, the cable and telephone industry. Ten years ago, these two industries had little to do with each other; but today, they are, thanks to technology, they are providing the exact same product, high-speed Internet access.

One would think thus that when the government imposed regulations it would do so in the same manner, but that is the crux of this tale of two industries. One, the cable industry, provides these services unfettered by regulation, the way it should be, and I support this. The other, the telephone industry, is heavily regulated.

We have a responsibility to ensure fairness in our regulations. Luckily, there will be great benefits realized as a result of this legislation. It is estimated that $100 billion will be spent upgrading the telephone networks. There is an enormous amount of labor involved in this task; and as a result, the AFL-CIO and the Communication Workers of America have endorsed this legislation.

Small businesses will also benefit. The cost of a T–1 line can be as much as $1,500 per month. For a small business that is simply not an option, but a DSL line is about $50 per month. Certainly that is affordable for most small businesses, and that will allow them to finally join the e-commerce revolution.

There will also be enormous benefits to bridging the digital divide. Our modern society is dependent upon information. The Internet is the greatest source of information ever created.

Again, I urge a ''yes'' vote on this bill. It will bridge the digital divide and allow this kind of service to be for all Americans.

Mr. TAUZIN. Mr. Chairman, I am pleased and honored to yield 2 minutes to the gentleman from Illinois (Mr. SHIMKUS), a distinguished member of the Subcommittee on Telecommunications and the Internet of the Committee on Energy and Commerce.

Mr. SHIMKUS. Mr. Chairman, I want to thank the gentleman from Louisiana (Mr. TAUZIN) and the gentleman from Michigan (Mr. DINGELL) for bringing up this legislation, this very important piece of legislation.

This is a good bill. We should not hold hostage data deployment to the voice fight, and that is what this is all about, long distance versus local; and that fight which should not be involved in this. This is an issue about data, and this is an issue about deploying data in rural America; and if we want to create jobs in deployment of data, not just in the data deployments but the small businesses in rural America that want to be able to market their goods in this world economy through broadband, this is how we do it.

Without this bill, we will not have broadband deployment in rural America, and we will not have the job-creation activity, and we will see the people continue to offer broadband in urban America and not in the places that we need job growth.

□ 1245

The other issue is that we have seen what has happened in the voices with the FEC and the lawsuits, the CARA lawsuits, the rulemaking, and that just stops the deployment of any type of service. And here people want to return to that. They want to bring more regulation into this new, exciting world of high-speed Internet services.

So I am just excited that we have now got this bill on the floor. I think it is going to help create new jobs in rural America. I want to thank the chairman and the ranking member for their foresight, and let us get this done.

Mr. MARKEY. Mr. Chairman, I yield myself 1 minute.

We have really changed our country, and the rest of the world has been following us over the last 20 years. We had one phone company. One. And they had 1.2 million employees. But we decided that it was stultifying innovation. Technology, prices, service, everything was tied to that one company. So our country broke up AT&T. Out of it came Sprint, MCI, Lucent, and dozens, scores of companies, because it created a competitive environment.

That is what the 1996 Telecommunications Act sought to do for the local market as well, to break it up; to say to the local bells, those four companies in the United States, each of us has one who is a monopoly in our hometown, ''If you give up your local monopoly, we will let you into long distance with MCI, with Sprint, with AT&T. That was the deal.

This amendment today breaks that deal and sends the American public back to the past, where the choices would be limited rather than unlimited.

Mr. Chairman, I reserve the balance of my time.

Mr. DINGELL. Mr. Chairman, I yield 1½ minutes to the gentleman from Maryland (Mr. WYNN).

Mr. WYNN. Mr. Chairman, I thank the gentleman for yielding me this time and also for his leadership along with that of our committee chairman. I rise in strong support of this measure.

We often talk about American ingenuity, American innovation. Well, it is here. The only problem is it is handicapped, handicapped and handcuffed by outdated regulation that prevents the deployment of broadband, and deployment of broadband is clearly the wave of the future.

Small businesses in particular will need deployment of high-speed Internet service. They will need it for large bids. They will need it for large-volume orders. They will need it to put pictures up that people can get in a quick and rapid manner so that they can sell their products. That is why we need to deploy broadband now.

We also need more competition with the cable companies. Everyone talks about cable rates and talks about competition. Well, we can have competition if we pass this bill. Broadband will provide that competition.

Third, we talk about the digital divide, the fact that we have two communities, some that have it and others that do not. This committee did a good job on a bipartisan basis by guaranteeing a 5-year build-out to ensure that urban as well as rural communities, poor communities as well as wealthier communities would have access to broadband Internet under this bill. I think that is a tremendous idea, and I think it argues well for this bill.

We cannot afford to have businesses leave poor communities because they do not have broadband. We cannot afford to have students in poorer communities disadvantaged because they do not have broadband when their wealthier colleagues do.

This is a good and balanced bill, and I hope my colleagues will adopt it. I urge strong adoption of the broadband access bill.

Mr. TAUZIN. Mr. Chairman, I am pleased to yield 2 minutes to the gentleman from Kentucky (Mr. WHITFIELD), who is a member of our Subcommittee on Telecommunications, Trade, and Consumer Protection.

Mr. WHITFIELD. Mr. Chairman, I want to commend the chairman and the ranking member, the gentleman from Michigan (Mr. DINGELL), for their leadership on this important issue.

I rise in strong support of H.R. 1542. This is a bill whose time has come. It provides for less Federal and State regulation of broadband services and Internet access service. It also removes the disparity that now exists between cable, modem service and DSL.

The bill also addresses the restrictions caused by the LATA lines drawn by Judge Greene in 1984. And I might add that was a long time before commercial Internet or retail broadband service was available.

Finally, this bill will help rural America, an area that I represent, because it will expedite broadband deployment in rural America. I think that will be a tremendous boost to help in economic development in rural America, which is vitally needed at this time.

Mr. Chairman, I urge passage of this legislation.

Mr. TAUZIN. Would the chairman announce how much time is available to all of us in the debate?

The CHAIRMAN pro tempore (Mr. LAHOOD). The gentleman from Louisiana (Mr. TAUZIN) has 17½ minutes remaining, the gentleman from Massachusetts (Mr. MARKEY) has 11 minutes remaining, the gentleman from Michigan (Mr. DINGELL) has 9 minutes remaining, and the gentleman from Utah (Mr. CANNON) has 6 minutes remaining.

Mr. MARKEY. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. HINCHEY).

Mr. HINCHEY. Mr. Chairman, this is the most important telecommunications bill to come to the floor of this House not just in this Congress but in many, many years. If it passes and becomes law, it will determine the way the telecommunications industry develops in America for untold years to come. Yet we are provided with essentially 2 hours, or less than 2 hours to debate the bill in its essence on the floor here today. The opposition is given, what, 15 minutes to provide alternative points of view. This is scandalous.

The people are not being served here. There ought to be opportunities to debate this bill in its full content and in detail. Why is that? Because the bill, as it is currently written, makes some terrible mistakes.

The premise of the bill is that if monopoly situations are provided to monopolistic companies and get rid of all regulation at the Federal and State level that somehow we will have a fair and open process and a level playing field and that somehow consumers will get the benefit. History shows us different.

This bill will cause prices to rise, and it will ensure that vast areas of the country continue to not get service. Particularly rural areas like upstate New York will not get the service that they need.

The bill alleges to create jobs. Well, the CLECs in New York, for example, now employ about 100,000 people. Those jobs are in danger of being lost and almost certainly would be lost if this bill were to become law.

This bill is not in the interest of the general public, not in the interest of consumers. We could do a good bill; and if we were doing a good bill, we would do many things. For example, we would ensure that every school in every State across this country is hooked up to broadband services, and those services would be required to be provided by the companies that are given this money-making opportunity contained in this bill.

It is a big mistake. We could do an awful lot better.

Mr. TAUZIN. Mr. Chairman, I am pleased to yield 1½ minutes to the distinguished gentleman from California (Mr. ISSA), a member of the Committee on the Judiciary.

Mr. ISSA. Mr. Chairman, I rise in the strongest possible support of this bill.

Coming out of the telecommunications industry, coming out of the high-tech industry and being a user of these products, I recognize full well how stalled broadband deployment is. There is no question on either side of this issue but that broadband deployment has fallen behind our competitors. We have fallen behind Korea. We have fallen behind nations that we

never thought we would be second to in the role of high-speed Internet.

This bill seeks to and does in fact, as it is to be amended, allow for the best of both worlds. It allows for universal access both to the incumbent utilities and those who would like to become exchanges.

But it also says, wisely, that there has to be an opportunity for a return for those who will invest hundreds of billions of dollars. This bill does it and does it extremely well.

I believe if those on both sides of this issue recognize and think about the fact that this is not going to be an industry which is stalled and is suddenly going to restart itself, but that to restart it is going to take action from this body, then this bill, passed in the House and hopefully passed in the Senate, is going to lead to a restarting of broadband, which more than anything else I can name will restart the growth of America's economy, something that is sorely needed.

Mr. DINGELL. Mr. Chairman, how much time do I have remaining?

The CHAIRMAN pro tempore. The gentleman from Michigan has 9 minutes remaining.

Mr. DINGELL. Mr. Chairman, I reserve the balance of my time.

Mr. TAUZIN. Mr. Chairman, I am pleased to yield 2 minutes to the gentleman from Virginia (Mr. SCHROCK).

Mr. SCHROCK. Mr. Chairman, I thank the gentleman for yielding me this time and for his leadership and the leadership of the gentleman from Michigan (Mr. DINGELL) as well.

As a member of the House Committee on Armed Services, I frequently discuss the importance of redundancy in our information infrastructure. Redundancy is essential to a strong national defense. Because if our information only has one path to travel, times of emergency can make it difficult for information to travel at all.

Redundancy in our system is essential to ensuring confidence in our information infrastructure during times of emergency and to plan for information technology growth in the future. Tauzin-Dingell will use both the carrot and the stick in encouraging telephone companies to expand our high-speed data transmission infrastructure, thus making our country less vulnerable to a communications shutdown in times of emergency.

When there are two high-speed networks capable of handling the broadband needs of the country, both cable and telephone, one could be pressed into service if the other is disabled. The bill we vote on today requires the phone companies to equip all their local offices with high-speed data transmission within 5 years. Without this legislation, neither the incentive nor the requirement will be there for the Bell companies to expand their networks.

Nineteen percent of our country has no high-speed data service at all, and 48 percent have only one network in place. That leaves two-thirds of the country without a redundant high-speed data network. Mr. Chairman, this leaves our country vulnerable and exposed to an information shutdown during a national crisis.

Tauzin-Dingell will not cost taxpayers one penny but will create over a million new jobs, give millions of Americans access to high-speed Internet and, most importantly, will strengthen America's information infrastructure.

Mr. Chairman, I urge all of my colleagues to support this legislation.

Mr. MARKEY. Mr. Chairman, I yield 2 minutes to the gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. Mr. Chairman, I appreciate the gentleman's courtesy in yielding me this time and for his leadership in trying to focus on the positive legacy of the Telecommunications Act of 1996.

The Act required that the Bell companies enter the long-distance Internet market by opening their local markets to competition, and this has simply not occurred. That is why today's legislation that would deregulate broadband services is opposed by consumer protection groups and 31 State public utility commissions, including the PUC in my State of Oregon.

They are concerned in part that this deregulation could severely hurt consumer service. It would limit consumer revenues over complaints with telecommunication services, especially in those instances where consumers are unable to be provided relief for poor service or high rates.

Talk to the people back home. I have got an earful.

Additionally, as somebody who has been deeply, deeply impressed with the impact of the e-rate, I am concerned that it puts at risk those important investments for our schools and our libraries.

□ 1300

But most ironic for me is the allegation somehow that we are going to be extending these services to the rural areas, bringing broadband to them. Well, point in fact that this legislation would in fact require all of the central offices to be upgraded within 5 years; it does not require that the DSL upgrades be extended from those offices. Homes that are located further away would still continue to be dependent on satellite, cable or wireless broadband. Making matters worse, most of the Baby Bells do not even serve the rural areas that ostensibly are going to be served under the enactment of this bill. I strongly urge rejection of the proposal.

Mr. TAUZIN. Mr. Chairman, I yield 15 seconds to myself to correct the record.

Mr. Chairman, the bill does require that all persons and all communities be served within 5 years, even outside of the 3-mile limit from the central office, and requires other technologies to be used, if necessary, to do that. There is a 5-year build-out to everyone in this country.

Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. RADANOVICH).

Mr. RADANOVICH. Mr. Chairman, this bill will provide a major boost to the U.S. economy, particularly to the telecommunications and high-tech sectors. This is a bill that promises to create more than a million new jobs, and hundreds of billions of dollars in economic activity if it does become law, and our Nation needs this legislation.

As a Member from rural America, I have a particular interest in this bill because Tauzin-Dingell will ensure that the high-speed access reaches underserved areas by requiring local phone companies to provide access throughout the country. This will guarantee that small towns and rural areas, all but ignored today, have access to true information-age opportunities.

And as a business owner, I know that competition empowers consumers by forcing companies to provide better products and better services at cheaper rates. By removing the unfair regulatory barriers that discourage phone companies from investing in broadband, this bill will ensure real competition in the marketplace.

At present, we have no competition in the high-speed data market. What is worse, we have no coherent national policy to encourage the deployment of high-speed Internet services. Instead, we have a regulatory regime that applies a massive set of bureaucratic rules designed for old telephone voice service to the brave new world of the Internet. These rules discourage investment by the very companies most able to lead the way in bringing high-speed Internet service to every American in this country.

H.R. 1542 replaces these anticompetitive rules with a sound regulatory framework that encourages investment and enables competition in the marketplace. And it is for those reasons that I urge a ''yes'' vote on H.R. 1542.

Mr. MARKEY. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, the importance of this debate can only be understood by looking at history. If the monopolies had their way, we would still have one phone company. We would have one company providing cellular phone service. We would have one company providing Internet service. That was their vision in 1980, 1982, 1984. But our country decided that our great opportunity was to unleash the technological and entrepreneurial skills of our country. We believed that hundreds of companies could compete in this telecommunications sector, that it did not have to just be a story about one company.

We can look at analogies. We had one long distance phone company. In all of our families when we were younger, it was a big day when someone was on the

phone calling grandma because somebody would be yelling in the background, ''Remember, that call is long distance. Hurry up and finish,'' because those calls were so expensive.

The Bells said it was impossible to have low-cost long distance, but once MCI and Sprint and dozens of other companies got in, we reached a point where it became so inexpensive to make long-distance calls that now everyone thinks it is normal just to call to another State.

In cell phones, we had a situation where there were only two companies in the cell phone business, and they were both analog. Only at the point at which the third, fourth, fifth and sixth company got in and went digital did the telephone companies, who had the original license, decide they were going to go digital, too. This is not ancient history, this is 1984, 1985. We are not deep into this revolution. The Bells invented these technologies, but they had not deployed them because they did not have any competition.

The essence of what we tried to do in 1996 and in each of those earlier big moments was to induce massive paranoia in the incumbent company so they had to move faster than they would have otherwise. In this digital, Darwinian world, that is the key to American success. It is not a story tied to one company whose picture is always on the cover, one company whose picture is always on the cover of Fortune or Forbes. It is the story of a country that is on the cover, number one looking over its shoulder at numbers two, three, and four in the world because we have so many companies we do not know all of their names.

That is where we are in cell phones today in terms of the multiple choices which Americans have. That is where we are in long distance. The revolution that we are talking about here today is a revolution of Internet service providers. There are hundreds of them out there. It is a revolution of smaller competitive local exchange companies. There are dozens of them out there. That is the revolution. The Bells invented DSL. Had they deployed it before the 1996 Act? No, they had not. It was still sitting in their laboratories.

Once the other companies were out and moving, did they start to deploy? Members better believe that they started to deploy. Scores of companies were created. And all of the other companies ultimately were the key to the Bells finally beginning to move. This is a story that we are seeing over and over and over again. A vision of one company, or a vision of so many companies we cannot know their names. Something that was called the NASDAQ. That is what happened after 1996.

So I ask each Member to please understand how central this is to a vision of where the children in the country today are going to be working 5 and 10 years from now. It is getting the skill sets to work in these competitive companies, and not just to get a job with Ma Bell. That is not a vision for the future; it is a vision looking in a rear-view mirror.

Mr. Chairman, I reserve the balance of my time.

Mr. TAUZIN. Mr. Chairman, I yield 1 minute to the gentleman from Nebraska (Mr. TERRY), a member of the Committee on Energy and Commerce.

Mr. TERRY. Mr. Chairman, I rise in support of this bill. I represent a fairly urban district in Nebraska; but once I step out of that district, it is very rural. And I stand here sticking up for our rural America which has, I feel, been grossly neglected in providing these types of services.

The FCC recognized the potential impact of broadband on rural America when it noted ''a lack of broadband infrastructure could limit the potential of these rural communities to attract and retain businesses and jobs, especially businesses that are dependent on electronic commerce.'' We have seen this in Nebraska where they look for new employees, and they will go into a rural community, but they need to transfer the data. What we need to do, and what this bill does, is it breaks down a barrier for DSL which is going to be the leading market for broadband in rural communities. It eliminates the disincentive of the companies to offer this type of service. For the sake of our rural communities, I urge passage of this bill.

Mr. DINGELL. Mr. Chairman, I yield 1½ minutes to the gentleman from Ohio (Mr. SAWYER).

Mr. SAWYER. Mr. Chairman, I rise in support of this legislation. It is true that the future of telecommunications is full of uncertainty as we attempt to anticipate the interplay of new technologies and market conditions and consumer preferences with the old. Our job is to work to make sure that the industry competes fairly in all sectors and across the geographic vastness of this American society.

This bill accomplishes that goal. Central to my support of this legislation is the build-out requirement that will take a major step toward bridging the digital divide. Currently, only about half of U.S. residents have access to broadband and just 8 percent actually subscribe to this service, most of them living in wealthier urban areas. The build-out provision, which the gentleman from Illinois (Mr. RUSH) and I coauthored in committee, will ensure that underserved areas, such as inner cities or small towns in rural America, can access high-speed Internet services.

The provision requires local phone companies to upgrade their facilities, speeding the availability of broadband to 100 percent of their central offices, and clearly our intent is by whatever technology available at the time, to all of their customers, reaching schools and businesses and residents throughout their service areas.

In my home State of Ohio, this would guarantee high-speed access to 2.4 million homes and businesses that cannot purchase this service, even if they wish to do so. I urge passage of this legislation so that we can make real progress without regard to the technology available at the time toward bridging the digital divide and bring high-speed Internet access to schools, businesses and residents through the country.

Mr. TAUZIN. Mr. Chairman, I yield 1 minute to the gentleman from Virginia (Mr. GOODLATTE), a member of the Committee on the Judiciary.

(Mr. GOODLATTE asked and was given permission to revise and extend his remarks.)

Mr. GOODLATTE. Mr. Chairman, I thank the gentleman for his leadership on this critical issue, as well as the gentleman from Michigan (Mr. DINGELL). As the third sponsor of this important bill after the gentleman from Michigan, I believe this legislation is long overdue.

Back in 1999 I introduced, along with the gentleman from Virginia (Mr. BOUCHER), legislation similar to H.R. 1542 that would have provided long-overdue regulatory parity for the Internet by lifting some of the discriminatory burdens on the incumbent telephone companies as they seek to provide broadband Internet services.

We introduced this legislation because we believed then, and still believe now, that the government should not be in the position of picking winners or losers. There is no clearer example of the need to reexamine the unintended effects of laws enacted by Congress than to look at the inter-LATA restrictions and unbundling requirements placed on the phone companies in the 1996 Telecommunications Act. These requirements, intended to encourage competition in voice telephony, have been wrongly applied to the delivery of broadband Internet services by the incumbent telephone providers.

This is especially true in rural areas like many parts of my district. The arrival of broadband Internet to rural areas is like the arrival of the railroad in the 19th century. If it ran through a town, that town was connected with the new economy; that town thrived. If it missed a town, that town was a ghost town. Support this legislation; do not turn rural America into a ghost town.

Mr. DINGELL. Mr. Chairman, I yield 1½ minutes to the gentleman from Texas (Mr. GREEN).

Mr. GREEN of Texas. Mr. Chairman, I thank the gentleman for yielding me this time. I rise in strong support of H.R. 1542. The digital transition has stalled with the collapse of the Internet bubble. Cable companies now control 70 percent of the consumer broadband connections in our country. Meanwhile, DSL and the digital subscriber line service offered by local telephone companies lags far behind, and is hindered by the outdated analog phone regulations.

□ 1315

Mr. Chairman, I want to show my colleagues, because I know they have

seen it in our publications here on the Hill, an ad that is only partially true. This ad shows four cute little pigs, each one representing supposedly a Bell operating company. Below all the little pigs is a number representing the percentage increase that they say of DSL subscribers for the different Bell operating companies last year.

Reading this ad, one would wrongly assume that DSL service offered by local phone companies is the number one way consumers get broadband access. However, this ad is only partially true. They have had some success in signing up folks, but they still only have a third of the market. So cable still has 70 percent of it.

My colleagues on the floor today and those watching C-SPAN, what is this ad for? Who is coming by our offices in opposition to the bill? We are pointing out the big regional Bell companies are so bad, but it is AT&T, MCI and Sprint who are opposing this bill, so we have the battle of the elephants.

No matter what everyone has told us about broadband, cable is the dominant delivery platform in this country. That is why we need to make sure this bill passes so we can have real competition in DSL.

Mr. TAUZIN. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas (Mr. SMITH).

(Mr. SMITH of Texas asked and was given permission to revise and extend his remarks.)

Mr. SMITH of Texas. Mr. Chairman, I support this bill as I expect it to be amended.

Mr. Speaker, this bill as I expect it to be amended will create new job opportunities and is a step towards ensuring that all Americans have access to broadband.

The New Millennium Research Council study found that building a nationwide broadband network would create 1.2 million jobs. In addition, it would ensure competition between cable and telephone companies, which will not only spur job growth, but also encourage the innovation of new Internet services and products.

We must focus on encouraging economic growth, both to help working Americans and to help the high tech sector.

U.S. businesses waste $11 billion annually because employees access the Web through slow dialup modems. Increasing broadband access will significantly increase efficiency and productivity in the workplace. This is especially important to the high tech sector, which drives our economy. Increasing its capabilities will benefit the entire country.

Only 9% of U.S. households currently have broadband Internet access. This bill will ensure that more Americans are able to use this technology.

Broadband holds the key to the newest technologies. Once broadband is widely available, we will have access to innovative multimedia, video and interactive services that today's Internet simply can't support.

As Microsoft Chairman Bill Gates put it, the lack of broadband deployment is ''the one thing holding us back.''

This bill also ensures that rural communities will not be left behind. We must close the digital divide with broadband, and not relegate rural communities to the wrong side of an ever-widening information gap. Everyone should have the opportunity to access the most advanced technology.

The United States has been a consistent leader in developing technology. If we want to maintain this leadership role, we must encourage the deployment of technology that benefits all of us. Technology is the key to our future.

Mr. TAUZIN. Mr. Chairman, I am pleased to yield 1½ minutes to a distinguished member of the Committee on Commerce, the gentleman from Pennsylvania (Mr. GREENWOOD), the chairman of the Subcommittee on Oversight and Investigations.

Mr. GREENWOOD. I thank the gentleman for yielding me this time, and I also thank him for his diligent leadership on this very complex issue.

Mr. Chairman, I rise in strong support of the bill. There are many parallels between what happened in the cellular industry and what is happening in the high-speed data marketplace. The slow rollout of cellular service in the 1980s was related to continuing regulation of the service. That regulatory phase cost consumers and the economy billions of dollars. Significant deregulation since then, however, has increased subscribership and lowered consumer costs.

Wireless growth was actually very slow at first. By the end of 1988, there were approximately 2 million cellular subscribers in the entire United States. The FCC made an effort to significantly deregulate cellular service in 1988. This first of two significant deregulatory events in the cellular industry helped make wireless telecommunications the ubiquitous service it is today.

In December, 1988, the average monthly cellular bill was $98.02 for the 2 million plus subscribers. Within 4 years of the FCC's deregulatory effort, cellular subscribership reached 11 million, while the subscriber's average monthly bill dropped by nearly 30 percent.

Congress undertook the second major deregulatory effort in 1993 and to a great extent deregulated the cellular telephone industry. From 1993 to 1998, wireless telephone subscribership rose from 16 million to 69 million, while the average monthly bill has dropped by nearly 50 percent.

Adoption of H.R. 1542 will permit telephone companies to provide DSL technologies at a more rapid pace, with the same results deregulation of the cellular industry produced, more consumers accessing the technology for lower costs.

Mr. DINGELL. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Wisconsin (Ms. BALDWIN).

Ms. BALDWIN. Mr. Chairman, high-speed Internet access is as important to our constituents and our Nation's economy in the 21st century as access to electricity or telephone service was to our forebearers in the 20th century. My district is geographically diverse, one-third urban, one-third suburban, one-third rural. Some have high-speed Internet access but most do not. I want all of my constituents to have broadband access no matter where they live.

The question before this House is, what can we do to facilitate high-speed Internet access?

Over the past couple of years, I have considered that question very carefully. Last year, I participated in a technology roundtable discussion in Dodgeville, in Iowa County, Wisconsin. It was sponsored by the local Chamber of Commerce and included local business leaders, educators, students, public health professionals and local government officials.

Lands' End Corporation, headquartered in Dodgeville, the county's largest employer, told of their need for high-speed Internet services for their website. In the mail order clothing business, the Internet has become a critical tool. But they had to base their website in the city of Madison rather than in their headquarters in Dodgeville.

I also have a constituent who lives in a farmhouse six miles north of Dodgeville who makes specialty cheeses that he wishes to market over the Internet. He needs high-speed data capacity to expand his business. The service will help the library, the public health nurse and the local lumber company. I am convinced that Tauzin-Dingell is the best way to achieve broadband deployment to all of my constituents.

Mr. CANNON. Mr. Chairman, I am pleased to yield 3 minutes to the gentleman from Michigan (Mr. ROGERS)

Mr. ROGERS of Michigan. Mr. Chairman, I want to thank the chairman for what I think is well-intended work on what he seeks to do and his graciousness for allowing those in the dissent to stand here today. He does a great job for our Congress here.

I have been down this road before. I have been told the same things just a few years ago as a State legislator, that this was going to have competition, this was going to bring technology changes, this was going to bring jobs to the great State of Michigan. I voted that day what I thought was the right direction, because they came in, companies like SBC Ameritech, sat there and said, ''Trust us. We're going to do the right thing.'' What I found was exactly the opposite of that, Mr. Chairman, a vote I wish I could take back today and a vote I will rectify today by proudly voting ''no.''

This was an 800-pound gorilla that we made a 1,600-pound gorilla. What we got when we empowered this group that was a monopoly and we turned it into a deregulated monopoly is that this was the same company, SBC Ameritech, that sued its own ratepayers in the State of Michigan to keep a line tax on its consumers. This is the same company that, for weeks on end,

there was a website there called fix-my-phone-now-dot-com where thousands and thousands of people typed in examples of how Ameritech and this company who was supposed to allow deregulation and competition to provide better service were abusing customers in our State.

We had one elderly woman right before I left who had a husband that was ill, 7 weeks, no phone service, 7 weeks, could not get an answer from SBC Ameritech. At one point, unfortunately, the wrong thing happened. Her elderly husband took ill. She had to walk almost a mile, at her age, in the middle of the night to try to find somebody with a phone that worked to get care for her husband.

This is a life-and death issue. This is empowering the same companies like SBC Ameritech that have been abusing customers in Michigan for years to become bigger and uglier and less concerned. They control now something like 85 percent of the market. That is not competition. That is abuse. There is one guy on the block that controls all the service trucks and when he does not feel like getting there, guess what, he does not come. We saw the fact that he took money, millions and millions of dollars paid by phone users in our great State, to go compete in other States around the country. Good for Ameritech, bad for Michigan consumers.

That is why, Mr. Chairman, every consumer group out there says this is a bad bill. We talk about CLECs and line sharing and technology and broadband and all this great stuff, and it sounds really wonderful, and the economy is going to come to a screeching halt if the Federal Government does not step in and save the day. I could not disagree more. The free market will get it there, but if we stand up for these monsters, if we stand up and empower them and say the same thing you have done before, you will do again, we will regret it here in Congress as we did in our State legislature.

I urge the rejection of the Tauzin-Dingell bill.

Mr. MARKEY. Mr. Chairman, I yield 2 minutes to the gentlewoman from California (Ms. HARMAN).

(Ms. HARMAN asked and was given permission to revise and extend her remarks.)

Ms. HARMAN. I thank my friend for yielding me this time and stand here as the rookie member of the Committee on Energy and Commerce with some trepidation because I am opposing a bill supported by my chairman and ranking member. Nonetheless, I believe the bill before us effectively unravels the careful balance Congress struck with the enactment of the 1996 Telecommunications Act and in doing so fails to promote consumer access to high-speed Internet services.

The 1996 Telecom Act was the product of extensive debate on the House floor and the adoption of carefully crafted amendments. I was there, and Congress distinguished itself. Today, we are being asked to overturn several critical components of that carefully crafted agreement; and, if we do, I fear that we will only retard achieving the goal of promoting broadband access.

What is preventing broadband access is not the lack of broadband services. Satellite broadband is universally available. About half of all households that have a telephone could have broadband and about 70 percent of all cable subscribers could sign up for broadband if they wanted it. Consumers do not subscribe because they do not see the high-value content that they are willing to pay for. Content is not available in large part because the producers and owners of that content and the manufacturers of the products used to watch and transmit that content have not come to agreement about how best to protect its intellectual property value. Building that demand for broadband should be our focus, not reducing competition.

The bill before us eliminates competition by removing the requirement enacted in the 1996 Act that Bell operating companies open their facilities to CLECs and other providers. This is not the way to build access to broadband. It is reinstating monopoly conditions, not promoting competition.

I urge support for Cannon-Conyers and, absent its passage, defeat for H.R. 1542.

Mr. TAUZIN. Mr. Chairman, I am pleased to yield 2 minutes to the distinguished gentleman from Texas (Mr. BARTON), chairman of the Subcommittee on Energy and Air Quality of the Committee on Energy and Commerce.

(Mr. BARTON of Texas asked and was given permission to revise and extend his remarks.)

Mr. BARTON of Texas. Mr. Chairman, on the facade behind me, there is a quote from Daniel Webster that begins, ''Let us develop the resources of our land.'' That is what we are about today. I was a cosponsor of the Telecommunications Act of 1996. I was on the conference committee where we worked out the final details with the Senate.

In 1996, the Internet was in its infancy and we did not explicitly say in that Act how to legislate on broadband. So today we are on the floor to perfect the Telco Act of 1996.

The issue is complex, but you can boil it down to several somewhat simplistic elements.

Number one, everybody who wants to provide broadband through the Bell operating companies today has the right to do that. The question is what the reimbursement is to the regional Bell operating companies. The way the FCC has interpreted the current Act, they have to do it at a below-market rate. So, obviously, the regional Bell operating companies do not want to do it very much. This bill, if it passes, lets the Bells build out the broadband network but lets them charge a market rate to provide access. I think that is a good thing. I think that provides more competition.

The second issue is the Internet providers, the long distance providers, the AT&Ts and MCIs and Sprints, would rather that the regional Bell operating companies do not get additional flexibility, so they oppose the bill.

Again, if we pass the bill, we are going to have more competition sooner; and if the bill passes as we expect it to be amended, competitors will have access to their copper loop, competitors will have line sharing access, competitors will have voice access, and the cable companies will not be regulated any more than they are today.

I urge passage for the bill.

Mr. TAUZIN. Mr. Chairman, I am pleased to yield 1 minute to the gentleman from Florida (Mr. WEXLER).

Mr. WEXLER. Mr. Chairman, I rise in support of H.R. 1542. H.R. 1542 presents an opportunity to take a major step toward bringing affordable high-speed Internet service to all Americans, toward reviving the high-tech industry, and toward constructing multiple broadband networks to assure communications in times of national crisis.

□ 1330

I support Tauzin-Dingell because it represents the kind of economic stimulus package that America's workers truly need. A recent report issued by Robert Crandall and Charles Jackson indicates that accelerated deployment of broadband Internet service would infuse $500 billion a year into the American economy. The New Millennium Research Council finds that building a nationwide broadband network will contribute to the creation of 1.2 million new and permanent jobs in America.

Mr. Chairman, it is time for Congress to seize this opportunity to revive our Nation's economy through business investment without cost to the government.

Mr. TAUZIN. Mr. Chairman, would the Chair inform all of us how much time remains on all sides.

The CHAIRMAN. The gentleman from Louisiana (Mr. TAUZIN) has 5½ minutes remaining; the gentleman from Massachusetts (Mr. MARKEY) has 1 minute remaining; the gentleman from Michigan (Mr. DINGELL) has 4½ minutes remaining; and the gentleman from Utah (Mr. CANNON) has 3 minutes remaining.

Mr. CANNON. Mr. Chairman my understanding is that the gentleman from Michigan (Mr. CONYERS) also has another 10 minutes?

The CHAIRMAN. That is correct.

Mr. DINGELL. Mr. Chairman, I yield such time as he may consume to the distinguished gentleman from Alabama (Mr. HILLIARD).

(Mr. HILLIARD asked and was given permission to revise and extend his remarks.)

Mr. HILLIARD. Mr. Chairman, I wish to educate those on the other side and rise in support of the bill.

Mr. Chairman, I rise in support of H.R. 1542, the Internet Freedom and Broadband Deployment Act of 2001. This legislation is extremely important to smaller communities that have, as yet, not shared in the high-speed Internet access being deployed in larger metropolitan areas.

H.R. 1542 will accelerate deployment of high-speed Internet connections. The current regulatory bottleneck created by over-regulation is stifling the growth and vast potential of the Internet. The bill provides for local telecommunications companies to accelerate deployment of broadband networks and services to consumers. In the spirit of the Internet, once networks are deployed, innovative companies will develop and offer new services on a more universal basis.

H.R. 1542 will significantly improve the economies of deploying high-speed services in rural communities. Today, many of the very companies that serve rural America are denied the incentives necessary to bring advanced services to these areas. A recent NTIA study showed that the digital divide is most severe for African-Americans living in rural areas. Only 24.4 percent of African-Americans living in rural areas have dial-up Internet access. This legislation will allow companies to develop viable business plans that will help bridge the digital divide with broadband Internet access.

Mr. Chairman, I urge my colleagues to support H.R. 1542, the Internet Freedom and Broadband Development Act of 2001.

PARLIAMENTARY INQUIRIES

Mr. TAUZIN. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. TAUZIN. Mr. Chairman, I would like to inquire of the Chair, did I hear you to say the gentleman from Michigan (Mr. CONYERS) had an additional 10 minutes not being used at this time, because we are trying to allocate time between proponents and opponents as equally as possible.

The CHAIRMAN. The gentleman from Michigan (Mr. CONYERS) from the Committee on the Judiciary does have 10 minutes of debate time.

Mr. TAUZIN. Is the gentleman from Michigan (Mr. CONYERS) present to use that time?

The CHAIRMAN. The Chair does not see the gentleman from Michigan (Mr. CONYERS) present in the Chamber.

Mr. TAUZIN. What happens to the time if the gentleman from Michigan (Mr. CONYERS) does not appear to use it?

Mr. DINGELL. Mr. Chairman, further parliamentary inquiry. If the gentleman from Michigan (Mr. CONYERS) is not on the floor to control time, what happens?

The CHAIRMAN. The gentleman's time will remain available until all other debate time has expired.

Mr. DINGELL. Mr. Chairman, further parliamentary inquiry. What is it the Chair is telling us then? If the gentleman from Michigan (Mr. CONYERS) is not here and we conclude the debate, what happens?

The CHAIRMAN. If the gentleman from Michigan (Mr. CONYERS) is not present at the conclusion of debate, that time will be considered yielded back.

Mr. TAUZIN. Mr. Chairman, if I can make a further parliamentary inquiry, the normal procedure for us to debate general debate on a bill is that time is used equally by proponents and opponents. If one of the opponents is saving 10 minutes to be used after debate is all finished, that disrupts the normal procedure of the House. I would inquire as to why this is being allowed.

The CHAIRMAN. The Chair is informed that recognition for general debate proceded out of sequence because part of the Committee on the Judiciary's allotted time has already been used by the gentleman from Utah (Mr. CANNON) and the gentleman from Wisconsin (Mr. SENSENBRENNER).

Mr. TAUZIN. Mr. Chairman, I wonder if the Chair would call on the gentleman from Michigan (Mr. CONYERS) to use this time as we are using our time so that this debate can be balanced as we go forward. My concern is that if an opponent who has time in his pocket waits until the very end of the debate and then uses it all, then it very much unbalances this debate. That is not normal procedure for this House.

The CHAIRMAN. The gentleman from Louisiana (Mr. TAUZIN) does have the right to close general debate; and when that begins, that will conclude debate.

Mr. TAUZIN. The Chair has satisfied the gentleman in his request. I thank the Chair.

Mr. MARKEY. Mr. Chairman, on behalf of the gentleman from Michigan (Mr. CONYERS), there was a piece of erroneous information which was given to the gentleman, which was that the Committee on the Judiciary's portion of this debate would take place subsequent to the conclusion of the Committee on Energy and Commerce portion. As a result, he went back to his office. I am reliably informed he is on his way back over here in order to claim that time.

This is not something that is being done in any way to undermine the normal procedural order out here, but rather just a piece of information which was given to him personally; and he is on the way back over here because he does want to participate in this debate.

The CHAIRMAN. When the gentleman does arrive, he will be recognized.

Mr. TAUZIN. Mr. Chairman, we certainly accept that explanation and understand it.

Mr. Chairman, while we are awaiting the arrival of the gentleman from Michigan (Mr. CONYERS), I am pleased to yield 1¼ minutes to another great Member, the gentlewoman from Texas (Ms. JACKSON-LEE)

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Chairman, I would say to the chairman and the ranking member, competition is enormously important. Competing interests on competition and access are important.

Mr. Chairman, I think today that this debate will focus on and emphasize the fact that we can have access, which is so key, and competition. I believe that the next generation Internet, broadband Internet, offers even more potential distance learning and telemedicine applications that will help the elderly and those unable to travel.

Just a few minutes ago I was in a hearing on NASA, and one of the strong suits on supporting NASA and space is the ability to treat, if you will, diseases and the research that comes about through space travel. This broadband extension will create access to those who do not have the ability to access expertise, research health care that they could not get.

The two amendments, the Upton-Green amendment and the Buyer-Towns amendment, will reinforce the responsibility of the FCC to ensure competition by increasing penalties, making sure that those who are subject to deregulation do what they are supposed to do to serve the American people.

This is a step forward. Let us not let happen to us what happened with the superconductivity lab, where we lost the ability to do that research and it went to Europe. Let us be in the forefront of the access to broadband and make a difference for Americans and ensure that rural and urban areas can be heard.

Mr. Chairman, if I may say to the distinguished gentleman, as the gentleman well knows, I had an amendment that talked about the idea of making sure the digital divide would be closed. I would ask, and I see my ranking member standing, that is my concern, having met with 40 of my community, that we are able to close the digital divide and make sure that inner-city neighborhoods, Hispanics and African Americans are having access.

Mr. DINGELL. Mr. Chairman, will the gentlewoman yield?

Ms. JACKSON-LEE of Texas. I yield to the gentleman from Michigan.

Mr. DINGELL. Mr. Chairman, the answer to that question is yes.

Mr. TAUZIN. Mr. Chairman, will the gentlewoman yield?

Ms. JACKSON-LEE of Texas. I yield to the gentleman from Louisiana.

Mr. TAUZIN. Yes.

Ms. JACKSON-LEE of Texas. Mr. Chairman, reclaiming my time, we will work on that matter together. I thank both gentleman.

Mr. Chairman, I believe we must view this important legislation before us, H.R. 1542, in light of the creation and progress of the Telecommunications Act of 1996, which was designed to increase competition, quality and affordability of service universally, and the elimination of the digital divide.

During the passage of this Act, which passed with overwhelming majorities in both

the House and the Senate and was signed into law by President Clinton, I served on the Conference Committee and had particular insight into the problems and potential solutions that plagued the deployment of service to all sectors of the American population.

Having had such a significant role in the process, I am clear that the primary purpose of the Act was to promote competition and reduce the regulatory burden in order to lower prices and increase quality services for all Americans. It was intended that this would encourage the rapid deployment of new telecommunications technologies, in such a way that increased access for all Americans in order to eliminate the digital divide which in terms of barriers to jobs, education, and trade.

At that time, it was evident that the telecommunications landscape was rapidly changing, and the manner and speed of such development could not be precisely ascertained. On the horizon was the merging of telecommunications, video, and computers into one medium originally intended to only carry voice or analog transmissions.

Today, five years later the Internet and telecommunications technology have come a long way in fulfilling the promise of improving the lives of all Americans. However, despite the positive effects of the Act and other legislative efforts to eliminate these problems, the digital divide remains pervasive throughout this nation.

I believe that the bill before us, H.R. 1542, while not perfect, addresses many issues confronting us in the new information age. I believe that appropriate and targeted deregulation of broadband services is necessary at this juncture in order to stimulate greatly needed and increased investment in high-speed Internet services throughout the Nation.

Such measures are necessary in order to level the regulatory playing field with cable, which essentially dominates the market, in order to stimulate competition to the benefit of all Americans. The result should be affordable broadband access to more customers, while also helping to stimulate the economy and eliminate the digital divide.

I was moved by several letters to Congress last week. Cynthia Jones, from Houston wrote ''Dear Rep. Jackson Lee . . . Access to high-speed Internet connections is crucial to consumers and communities in today's economy . . . I strongly urge you to support (H.R. 1542).''

In another letter, The Hispanic Technology & Telecommunications Partnership which represents 40 million Hispanic Americans on public policy issues effecting technology and Internet issues wrote ''H.R. 1542 establishes national policy that will set equitable rules and regulations for all broadband/high-speed Internet service providers. This, in turn, will create an economic and regulatory environment that will ensure Latino inclusion in a society that increasingly depends on high-speed communication for education, commerce, telecommunicating, and service delivery.''

In another letter the AFL–CIO wrote ''H.R. 1542 would . . . stimulate build-out (into rural and urban underserved areas) by telephone companies . . . creating jobs and driving innovation in internet services.''

Finally, the Communications Workers of America who wrote ''H.R. 1542 is necessary to ensure continued vibrant competition between cable and telephone companies as they build out their high-speed data networks. Competition to build out their high-speed data networks. Competition to build multiple broadband networks will spur job growth as well as development of new and lower-priced Internet services for consumers.''

It is clear that because this bill allows the Bells to carry Internet traffic across current LATA long distance boundaries, the costs the Bells currently must pay to other communications companies to transmit data traffic will necessarily be eliminated, resulting in greater competition and cost savings for all Internet providers and their customers.

In my state of Texas and in Houston, which I represent, this 1996 Act has had a profound impact on the quality and level of service provided to the residents and businesses. The local service provider, Southwestern Bell, has had a long and distinguished history of outstanding telecommunication service to both the private and business sector. I have found them to be responsive and proactive in bringing together private and public interest in the pursuit of high standards and corporate good will, and I thank them for their good work.

The importance of such services and broadband technologies furthers our goals of increasing the quality of life and bringing people together through such applications as distance learning education, medical information links, on-line health clinics, home security, teleconferencing, and greater effectiveness and accountability for our law enforcement professionals.

Broadband is, in the truest sense, the future of telecommunications, advancing our needs through such media as cable, digital subscriber line (DSL), satellite, fixed wireless, and others.

Currently, many offices and business have access to these technologies. But the great challenge for this industry and for Congress is to insure that all Americans have the same level of access, and the same quality and affordable service, particularly, to our rural and undeserved areas, which have been traditionally left behind in this revolution.

It is for these areas of the general population that this legislation before us today has potentially sweeping ramifications in the way we deploy and service broadband to Americans in every community and home in this Nation.

The need to secure and promote competition is a crucial component in this evolution, particularly in the crucial sector of the American economy which has been left behind the broadband superhighway.

However, because of the depth and impact of the bill before us, I believe that we should utilize the full resources and insight of all of the Members of this House in order to arrive at the most comprehensive and inclusive piece of legislation that effectively serves the needs of all Americans.

Specifically, the need for increased attention to the serious problem of the digital divide is imperative. To this end, on February 21, 2002 I met with forty members of the Americans for Technology Leadership to address this important issue.

I have been working on this issue for the past several years by working with Members of Congress to try to persuade the High-tech industry to hire, recruit and retain more minority Americans. This meeting was a continuation of that progress.

The digital divide must be approached on many different levels. Data from the Bureau of Labor Statistics show that the hiring of African Americans in high technology has improved only slightly during the past decade. The growing workforce of our country and the strength and growth of the High-tech industry must make it a priority to train our own workers, before hiring highly specialized foreign workers.

While I am an advocate of the H–1b program which brings foreign workers to the United States, I also support efforts to continually train and update the skills of incumbent American workers, and to promote such employees where possible.

High-tech employers should take constructive steps to recruit qualified American workers who are members of under represented minority groups, recruit at historically black colleges and universities, and advertise jobs reaching out to older and disabled Americans.

It is also important that high-tech companies provide equal employment opportunities to United States workers in rural communities. With the leadership of CBC Members from rural districts, I advocated last year the proposition that those living in rural communities will have the opportunity to secure positions in the rapidly expanding job market.

I am pro-labor and pro-business as I come from a city that has over 1000 companies that specialize in information technology. This should be a non-partisan issue. Estimates show that African Americans make up 11 percent of information technology workers, and that Latinos make up another 7 percent. Those numbers show that our communities have a share of jobs that positively reflects our share of the work force.

In a statement issued written by Hugh Price, the President of the National Urban League, he states that, ''In the State of Black America 2000, the League showed that African American college attendance was now increasing at a faster rate than whites. The National Science Foundation has found that African American college students are nearly twice as likely as white students to major in computer science. So, it is very important that the current, and future, diversity of the information technology work force be maintained, and protected.

While the digital divide appears to be shrinking, much more work is needed. According to ''A Nation Online'', only one in four of America's poorest households were online in 2001 compared with eight in ten homes earning over $75,000 per year. Even more striking is the fact that this gap expanded dramatically between 1997 and 2001.

More women and minorities in the United States are using the Internet. About 23 percent of African Americans and 36 percent of Latinos in the U.S. use the Internet, and those numbers will reach 40 percent and 43 percent respectively by next year, according to recent statistics.

One hundred thousand tech jobs in Texas and half a million jobs in the United States are unfilled, reports Terry Hiner, a former teacher who now works for Girlstart.

Texans deserve this type of access to the Internet through the technology that best meets their needs. Until now, low population density and expansive geographic distances have made it difficult to provide certain types of services in certain areas. As thousands of

workers from Texas know first-hand, the technology and telecommunications industries have suffered massive slowdowns over the past year, which has dragged down the U.S. economy.

These sectors have served as a driving force in our economy for years, and the collapse has harmed millions of workers and investors. In addition to thousands of layoffs—more than 292,000 telecommunications workers this year alone have announced spending and investment cuts in the billions of dollars.

The Administration has abandoned the fight to bridge the digital divide. In its FY 2003 budget, the White House cut over $100 million in public investments previously available for community technology grants and IT training programs—programs that offer real payoffs to rural communities, the working poor, minorities and children.

To fully address the important issue of the digital divide, and to ensure that the competitive aspects of this bill are fully addressed, I would have hoped for the opportunity for all amendments to be fully discussed and debated.

I believe that more amendments allow for a greater and more robust debate and examination of potential solutions to the broadband problems that American faces. That's why I support the amendment offered by Congressman TOWNS and BUYER which seeks a compromise on the important issue of ''line sharing'', allowing the CLECs access to the RBOCs copper wire and fiber lines, and empowers the FCC to set ''fair and reasonable'' prices for such usage. In return, however, it requires the CLECs to build their own ''remote terminals'' as opposed to using those of the Bells.

Additionally, Congressman UPTON's amendment which provides for greater enforcement and penalties in the event that the Bells violate the provisions of the 1996 Act helps us in considering whether competition is alive and well. This amendment was offered in Subcommittee, then withdrawn. In pertinent part, it gives the FCC cease and desist authority and provides for forfeiture penalties for failure to comply with the 1996 Act.

Similarly, Congressman CONYERS' amendment ambitiously seeks to ensure, above all else, that this bill complies with both the letter and the spirit of the 1996 Telecommunications Act I terms of competition and access for all Americans.

Finally, the amendment that I offered, which was not taken up, recognized that legislation, which leaps ahead of adequate study and reflection, could easily undermine the current course we are on in developing our workforce and bridges the digital divide. To this end, my amendment mandated, in pertinent part, that the FCC conducts a study of the impact of the amendment made in this section on: (A) the deployment of high speed data services to urban and rural undeserved areas; (B) the rates for telephone data services; (C) the number and quality of the choices available to consumers in selecting providers of telephone and data services; and (D) growth and the level of competition in telephone and data services. It also requires the FCC to report to Congress within one year after the date of enactment of this Act.

Also, it included a Sense of Congress that nothing in the bill should impact negatively on the closing of the digital divide in rural and underserved communities, and particularly schools, libraries, and historically Black and Hispanic schools and institutions of learning.

It is my greatest hope that we may consider these amendments so that we may strike the right balance in reducing the regulatory burden while eliminating the digital divide in this country for all Americans.

Mr. DINGELL. Mr. Chairman, I yield 1½ minutes to my friend, the distinguished gentleman from Illinois (Mr. RUSH).

Mr. RUSH. Mr. Chairman, I rise in support of this bill. Today, fewer than 10 percent of U.S. households have broadband Internet access; and in urban and rural areas, broadband Internet access is practically nonexistent.

During debate on this bill in committee, the industry proponents of the bill argued that if given regulatory relief, they would deploy broadband services in underserved areas. So in an effort to hold them true to their word, I, along with my colleague, the gentleman from Ohio (Mr. SAWYER), offered the Rush-Sawyer amendment that requires the Bell operating companies to offer high-speed Internet to urban, poor and urban areas within 5 years through DSL or other alternative technology.

The rationale for this amendment was simple: to ensure that previously overlooked and underserved communities have access to quality connections such as broadband and that they are no longer left on the fringes of the digital revolution.

Today opponents of this bill will argue that giving the Bells' regulatory relief will undermine local competition in the voice market. Let us not be fooled. This bill is only about one thing and one thing only: urban poor and rural areas within 5 years having to have alternative Internet technology.

Mr. Chairman, no competition equals no access and no choices, and no choices equal higher prices. Therefore, it is a no-win situation for the consumer. I urge my colleagues on both sides of the aisle to support H.R. 1542, the Tauzin-Dingell bill. A vote for H.R. 1542 is a voice for more competition and more choices, lower prices and guaranteed access.

Mr. TAUZIN. Mr. Chairman, I yield such time as she may consume to the gentlewoman from West Virginia (Mrs. CAPITO).

(Mrs. CAPITO asked and was given permission to revise and extend her remarks.)

Mrs. CAPITO. Mr. Chairman, I rise to support H.R. 1542—the Internet Freedom and Broadband Deployment Act.

This plan is hugely important for my home State of West Virginia and the rest of rural America.

We've heard a lot of talk about the digital divide—the GAP in access information technology between rich and poor. But the digital divide also exists between urban and rural America, and that's just as critical.

Today, about 1 out of every 4 Americans lives in a community with less than 10,000 people. But for every 100 of these small towns, only 5 have access to broadband or high speed internet.

The lack of broadband access limits the economic potential of rural communities, hindering their ability to attract businesses and retain jobs—especially in today's economy where e-commerce plays such a huge role.

Just as a lack of sufficient traditional infrastructures such as roads and sewer systems can deter businesses from operating in rural areas, so too does the lack of technological infrastructures like broadband.

Unless we act now to fix this inequity, the absence of an efficient information superhighway will continue to be a barrier to economic development in rural areas. This bill, H.R. 1542 will help break down many of these barriers.

But the potential benefits of broadband deployment to rural America aren't just economic. They are also educational.

With broadband capabilities, rural schools would be able to connect their students to new learning opportunities across the country—and even around the world.

In my home State of West Virginia, there are many schools that are severely handicapped from offering the maximum amount of access and training on the internet because of the lack of broadband access.

Teachers and students from Braxton Middle School have told me of how broadband technology is something they desperately need but do not have access to.

Mr. Chairman, these students of Braxton County, as well as many others in rural America, will someday be a part of our Nation's workforce. But we will fail to properly prepare and educate them to become the workers of the 21st century if we do not give them the necessary tools—and that includes high speed internet access.

Mr. Chairman, this bill holds tremendous promise for the development of my home State of West Virginia and the rest of rural America.

I urge my colleagues, whether from an urban areas or a rural location, to support H.R. 1542 and close the digital divide.

Mr. TAUZIN. Mr. Chairman, I am pleased to yield 2 minutes to the distinguished gentleman from Texas (Mr. ARMEY), the majority leader of the House.

Mr. ARMEY. Mr. Chairman, I thank the gentleman from Louisiana for yielding me time. Let me thank the gentleman from Louisiana and the gentleman from Michigan for bringing this bill to the floor.

Mr. Chairman, I am about to suggest that I very likely might be that Member of the House who has studied on this legislation more than any Member not on this committee or perhaps the Committee on the Judiciary. I have studied on this legislation from the point of view of seeking that supermighty application that will get the whole world to sign up for a big old fat pipe called broadband, whether it be cable, DSL, or whatever.

I have studied to the point where I have gone out in the marketplace and sought my alternatives between wireless cable and DSL; made a decision; purchased my DSL; brought my DSL home; installed it myself; and had that

marvelous magic moment when it actually went. And what an exciting day that was to start shipping Hank Williams over the Internet, just like I owned every one of those songs.

So it is exciting, and it fits right in to an overriding belief that I have: we, Mr. Chairman, you and I, we are living over what very likely is the most exciting and the most fascinating economic revolution ever certainly in our lifetime. We have seen the agricultural revolution. Historians have told us about that. Even the industrial revolution is history to everybody here except the gentleman from Michigan (Mr. DINGELL), who was there at the industrial revolution.

But for us to be here in the middle of the electronic revolution, what an exciting time in our history, to see this great electronic driving engine. And there is a sense that we need to take the technology one step further in terms of the lines over which we traverse with this electronics, and that is really what this bill is all about.

We did telecommunications as it affects voice. Now we are looking at these new innovations in data transmission that we had not even anticipated, even as late as 1997.

I think the chairman of the committee has worked well with everybody who has been involved. I have watched the process, I have encouraged the process, I have participated in the process. We have tried to look for the well-being of the RBOCs, the long-line carriers. We have tried to be fair. The chairman has listened to every argument, conceded every point he could.

We have, many of us, and let me bring myself clearly here on this point, we created the limb on which an awful lot of people that we call CLECs crawled out on in 1997. There is some criticism that maybe some of these CLECs do not have the best business plan in the world, but what plan they have is the plan they made in accommodation to the law that we built. So we have a responsibility for the CLECs.

I have watched the chairman of this committee work hard to deal with the CLECs. Hopefully, we have found an accommodation to those CLECs that is, in fact, as it were, economically viable; and there are those out there, and perhaps we will see that work here.

If indeed as we move forward with this legislation there is still additional innovation that can be done that preserves the instrumental purposes of this bill, to build the broadband into every household into America and get America back online and the economy growing and the job creation that follows that makes further accommodation to CLECs, I am confident that everybody in this body will work toward that end.

So, Mr. Chairman, let me say again, I want to thank everybody for the hard work that has gone into this bill, the sincere work that has gone into this bill. This is a big deal. We are privileged to be part of it.

I would encourage my colleagues to vote for this bill and to look forward to the opportunity of moving this legislative process even further through the line, to the ultimate conclusion of me having every one of my grandchildren on a big old fat broadband sending pictures to his grandpa on a daily basis wherever they live in America, urban, rural or wherever. That is, in the end, what will make this economy boom and make us all more well served and entertained by the wonders of this electronic revolution.

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The CHAIRMAN. The Chair would inform Members that the gentleman from Louisiana (Mr. TAUZIN) has 2¼ minutes remaining; the gentleman from Massachusetts (Mr. MARKEY), 1 minute; the gentleman from Michigan (Mr. DINGELL), 3 minutes; the gentleman from Utah (Mr. CANNON), 3 minutes. The gentleman from Michigan (Mr. CONYERS) has 10 minutes and will now be recognized.

Mr. CONYERS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am delighted to be here to merely continue the discussion about some misunderstandings that seem to be the basis for advancing this very important legislation called Tauzin-Dingell.

The first is that the Tauzin-Dingell bill will speed up rural deployment of high-speed Internet. Yet, we have letters and comments from the Nebraska Public Service Commission, the Florida Public Service Commission, the State of Iowa Utilities Board, the Tennessee Regulatory Authority, the New Mexico Public Regulatory Commission, the Montana Public Service Commission, the South Dakota Public Utilities Commission, and the Washington State Utilities and Transportation Commission which all say that to eliminate the line-sharing requirements in H.R. 1542 would, in effect, decrease the rate of deployment of competitive broadband services to resident consumers.

Now, are the Bells a monopoly? Were the Bells a monopoly? Interesting. They are getting larger and larger, even as a result of the 1996 Telecommunications Act, and they are growing. Many of them have doubled their broadband subscribers: Verizon up 122 percent, Quest up 74 percent, Bell South up 188 percent; and the largest one of them all, SBC, which includes Ameritech, the most complained-of service in the State of Michigan, as at least half the delegation will attest, which includes Southwest Bell, Pactel, and Ameritech, well, they are only up 70 percent.

So the question is, why are we granting them an exemption from the requirement that was the heart of the Telecommunications Act of 1996? Well, it is because once you get bigger and larger and can influence more and more people, they figured out that why not eliminate sections 251 and 271, which require the local monopoly facilities to be open to competitors. So what the bill on the floor does is give the local Bell monopolies a license to exclude.

Now, if that were not bad enough, we have an amendment, a modest amendment offered by myself and the gentleman from Utah (Mr. CANNON), which would correct that, but it is subject to a parliamentary process which my colleagues will find very interesting. The process is called king of the Hill without a vote. King of the Hill without a vote. That is, if one can get through Buyer-Towns, then we do not need to consider Cannon-Conyers.

Then it is pointed out, that is the historical rules. What is the complaint about? We granted you an amendment. We forgot to tell you that you would also have to defeat another amendment which was drummed up to present this very same challenge.

So I urge Members to, first of all, join with me in a close and critical examination of Buyer-Towns, and then we can move on to what I consider to be the heart of the discussion this day: the Cannon-Conyers amendment.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman from Michigan (Mr. CONYERS) still has the largest amount of time remaining.

Mr. CONYERS. I do not choose to yield at this point, Mr. Chairman.

Mr. TAUZIN. Mr. Chairman, I reserve the balance of my time.

Mr. CANNON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, first, I would like to congratulate the chairman of the Committee on the Judiciary, the gentleman from Wisconsin (Mr. SENSENBRENNER), for his work to correct the flawed Goldwasser antitrust decision. This horrible decision has been used by the Bell monopolies to shield themselves from over 100 years of antitrust law so that they can continue to act as monopolists, plain and simple.

The inclusion of the Goldwasser position is a coup for the telecommunications community and reaffirms this body's decision back in 1934 and again in 1996 that the antitrust laws do, in fact, apply to the Bell monopolies. Hopefully now, the Bells will be held accountable for their anticompetitive behavior that the Bells are so famous for. I do not know how the gentleman from Wisconsin (Mr. SENSENBRENNER) was able to negotiate such a huge concession, one that will allow the Department of Justice to crack down on all three Bell monopolies, but I congratulate him for that.

Unfortunately, while I acknowledge the success of the gentleman's work and his attempt to improve this bill, I remain convinced the Tauzin-Dingell bill is fatally flawed, and I oppose it strenuously.

Mr. Chairman, this bill is touted by its supporters as a deregulation bill, and it does do exactly that. Tauzin-Dingell deregulates a monopoly that

has the advantages of incumbency, advantages paid for by government-imposed monopoly dollars. This is what we fought with the 1996 Act when we imposed unbundling requirements on the Bell monopolies.

Make no mistake that, if this bill passes, competition will be stomped out, and we will see unregulated remonopolization of the telecommunications industry. Not only will we be undoing the work of this body in the 1996 Telecommunications Act, we will be taking the telecom industry back to the pre-1984 AT&T divestiture days.

Through the course of this debate, we will hear the supporters of this bill say the Bells need this in order to roll out DSL service. Let me assure my colleagues that DSL service is being rolled out now across America at an amazing rate, and it is being done without this bill. This chart explains that.

In 2001, BellSouth increased its coverage from 45 percent to 70 percent of the households in the markets that BellSouth serves, nearly tripling the DSL customer base. BellSouth has the fastest growth of any DSL or cable provider.

During the same period, as we can see from the chart, SBC became the industry's largest DSL provider, with 1,333,000 subscribers.

Last year, Verizon also saw significant growth with an increase of over 122 percent, going from 454,000 customers to 1.2 million, with total revenues in excess of $7 billion.

The roll-out of DSL is hardly stifled by the current regulatory structure. What the Bells are really after is the ability to freeze out the competition and increase their monopoly power and free themselves from the consumer protections put in place by State PUCs and the FCC.

I assure my colleagues that this bill is not going to speed the roll-out of high-speed Internet service across the country. Rather, it will allow the Bell monopolies to have total control of the telecommunications industry.

The CHAIRMAN. The time of the gentleman from Utah has expired.

Mr. CONYERS. Mr. Chairman, I yield 2 minutes to the gentleman from Utah (Mr. CANNON).

Mr. CANNON. Mr. Chairman, I thank the gentleman from Michigan for yielding me the time.

Competition, not remonopolization, is what is needed to ensure the roll-out of DSL at a price that is reasonable for consumers. The competitive industry is already deploying broadband, and competition is driving down the cost to residential consumers.

As the second chart shows, the Bell monopolies had no interest in rolling out affordable high-speed access until they were forced by the competition. The Bells had DSL technology as far back as 1990, but instead of implementing it into their networks, they chose the more expensive T–1 technology. It was not until after passage of the 1996 Telecommunications Act requiring interconnection that the DSL competitors, such as Covad, did DSL begin to roll out, forcing the monopolies to respond in kind.

Today, DSL deployment is still being driven by competition. Unfortunately, the mere existence of this bill has a chilling effect on the telecom industry where it matters most, and that is Wall Street. It freezes out competition to the Bells. It will undermine consumer protections provided by State governments, and it will bring the level of customer service that the Bells are known for to the entire telecommunications industry, something I do not think we want.

With campaign finance so fresh in our memory, I urge this body to put the hopes and desires of most Americans who believe in the promise of a free and competitive marketplace ahead of the domination of the Bell monopolies. America is and should remain a meritocracy where competition and entrepreneurship matter most. Please vote ''no'' on H.R. 1542.

Mr. CONYERS. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, it is unusual in Michigan that we find the alliance of bipartisan that has grown around opposition to this measure. I do not believe anyone here has quoted Governor John Engler recently. I do not think I ever have. But now is an appropriate time, as his career comes to an end due to term limits.

Here is what he said in the Wall Street Journal: ''We had a vision that we would have major players competing for our business, that there would be at least two choices for all of us,'' said Michigan Governor John Engler. ''That has not happened, and that is great frustration to me.''

That echoes the remarks of the gentleman from Michigan (Mr. ROGERS) on the floor just a little bit earlier.

No, ROGERS is not for Tauzin-Dingell. ROGERS is opposed to this. He is very courageous in the committee to take this stand, but he is being clear and honest about it. Because, I say to my colleagues, not only was the Committee on Rules wired, but the Committee on Commerce itself was wired. Well, why? So was the Committee on the Judiciary, someone said.

Mr. Chairman, H.R. 1542, which was turned down in the Committee on the Judiciary, negatively reported, would eliminate any meaningful opportunity for competitive carriers to gain access to use an incumbent's local loops to provide their own high-speed data.

Now, while the bill's sponsors say that it preserved the FCC's current line-sharing rules, in fact, it preserves only the illusion of line-sharing. We have been wired twice, I say to my colleagues.

Mr. Chairman, I reserve the balance of my time.

Mr. DINGELL. Mr. Chairman, how much time remains?

The CHAIRMAN. The gentleman from Michigan (Mr. DINGELL) has 3 minutes remaining; the gentleman from Michigan (Mr. CONYERS) has 1½ minutes; the gentleman from Massachusetts (Mr. MARKEY), 1 minute; and the gentleman from Louisiana (Mr. TAUZIN) has 2¼ minutes remaining. The time of the gentleman from Utah (Mr. CANNON) has expired.

Mr. TAUZIN. Mr. Chairman, I reserve the balance of my time to close so that the other gentlemen may use up their time.

PARLIAMENTARY INQUIRY

Mr. DINGELL. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DINGELL. Am I correct to assume that the friends of the bill have the right to close?

The CHAIRMAN. The gentleman from Louisiana (Mr. TAUZIN) has the right to close general debate.

Mr. DINGELL. And I gather that the friends of the bill would also have that right, whereas the opponents of the bill would not, am I correct? I happen to be a friend of the bill, and the gentleman from Louisiana (Mr. TAUZIN) happens to be a friend of the bill. My dear friend, the gentleman from Michigan (Mr. CONYERS), is a strong opponent of the legislation, as is my dear friend, the gentleman from Massachusetts (Mr. MARKEY).

So I would like to hear their comments, and since I have only one more request for time I would like to hear that one last, because it might convince me.

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The CHAIRMAN. Once again I say to the gentleman from Michigan (Mr. DINGELL) that the manager of the bill, the gentleman from Louisiana (Mr. TAUZIN) has the right to close general debate.

Mr. MARKEY. Mr. Chairman, I yield myself my remaining 1 minute.

Mr. Chairman, I am a friend of telecommunications competition. I know telecommunications competition. This bill is not a friend of telecommunications competition. In fact, what has happened since 1997, after the 1996 Telecommunications Act passed, was that broadband deployment went across the country at such a rapid pace that now somewhere between, depending upon how we look at it, 70 to 80 percent of all Americans now have access to broadband.

That did not happen by accident. It happened because we had a vigorous competitive telecommunications policy. That is why the Bells do not like it. But it has ensured that upwards of $60 billion of investment that otherwise would not have been made was put out into the marketplace.

We do not want to change that. The bill in 1996 was a paranoia-inducement act. This bill is meant to be a sedative, a calming influence, so the Bells do not have to feel that paranoia any longer. If we do that, we will be looking at the future through a rearview mirror.

Mr. CONYERS. Mr. Chairman, I yield the balance of our time to the distinguished gentleman from New York (Mr. NADLER) from the Committee on the Judiciary.

The CHAIRMAN. The gentleman from New York (Mr. NADLER) is recognized for 1½ minutes.

Mr. NADLER. Mr. Chairman, I thank the gentleman for yielding time to me.

The best way we know to lower prices and improve customer service in any market is to increase competition. This bill does exactly the opposite. It would make it easier for the big-money phone companies to squeeze their competitors and to force the remaining CLECs, competitive local exchange carriers, into bankruptcy.

It would raise prices for competitors and decrease incentives for local monopolies to open their markets to competition. Less competition, higher prices and worse customer service will be the result.

This bill turns the Telecom Act of 1996 on its head. It would allow the local Bell monopolies to have access to all long distance data markets, whether or not they face competition in the local level. The Tauzin-Dingell bill says, we do not care if the Bells have a monopoly at the local level, we are going to allow them to offer long distance data services. We all realize soon there will be no distinction between data and voice, since both data and voice can be reduced to the zeros and ones. Data is voice, for all practical purposes.

Tauzin-Dingell says the Bells do not have to open their networks for competition. If they modify existing lines, they do not have to provide open access to their networks at prices that allow for competition. The Bells are essentially seeking the ability to price their competitors out of business and extend their local monopolies.

We need to stand up to the Bell companies and say no. We believe competition is the best way to improve customer service and lower prices to consumers. We support true competition and ought to oppose anticompetitive legislation like Tauzin-Dingell.

One other point. We support more competition in the cable markets, as well. I am concerned that that local cable monopoly is raising prices and limiting the choice of consumers.

From what I understand, Tauzin-Dingell does not even address the core business of cable companies, which is to provide multichannel viewing services. If this bill passes, no one is saying consumers will have more choice in the TV viewing market. They are only promising choice for the broadband markets. The problem is there already is choice in the broadband.

This bill is not about cable companies; it is about local telephone companies themselves. We should not support one monopoly simply because another exists in another market. I urge everyone to oppose this bill.

Mr. DINGELL. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentleman from Michigan (Mr. DINGELL) has 3 minutes remaining.

(Mr. DINGELL asked and was given permission to revise and extend his remarks.)

Mr. DINGELL. Mr. Chairman, I have listened to this debate with a great deal of interest. Everybody is for competition. The bill says there will be unlimited competition in the area of broadband Internet, and guess what, it does. My friends on the other side say, but they do not want the competition to occur.

Now, there is a very interesting situation. The way it works now is that the Bells cannot go into broadband because they have too many inhibitions and too much restraint on their investment, so they do not go in.

The United States now has only 8 percent, whereas Korea has better than 36 percent of their homes wired for Superfund and broadband. Imagine how important that then is.

Now, having said that, if we want to get investment, look at what the president of AT&T, one of the principal opponents of this legislation, says: nobody is going to invest if they do not get exemption from excessive regulation, which precludes their investment and does not allow them to get a return.

What does the bill do? The bill does a series of things. First, it requires every part of the country to be served within 5 years. Second of all, it eliminates all constraints on competition. It does not hurt the CLECs, which by and large are noninvesting parasites which happen to get a huge benefit from the services that are provided by the Baby Bells. They get these services at a significant deduction in cost. They continue to get that. But on new investment, however, they will not get anything other than fair treatment.

Now, AT&T wants just an unfair advantage. The people at the CLECs want, again, an unfair advantage because they want to see to it that any investment that comes on the part of the Baby Bells will be given to them at low cost.

We are going to allow them to keep what they are getting now, but we are not going to permit them to get this kind of a sweetheart deal and to deny American users of the information net an opportunity to get the kind of services that they really want. That is what is at stake, and that is why the ferocious expenditure of money on lobbying against this particular piece of legislation.

Now, if Members want to get service for the American people, if they want the Internet to be readily available, allow competition to reign. I was one of the authors and supporters of the original 1996 act. Allowing competition to take place was our purpose. I would observe to Members that the only way they are going to get it is to mandate it.

The States will continue to have their authority to address voice service, the FCC will continue to be able to address voice service, but we are going to do what everybody says has to be done to get Internet service to everybody, and that is, we are going to get regulation out and competition in. Quality will appear for the American public in terms of service; and competition will give us competitive prices, which will benefit the American public. That is what this is all about.

If Members want to take care of the American people, if they want competition, if they want services, that is the way to get it.

One curious story has been going around, how Tauzin-Dingell would adversely affect competition and how it would adversely impact e-net. The simple fact of the matter is that the e-rate will not be affected in even the slightest fashion by Tauzin-Dingell.

I would urge my colleagues to therefore support Tauzin-Dingell and oppose the amendments which will be offered by my good friends, the gentleman from Michigan (Mr. CONYERS) and the gentleman from Utah (Mr. CANNON), which are in effect a crippling poison bill which will force continuance of regulation on that industry forevermore, and give us 50 different competitive sets of regulations that nobody can meet.

Mr. TAUZIN. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, to clear a matter for the record, I want to be clear that the manager's amendment provides that the saving clause found in section 601(b) of the Telecommunications Act of 1996 shall be interpreted to mean neither the antitrust laws nor the application of those laws by the courts are repealed by, precluded by, diminished by, or incompatible with the Communications Act of 1934, this act, or any law amended by neither such act.

Mr. Chairman, we have seen some pretty charts today. I remember when the networks were really getting the election wrong last year, when they got the Presidential election so messed up with all their predictions. Tim Russert came with a little chart, a little chartboard, and he said, Here it is, the election will be settled in Florida. He was so right.

I watched all these pretty charts, and I have drawn my own while we were talking. This is the state of broadband in America. This is what broadband looks like. Ninety percent of America is unserved, unconnected, and 90 percent of America denied the benefits of this incredible new technology.

Guess who lives in that 90 percent? The Members guessed it, people who live in the rural parts of America, people who live in the underserved parts of America, the people who live in the minority centers of our cities in America, the people who are going to be the last ones cable reaches out to with broadband if cable is the only provider on the ground.

Look at the state of broadband in America. Only 10 percent of Americans

are connected, and two-thirds of that, 70 percent, about, is connected by cable. No wonder, no wonder AT&T cable is the biggest opponent of this bill.

There is a quote in a Wall Street Journal article last week: ''Global Crossing built the highway,'' the high-speed network, ''says Jeffrey Eisenach of the Progress & Freedom Foundation, but the FCC destroyed the incentives for the Bells to build the on ramps.''

They were talking about the Tauzin-Dingell bill getting rid of these phony regulations that have stopped the building of the on and off ramps to the rest of America. No wonder that bill ''. . . is hung up, thanks to its opposition from AT&T and the other cable operators.''

This is the same fight we fought in 1992, the same fight when we came to this floor with a dream, a dream that instead of regulating the cable companies, we could create competition for them in video.

We stood on the floor of this House in 1992 and on the Senate floor and passed a bill saying there would be an alternative, there would be a theater in the sky, satellite television, and 20 million Americans now have the benefit of satellite direct broadcast television, 500 beautiful channels of television to compete with cable; not just a second choice, I will remind the Members, but a second store to keep cable honest.

This bill is about keeping cable honest, about creating a competitor to broadband, about building the on and off ramps for the 90 percent of America that is left out, about making sure that the Internet is free of regulation. No wonder the regulators oppose this bill. They would love to regulate the Internet, just like the taxing authorities would love to tax the Internet.

Keep the Internet free, free broadband deployment, connect America, give us all a chance to enjoy this amazing technology. That is what Tauzin-Dingell does, and that is why we need to pass the bill.

Mr. OXLEY. Mr. Chairman, we have all witnessed the amazing growth of the Internet as it has become embedded in the U.S. economy in what seems like just a few short years. Businesses, schools, and home users are demanding faster, more dependable service. It is important for our economy and international competitiveness that the best quality Internet service be made available to the widest audience as soon as possible.

By reducing unnecessary regulatory burdens, Congress can promote the kind of competition that will increase the availability and affordability of high-speed Internet access.

For all of the advantages of advanced communications, however, there is a dark side. Terrorists and criminals can use the Internet and cell phones to communicate confidentially. Our law enforcement has been scrambling to keep up with the advanced technologies that the bad guys are using.

CALEA—The Communications Assistance to Law Enforcement Act—was passed in 1994 to make sure that the FBI and local police have the technical ability to conduct legal electronic surveillance to protect our society. It has disturbed me that full compliance with CALEA has been painfully slow in coming.

The original version of H.R. 1542 could have further clouded the compliance issue by calling the Federal Communications Commission's ability to implement CALEA into question. I was prepared to offer an amendment making it clear that the bill would not jeopardize CALEA. The Buyer-Towns amendment does address this concern.

I believe that, in light of the events of September 11, it is imperative that CALEA be revisited. The compensation system has been a long-standing source of contention. Delivery and interface methods would benefit from greater specification. It should be clarified that CALEA applied to new telecommunications technologies. I want to encourage the telecommunications industry, the FBI, and interested parties to resolve these issues and am prepared to advocate needed legislative changes.

The spread of broadband, as envisioned by H.R. 1542, will do much good for our society. But like previous technologies, we also need to make sure that our society is equipped to thwart those who would use it for the wrong purposes.

Mr. TIAHRT. Mr. Chairman, I rise in support of the Internet Freedom and Broadband Deployment Act of 2001, and I commend Chairman TAUZIN and Ranking Member DINGELL for their hard work in crafting the legislation before us today.

Make no mistake about it. This legislation will create real competition among Internet Service Providers and guarantee more choices and lower prices for the American people. In my state of Kansas, high speed internet access is currently available to about 1.3 million consumers. This bill will guarantee high speed access to an additional 830,0009 Kansans. Equally important, it will expand access to an additional 20,000 Kansas businesses, 500 schools, and 200 hospitals and libraries.

Like many of my colleagues, I represent a district with a large rural population. This legislation will bring high-speed internet access to small towns and rural communities currently unable to receive it. No community will be left behind.

Mr. Chairman, we have a choice today. Congress can vote for providing consumers with greater access to internet services, greater choices among providers, and lower costs. OR we can let companies, rather than competition, determine the access and price for these services and leave millions of Americans behind.

I urge my colleagues to vote for competition and choice. Vote for the Internet Freedom and Broadband Deployment Act.

Mrs. JOHNSON of Connecticut. Mr. Chairman, there are many reasons to support H.R. 1542 and many reasons that it will benefit my state of Connecticut. However, among the most compelling are how it will help education, especially education for women who work in the home. These important benefits were discussed in a June, 2001 letter from the U.S. Distance Learning Association.

The USDLA firmly believes that universal access to broadband technology in our schools, our homes, and at work is critical to the realization of enhanced distance learning services. According to a recent study released by the Web-based Education Commission ''the promise of widely available, high quality web-based education is made possible by technological and communications trends that could lead to important educational applications over the next two to three years.''

H.R. 1542 can help us realize this promise by increasing the competition and choice of broadband service providers and by eliminating market disincentives to investments in the broadband deployment. By accomplishing this, we will be able to sustain the growth and prosperity of distance learning programs which are developing at a rapid pace.

Not only would H.R. 1542 enhance distance learning opportunities for students, it would also set the stage for improved telemedicine and job training services. These two broadband applications cannot be under estimated in today's social and economic climate which increasingly depends on access to broadband technology.

Mr. Chairman, bringing high speed broadband communications into millions of new homes will open windows of opportunity now closed to many women, among them stay-at-home moms, the disabled, and seniors, who wish for educational opportunities but who have few choices today. As this exciting technology spreads, costs will go down and the availability of these services will increase, bringing with them the promise of distance learning for all who choose it.

This bill is also a boost to small businesses across the country. In my Congressional District, DSL is currently available to 17,500 businesses—and 130,000 in Connecticut. The passage of Tauzin-Dingell will guarantee its availability to 7,000 more businesses, more than 100 schools and dozens of libraries. In the 6th District of Connecticut it will add high speed Internet access to 2,526 businesses with 18,867 employees, 231 doctors offices, 3 hospitals, 50 schools and 17 libraries. It has the strong support of local chambers of commerce, including the Northwest Connecticut Chamber of Commerce, which represents the most rural parts of my district.

Mr. Chairman, H.R. 1542 will rationalize the regulation of broadband, not end it. The benefits that this technology promises for Americans who desire more educational opportunities, and for businesses which want to grow is unprecedented. I rise in strong support of this legislation.

Mr. WAXMAN. Mr. Chairman, I rise in strong opposition to H.R. 1542, which would free the monopoly Bell Operating Companies to offer high-speed data service in their regions.

There is a very simple principle at stake today. Deregulation is good when it results in more marketplace competition. Deregulating a monopoly, however, destroys competition, impedes innovation, and hurts residential and business consumes. What's good for a monopoly is only good for the monopoly.

H.R. 1542 would eviscerate key requirements of the 1996 Telecommunications Act and very quickly eliminate the fledging competitive local exchange carriers (CLECs), which only came into being after enactment—and due to the promise—of the Act.

H.R. 1542 would also prohibit any federal or state regulation of rates and service quality for high-speed data services and leave consumers completely unprotected from monopoly abuses. More than fifty percent of the information carried on telephone wires today is high-

speed data traffic, and that percentage is growing daily.

In addition, with the convergence of voice, data, and video technology, information in the future will be carried on the same networks that now carry high-speed data traffic. As a technical matter, regulators will be unable to distinguish between voice and data traffic. As a result, under H.R. 1542, the Bell Operating Companies could escape all consumer protection and service quality regulation.

The proponents of H.R. 1542 have told us that the battle for Internet data service is really a fight between the giant cable companies and the giant local telephone companies. I couldn't disagree more with this assessment. Our nation will thrive if companies are allowed to operate under marketplace conditions that encourage the greatest number of technologies and providers for consumers. Unfortunately, H.R. 1542 draws the blueprint for duopoly control of the networks, and that would be a terrible outcome for consumers everywhere.

Competitive local exchange carriers (CLECs), Internet service providers (ISPs), consumer groups, and state public utilities commissions all strongly oppose H.R. 1542. I urge my colleagues to vote against this legislation. I also urge members to vote for the Conyers/Cannon amendment, which is the only amendment that will be offered on the floor that effectively addresses the bill's most serious shortcomings.

Mr. STARK. Mr. Chairman, I rise today in opposition to H.R. 1542, the Internet Freedom and Broadband Deployment Act of 2001. This bill continues the ill-conceived approach of deregulating the Telecom industry and promotes the ''competition'' advanced by the 1996 Telecommunications Act. I voted against the 1996 Act and I am voting against this bill.

Chairman TAUZIN has indicated that there are two ways to promote broadband development: deregulation of the industry or re-regulation of the industry. As California learned all too painfully in the energy arena, de-regulation doesn't work. By removing regulations put in place by federal, state, and local governments, we remove vital consumer protections and open markets to monopolies and price gouging.

Aside from my preference for further regulation as a means to promote telecommunications competition, there are several things in this bill that damage our already weak regulations.

Many of my colleagues who represent rural areas think this bill will ensure that their constituents have access to broadband services. This is simply not the case. Within five years, broadband data service must be available for anyone, with some exemptions. The consumer must live within three miles of a Bell office, so those farmers who have to drive three or more miles to visit their nearest neighbor will have to drive even further to get broadband internet access. Furthermore, if there is no other company providing broadband Internet access, the Bells don't have to deploy to those areas either.

Under this bill, the Bells no longer have to unbundle their services for local phone competitors. This means that a local company who wants to compete against a baby Bell must buy all of the services the Bell company provides to a customer, even if the customer doesn't want the service and the local company doesn't intend to provide the service. Under the 1996 Telecom Act, this was not allowed. With the kind of prices I'm now charged for local phone service, I can't imagine what the Bells will charge for broadband service. This part of H.R. 1542 creates a market force to keep all competitors out of the broadband market place.

Finally, H.R. 1542 repeals any state or local regulations that protect consumers from abuses by broadband service providers. This includes regulations for: anti-spam, anti-slamming (stealing other companies customers), privacy and obscenity protections, and disability access rules that may have been enacted either by the state, or local government agencies.

In 1996, the Congress bought into the belief that deregulation of the local telecom industry would promote competition. Five years later, I still haven't seen any competition in the local phone market. It's time that we take the same approach to local telecommunications competition that we did not the long distance market: use the strong hand of the government to force these robber barons to give consumers a choice.

Mr. BENTSEN. Mr. Chairman, I rise today in support of H.R. 1542, The Internet Freedom Broadband Deployment Act of 2001. As a cosponsor of this bill, I believe we must act to ensure that more consumers have access to broadband services. Today, many consumers and small businesses do not have access to the high-speed Internet services because these services are prohibitively expensive or simply not available in their area. Getting companies to invest in providing this critical last mile of connection of broadband services is necessary to ensure that all Americans can get the information that the Internet provides.

Under the current telecommunications law, the regional Bell operating companies (RBOCs) are prohibited from carrying long distance Internet data beyond their current local service area without first meeting specific requirements by both the state public utility agencies and the Federal Communications Commission (FCC). This process for approval is cumbersome and take many months to complete. As a result, very few states have authorized these RBOCs to provide these long distance services to their customers. The state of Texas is one of the few states in the nation where the RBOCs can offer long distance services within their local area. However, there are many consumers in other states who do not have competitive broadband services in their neighborhoods. H.R. 1542 would correct this inequity by permitting RBOCs to offer broadband data services in their service areas without first opening up their local market to competition. This measure also includes a safeguard which prohibits the RBOCs from bundling or offering long distance voice services with their broadband data or Internal backbone services, unless the local exchange carriers (LECs) have opened their local markets to competition as prescribed in the 1986 Telecommunication law.

This deregulatory legislation will ensure that LECs can compete directly with cable companies to offer Internet services to their customers. I believe that it is important to note that cable companies do not currently have any restrictions on their ability to offer broadband services to consumers. Yet, the LECs are currently required to get authorization from both their public utility agency as well as the FCC before they can offer their services. I believe that these obstacles to deployment of broadband services must be removed. As a result of this bill, consumers will have more choices and more competition for these services which should, in turn, lead to lower prices and better accessability to broadband services.

Broadband services offer great promise to consumers. With access to broadband services, consumers will be able to quickly connect to the Internet and look up information or find a needed service. A recent Congressional Research Service report found that there are an estimated 6.2 million cable broadband subscribers and 3.8 million Digital Subscriber Line (DSL) subscribers nationwide. Yet, many consumers do not currently subscribe to broadband services, because it may not be available in their underserved area or because it is too expensive.

I also urge my colleagues to support the amendment offered by Representative FRED UPTON and Representative GENE GREEN. This amendment would increase the penalties paid by phone companies for violating requirements of the Telecommunications Act of 1996 from $120,000 to $1 million per day with the cap rising from $1.2 million to $10 million. For repeat offenders, the penalties would be doubled up to a maximum of $20 million. In addition, this amendment extends the statute of limitations so the Federal Communications Commission (FCC) can bring enforcement cases against phone companies for up to two years. I believe that all of these enforcement penalties will help the FCC to ensure that these phone companies are complying with the law.

I also urge my colleagues to support the amendment offered by Representative STEPHEN BUYER and Representative EDOLPHUS TOWNS. This amendment would ensure that other competitors could access their broadband infrastructure. Under this bill, the RBOCs would be required to transmit competitors' broadband services based upon ''just and reasonable'' rates with the terms and conditions to be set by the FCC. I believe that requiring the FCC to set these rates will help to ensure that competitors can use these high-speed data transmission lines. This amendment also helps to ensure that competitors can directly connect with the RBOCs network by placing their remote terminals on Bell property or near Bell property. In addition, all current contracts as of May 24, 2001 would be valid until the contracts expire. This amendment also ensures that the FCC has the authority to enforce certain consumer protection laws with respect to Bell broadband services.

I believe that this deregulatory bill is necessary to spur the investment in broadband services so consumers will have more choices and better options. I urge my colleagues to support this pro-competitive legislation.

Ms. KILPATRICK. Mr. Chairman, today I rise in opposition to H.R. 1542, the Tauzin-Dingell Broadband legislation. I am simply not confident that this bill provides adequate protection to consumers. I have watched, over the years, while as a nation, we have boldly made our way down the road of deregulation. We deregulated the Savings and Loan Industry and watched them implode under the weight of their own largess. We saw the same with both the Airlines Industry and the former AT&T and Bell behemoths. In all of those

cases the consumer paid the price through increased fees, tax subsidies and decreased services.

Now, given the choice to either regulate cable and satellite or deregulate the Baby Bells, who we know to have a history of bad behavior, we are urged to deregulate the bad actors. In my eyes, the underlying legislation before the House represents a choice to deregulate the bad actors.

Without amendment, the underlying bill would limit State and Federal regulation of the pipeline we know as the Internet to an antitrust suit against the Bell Companies. This Mr. and Mrs. America is no choice. This bill gives consumers, who are my constituents and the people that I care about most, no protection if prices are unjustly increased and no protection for failing service quality.

Internet Service Providers oppose the measure because it would subject them to the unrestrained will of the Baby Bells.

Small Innovative Telecommunications Companies oppose the measure because it will force them out of the market.

Thirty-one Public Utility Commissions, including Michigan's oppose this bill.

The National Governors Association opposes this bill.

The National League of Cities opposes Tauzin-Dingell.

The Council of State Governments opposes Tauzin-Dingell.

Most Consumers Groups oppose this bill because it will lead to price increases and inept service.

Mr. Chairman, as you can see there is strong opposition to this measure. Again, I am not confident that any amendment can fix this bill and protect the consumers of Michigan's 15th district. So I will oppose this measure on final passage.

Mr. EVANS. Mr. Chairman, I rise in opposition to H.R. 1542, the Internet Freedom and Broadband Deployment Act. I believe it will harm competition within the telecommunications industry and reduce oversight of this growing and important sector of our economy, resulting in less service and choice for all Americans.

Broadband internet access is rapidly becoming a necessity for individuals and communities trying to keep up with trends in education and economic development. The internet is a tremendous resource for information, communication, and commerce. Understandably, individuals living in communities without access to broadband are frustrated by their inability to take full advantage of all the internet has to offer.

H.R. 1542 is the Bell Companies' proposed solution to the so-called ''digital divide.'' They claim onerous regulations established by the Telecommunications Act of 1996 have prevented them from deploying broadband to underserved communities. Actually, the 1996 Act merely required the Bell Companies to meet a 14 point competitive checklist before offering long-distance service in their home markets. The promise of lucrative long-distance markets was to serve as an incentive for the Bell Companies to open their markets to competitors.

By exempting Bell Companies who wish to offer broadband services from competitive requirements, H.R. 1542 essentially guts all of the competitive elements of the 1996 Act. Bell Companies will no longer have to guarantee network access to upstart telecommunications companies who have provided consumers with alternatives. Additionally, the bill will make it impossible for the FCC and states to regulate costs and customer service standards, which could send prices skyrocketing and leave consumers with no recourse for substandard service. Given our recent experiences with deregulation of essential consumer services, it seems foolish to believe that further deregulation of the telecommunications industry is the answer for rural America.

Over the past few years, the Bell Companies have developed a shockingly poor record of customer service. In order to spur competition, the 1996 Act requires the Bell Companies to allow Competitive Local Exchange Carriers (CLECs) access to their lines when consumers choose to do business with CLECs rather than a Bell. The Bells frequently refuse to comply with these requests in a timely manner. Since 1996, Bell Companies have paid over $2 billion in fines. They clearly believe it is to their advantage to pay penalties for violations of the 1996 Act rather than open their markets. Instead of taking steps to aggressively enforce the 1996 Act, Congress has proposed a bill that would eliminate the FCC's and states' ability to regulate costs and protect consumers.

There is no reason to believe that passing H.R. 1542 will speed broadband deployment to rural America. The fact is, the Bell Companies have chosen not to provide even basic services in many of the rural communities they claim will be helped by H.R. 1542. Since they are only required to upgrade infrastructure for communities they already serve, many rural consumers are left out entirely. Another problem is that the broadband service requirement only applies to consumers that live within three miles of a Bell Company central station. Those living outside of a three mile radius are given no guarantees of broadband access at all. Again, rural America is being left out.

As for being shut out of the broadband market, the numbers speak otherwise. BellSouth tripled its DSL customer base in 2001. SBC, Verizon, and Qwest have similarly built and maintained a network of broadband customers. A large majority of Americans already have access to broadband, but very few have chosen to subscribe because of the cost. The FCC has concluded that broadband is being deployed in a reasonable and timely manner. HR 1542 is not about offering broadband services. It is about eliminating competition and oversight in the telecommunications industry for the Bell Companies.

The list of organizations opposing HR 1542 grows longer every day. The Public Utility Commissions of 31 states, AARP, the Gray Panthers, Consumers Union, the Consumer Federation of America, Americans for Tax Reform, Citizens Against Government Waste, and the National Retail Federation have all opposed the bill. HR 1542 will not speed the delivery of broadband to rural America but it will undermine consumer rights nationwide. Americans deserve better.

Ms. MCCARTHY of Missouri. Mr. Chairman, I rise to ask unanimous consent that my following statement be placed in the RECORD as read on the rule for H.R. 1542.

I rise in opposition to the rule for H.R. 1542, the Internet Freedom and Broadband Deployment Act.

There were 30 amendments offered to the Rules Committee by those looking to improve the bill to ensure competition and increase the availability of broadband. This rule does not give a voice to the concerns my colleagues and I have with this bill to address open access, state authority, and a multitude of other issues.

No matter what your opinion is on H.R. 1542, this bill deserves a fair process. By using the second degree amendment procedure, the rule could prevent those of us wishing to offer a substantive revision to the bill from doing so. The Cannon-Conyers amendment is critical to ensuring that a monopoly does not take over the DSL marketplace, resulting in high prices and poor service.

The Cannon-Conyers amendment contains a line sharing provision similar to one that failed on a 27–27 tie during the Committee mark up. At the very least, this controversial condition deserves the opportunity for debate by the entire House.

The Buyer-Towns amendment is not an acceptable substitute for Cannon-Conyers. This amendment is not a real compromise because it does not guarantee wholesale pricing for leased lines, nor does it guarantee that competitors have access to the existing Bell network.

Language that ensures fair competition must be inserted into this bill. Even with the current competitive market, I have been told stories of how local Bell companies often postpone the installation of local service if the customer chooses a competitor's long distance service. If H.R. 1542 becomes law, these types of practices will be allowed to flourish at the expense of consumers.

On September 11, we learned the necessity of having more than one phone company in a community, as competitors kept the lines of communication open between New York, Washington, DC, and the rest of the world.

I urge my colleagues to join me in opposing the rule. It is not in the best interest for the people.

Mr. DAVIS of Florida. Mr. Chairman, I rise today in opposition to H.R. 1542, the Tauzin-Dingell Broadband Deployment Act, which proposes major changes to the Telecommunications Act of 1996. This bill would allow the former regional Bell telephone companies (RBOC's) to provide high speed, broadband Internet access without having to allow reasonable access to their networks to competing providers willing to pay for access.

The Telecommunications Act of 1996 has been instrumental in introducing competition among providers of high-speed, broadband technologies like digital subscriber lines (DSL). These competitive developments have increased access to the Internet and its wealth of information while lowering prices for retailers and consumers alike. On the assumption that this competition was developing, many States, including Florida, my home, have repealed regulation of many aspects of the telecommunication industry. In 1995, as a State Representative, I strongly supported this deregulation based on my belief, then and now, that competition and choice was a far superior form of protection for consumers than the old system of regulation and monopoly service. However, many consumers still remain at an economic disadvantage because the RBOC's do not offer DSL service at all or offer it at an affordable rate, and potentially competing providers do not have reasonable access to the RBOC networks.

H.R. 1542 would remove significant incentives for the RBOC's to open their markets to local competition by allowing them to provide broadband services without having to first demonstrate that their local telephone markets have been opened to competition. The further effect of this bill, should it become law, would be to constrain the ability of State and local governments to take steps to reasonably protect consumers' access to telecommunication service through competition or regulation.

I believe that this bill would stifle any hope for free and open competition and if it were to become law, consumers would see less competitive choice when it comes to their Internet access. H.R. 1542 is bad for consumers and it is for this reason that I urge my colleagues to vote no.

Mr. UDALL of Colorado. Mr. Chairman, after careful consideration I have decided that I cannot support this bill.

The stated goal of the bill is to promote growth and development in high-speed (broadband) data services offered by regional Bell operating companies such as SBC, Verizon, BellSouth, and Qwest. The bill seeks to achieve this by relaxing requirements placed on the Bells in the 1996 Telecommunications Act.

What we need is competition to drive prices down and give consumers more choices. However, I am not convinced the bill would achieve these goals, and am concerned that it might have the opposite effect.

I do believe the bill is well intentioned and is intended to respond to a real need. I agree with the bill's sponsors that the expansion and use of broadband services is vital to our economic growth. But Colorado's consumer groups, state and local government officials, small telecommunications firms, and residents in rural and underserved areas in Colorado tell me that they think this bill will consolidate the Bell companies' monopoly and result in increased prices for consumers. I give great weight to the views of those Coloradans.

Today in Colorado small telecommunications companies are working hard to play by rules that Congress passed in a bipartisan fashion in 1996. And our regional Bell company, Qwest, is doing the same thing because it has hopes to enter the long distance market soon. In short, in Colorado the current system seems to be working, and I am not prepared to vote to attempt to fix something that I am not convinced is broken.

Mr. BLUMENAUER. Mr. Chairman, today's bill contains language that eliminates important provisions of the 1996 Telecommunications Act that were intended to open telecommunications markets to competition. The legislation allows Bell telephone companies to enter the long-distance Internet data market without first opening their local markets to competition. It also deregulates high-speed Internet services known as broadband and is opposed by consumer protection groups and 31 State Public Utility Commissions, including our own commission in Oregon.

I am concerned that this deregulation could severely hurt consumers by limiting remedies for people with complaints about their telecommunications services, especially in situations where consumers have been provided poor service or unusually high rates. In Oregon, for example, citizens can currently take their DSL or broadband Internet complaints to the Oregon Public Utility Commission. However, the PUC lacks authority to do anything about these complaints. This legislation would exacerbate the problem by further undercutting the authority of the State to address DSL complaints or declining service quality issues and by removing existing protections for customer service.

This bill will also increase rates for consumers because without the benefits of a truly competitive telecommunications sector, consumers and small businesses will have fewer choices and will pay higher prices for telecommunications service. Unregulated telephone monopolies, such as those created by this bill, cannot be expected to lower prices or innovate. In fact, as competitive DSL providers began to struggle financially last year, the Bell monopolies raised their DSL prices by 20 to 30 percent. There are also concerns that because this bill threatens state oversight of voice services that it could potentially raise local phone rates. The best way to promote lower prices and greater access is by ensuring a robustly competitive market.

Furthermore, this bill will not bring broadband to rural areas, as the proponents of this bill have argued. While today's bill requires some broadband expansion, it contains substantial loopholes and lacks real meaning for rural and underserved areas. Rural homes would continue to be dependent upon cable, satellite or wireless broadband—as they are now. Making matters worse, the Bells do not even serve many of the rural areas they ostensibly claim the bill will help.

Additionally, contrary to some arguments, it appears the deployment of broadband has been severely hindered by the Bell companies themselves. The Bells failed to deploy high-speed technology such as DSL for nearly a decade and it was not until competition was injected into the marketplace after enactment of the 1996 law that the Bells offered DSL, and then just in limited markets at high prices. I urge my colleagues to promote competition, protect consumers and vote against this bill.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Chairman, I am in opposition to H.R. 1542. This legislation extends the power of the Bell monopolies which the Telecommunications Act of 1996 sought to curb. I am particularly concerned about the negative effects this legislation will have on small businesses in my district if the bill passes. In the past couple of years, a number of Competitive Local Exchange Carriers have begun to provide high-speed data access in my district. If Tauzin-Dingle passes, these small carriers will be priced out of the market and hundreds of small businesses will lost a competitive choice in their data provider. This bill does nothing to lower data service rates, and it is bad policy. I urge my colleagues to vote ''no'' on final passage of H.R. 1542. Services will not be cheaper for consumers.

Presently it cost me $20 more per month in Texas than I pay in Virginia for the same services.

Mr. KIND. Mr. Chairman, I rise in support of the Tauzin-Dingell Internet Broadband Deployment Act.

Rural communities were the last to get paved roads, the last to get electricity, the last to get voice telephone service, and the last to get cable television. Right now the information superhighway is bypassing rural America, leaving it behind in the new economy. Rural Americans do not want to be the last to experience the economic, education, and cultural benefits of Internet broadband technology.

Mr. Chairman, Tauzin-Dingell will directly benefit the citizens of my district. Passage of this bill will guarantee high-speed access to almost 90,000 people and over 5,000 businesses in the third Congressional district of Wisconsin alone.

The ability of educational institutions, especially in rural areas, to explore all the possibilities the Internet offers depends largely on the availability of broadband technology. With high speed access to the internet, schools will have the ability to supplement classroom teaching in ways currently not available, and to bring cyber-classrooms to everyone, regardless of their physical location.

The Internet is just beginning to deliver on the Promise of education on demand. This will be a powerful tool to education not only those traditional students who would like flexibility in their class choices, but it also has the power to offer the highest caliber education to anyone with high speed access to the Internet. Rural students shouldn't have to wait any longer for the tools to succeed in the digital age.

Tauzin-Dingell will also bring broadband access to over 60 doctor offices and clinics as well as three additional hospitals in my district. With broadband, rural Americans will be able to have a medical specialist diagnose their illness over the Internet, Instead of having to drive long distances to a faraway hospital. Rural hospitals could become virtual teaching hospitals with the deployment of broadband technology.

It's time for Congress to bring broadband Internet access to all Americans. Support Tauzin-Dingell.

Mr. RYAN of Wisconsin. Mr. Chairman, I come to the floor today in support of H.R. 1542 because it will set forth for the first time a national policy that promotes the deployment of broadband technology to all Americans. The passage of H.R. 1542 will create a technology-neutral regulatory policy that will encourage all companies to invest in the deployment of the ''last mile'' broadband facilities that will provide the average American with access to high-speed Internet services. This deployment of ''last mile'' broadband facilities is critical to future economic growth in the United States.

Not only will H.R. 1542 provide a much needed lift to the American economy as a whole, but it will for the first time, provide a genuine promise to Americans living in underserved communities, both in our inner cities and in rural areas, that they will not be left behind as we move to the next generation of the Internet. High-speed data services have the capability to enfranchise and empower millions of Americans. H.R. 1542 has express build-out provisions that require the large telephone companies to upgrade all of their central offices to provide high-speed Internet capability within 5 years.

This is the kind of legislation Congress should be producing. It is bipartisan. It is carefully crafted. It lifts all Americans.

Vote ''yes'' on H.R. 1542.

Mr. Chairman, I also would like to ask unanimous consent to insert an article into the RECORD written by Mr. Stephen Moore in The Investors Business Daily.

GOT STIMULUS? BROADBAND BILL WOULD BEEF UP FRAIL ECONOMY

With Congress stalemated on a tax-cut economic stimulus plan and the White House

considering approval of a dreadful protectionist steel bill, the jittery financial markets are seeking any positive signs that Washington will take productive action to help jump-start economic growth. No industry needs more intelligent help than the embattled telecommunications sector, where profits and investment spending have vaporized.

That's why a vote in Congress this week on deregulation of the broadband infrastructure carries such heavy significance for the economy as a whole, and this industry in particular. If approved, the Tauzin-Dingell bill has the potential over the next decade to bring high-speed Web service to nearly every U.S. home.

Broadband service is the Mach 4-speed Internet technology that will bring to Americans the next generation of Web services. It could transform the Web from a device for exchanging e-mail and checking stock quotes into a tool that will link all businesses in an e-commerce Web, let users quickly download video or music on demand and give rise to products and applications we can only dream of today.

Economist Robert Crandall of the Brookings Institution, and a top deregulation scholar, calculates that if we can accelerate broadband deployment, the value to the U.S. economy could reach $500 billion a year. That's more than the entire economies of most nations.

Very few actions that Congress could take—short of scrapping the income tax for a consumption tax or privatizing Social Security—could deliver those size benefits to workers and consumers. Broadband deregulation would seem to be a no-brainer. But this issue has become the mother of all political brawls, pitting AT&T against the Baby Bells, including Verizon and BellSouth. Both sides have spent tens of millions on lobbying and fatuous TV ads. The truth is, there's no angel in this fight.

The good news is that if Congress shows some common sense, there can be clear-cut winners here—American consumers and businesses, tens of millions of whom lack broadband access simply because of a regulatory regime that prevents access to the infrastructure. Almost eight of 10 homes and businesses still use clunky dial-up technology to access the Web. Broadband technology is more than a decade old, and still is a rarity in most areas. This makes no sense. It's as if we're still watching black-and-white TV. A hallmark of the U.S. era of high-tech innovation has been to spread the technological breakthroughs to the great middle class in short order.

Why the still-lingering digital divide between the information haves and have-nots? Because outdated government regulation is stifling the private-sector investment needed to build the network.

Technology analyst George Gilder argues that today's regulation ''privatizes the risk and socializes the benefit.'' Here's how it works: When a phone company risks its own money to wire homes and businesses to broadband, the federal government forces it to open its network to competitors at money-losing, government-set rates. This prevents the original investors from capturing the full value of the risk-taking expenditure.

A predictable result has been the collapse in telecom investment over the past 18 months. In 2001, telecom investment contracted by $75 billion, a 15 percent decline. That's one of the biggest reasons the industry shed over 317,000 jobs last year—the largest job loss for any industry ever recorded in a single year. By some estimates, it will cost telecom companies some $200 billion of added broadband investment to lay down the cables to bring this technology into most homes and businesses. How can this investment be accelerated? One answer is for Congress to let businesses write off their mega-investments the year they're made. It also must create a fair-minded regulatory structure that allows those firms that make the investments to reap financial rewards. This means eliminating free-riding competitor access without fair payment.

Tauzin-Dingell may be the best chance to close the digital divide and ensure that the U.S. maintains its commanding competitive edge in global communications into the future. It might also be the only chance Congress has this year to pass a genuine economic stimulus bill.

Mr. UDALL of New Mexico. Mr. Chairman, I rise today in opposition to H.R. 1542 and urge my colleagues to support the Cannon-Conyers amendment which ensures fair competition and consumer protection.

Proponents who have visited with me have claimed that the Bell's hands, including Qwest, are tied when it comes to the deployment of broadband to rural and urban places. That's not necessarily true in my state or my rural district.

In fact, currently, Qwest Communications is not precluded from offering broadband services to its customers. The N.M. State Public Regulation Commission in 2001 approved an Alternative Form of Regulation agreement, which requires Qwest to provide high-speed data services to both urban and rural areas.

H.R. 1542 as written will not improve access to services in New Mexico and could possibly hurt the Bell Operating Companies' incentive to open their markets to competition as required in the Telecommunications Act of 1996.

Without this needed amendment—H.R. 1542 will reward the bad behavior of these telephone companies who have done very little to encourage the development of competition or the deployment of broadband. We shouldn't reward them now with the passage of H.R. 1542 without the safeguards of Cannon-Conyers.

Preserving a competitive marketplace is the best way to spur affordable broadband deployment in urban, suburban, and rural communities like the ones I represent. Competition, wherever it has occurred, in the telecommunication and other industry markets, has virtually always brought about better service, greater investment, more options, and lower prices for consumers.

Support the Cannon-Conyers Amendment which will preserve competition, protect state authority, and safeguard consumers.

Mr. STUPAK. Mr. Chairman, it seems like the rural areas always come last. I guess I should be used to it by now, after all, many of my constituents in northern Michigan can't get mail service to their doorsteps, our veterans have to travel on average 6 hours to get specialized healthcare from a VA center, and it required a federal law merely to get electricity to many portions of my district.

I am therefore not surprised that rural areas are the last to get broadband as well. But let me be clear—this bill will do nothing to bring broadband to rural America. In fact, quite the opposite, H.R. 1542 will make it even more difficult for my constituents and for rural citizens across America to get broadband.

H.R. 1542 claims to require broadband deployment to rural areas by laying out a 5 year timetable, with a schedule of 20 percent, 40 percent, and 70 percent buildout in the first 3 years. In fact, this will allow the Bells to sit on their current deployment for years.

BellSouth told investors that as of year-end 2001, it already provides broadband access to 70 percent of its market; Verizon said it deploys DSL to central offices serving 79 percent of the company's access lines; and SBC said that it can provide high-speed service to more than 60 percent of its customers.

The Bells will get the benefits of monopoly and deregulation without any responsibilities to deploy for years. And once the requirements for them to deploy do finally take effect, the Bells will be wholly unregulated in the amounts they can charge, or they can in fact evade all requirements to deploy to rural areas by selling off their rural exchanges.

I would like to point my colleagues to a study done last July by the Rural Policy Research Institute (RUPRI) of H.R. 1542. This nonpartisan report found that the 5 year deployment schedule in H.R. 1542 is insufficient, noting that:

''. . . this provision does not guarantee service to regions beyond three miles of a central office and could still leave substantial portions of the rural market without broadband capabilities.''

Furthermore, RUPRI found that rural subscribers are frequently served by remote terminals, and that in locking competitors out of the Bell's remote terminals, H.R. 1542 reduces competition for customers served by remote terminals. Lastly, the study notes that H.R. 1542 does nothing to affect the affordability of broadband.

Let me put it simply: if you don't live within 3 miles of a central office, under this bill the Bells are not going to have to deploy to you for years, competitors are going to be shut out from getting to you, and when, if ever, the Bells do decide to deploy to you, they can charge whatever they want. In short, broadband will be either physically unavailable to rural customers, or economically unavailable to them. This bill will not bring broadband to rural America and I urge my colleagues to vote no on this bill.

Mr. BISHOP. Mr. Chairman, I support this bill for many reasons, but here I will list the four reasons:

1. H.R. 1542 improves Access for Rural Customers (I represent a district in rural South Georgia) this aspect of the bill is most important to my constituents.

This bill will provide unprecedented service to rural communities. It contains a deployment schedule that requires the Bells to offer high-speed data service throughout their region and not only select lucrative areas, like their competitors do today. Specifically it:

Requires the Bells to build out their central offices with multiplexing equipment and upgrade each upgradeable loop (less than three miles) when requested by a customer; or

Requires the Bells to serve each customer (regardless of upgradeability or loop length) with alternative technology.

Taken together, this means that 100 percent of the Bell's customers must be offered high-speed data service by the end of five years. Without passage of H.R. 1542, these areas will have to wait a long time before they are served, if ever, because these geographic areas make the least business sense for companies to penetrate.

2. The bill provides Consumers with Lower Prices, More Choices.

The rules for competing high-speed Internet companies are stifling competition. As a consequence, cable companies which are unfettered by regulations, have about 70 percent of residential high-speed Internet connections. Fair competition for all high-speed Internet services will mean lower costs, more choices and more access for consumers. This bill would provide that kind of fair competition.

3. It restores Fairness to the Marketplace.

Companies that offer high-speed Internet access over cable lines, wireless connections or satellite links are allowed to develop new services and compete without regulation. Disparities in regulation hurt competition. A level playing field would guarantee competition and encourage expansion of new networks.

4. Boosts the Economy—this is another aspect of the bill that is crucially important to our nation specifically at this time.

The bill allows local phone companies to provide affordable high-speed Internet access. This will benefit consumers by providing more consumers and small businesses with high speed Internet access. In addition, because more services will be deployed to more homes, equipment manufacturers and vendors will also likely enjoy growth in their business as well. This all amounts to lower prices, more choices, more jobs, and economic growth.

I close, Mr. Chairman in encouraging my colleagues to vote for this bill, and help our economy and our rural constituents.

Ms. DEGETTE. Mr. Chairman, I want to take just a few minutes to address a couple of issues that are critical to this debate. The district I represent, the Denver metro area, has become one of the latest telecommunications hubs in the country, and I want to talk about the sort of competition that exists back home, which is due in large part to the Telecom Act of '96.

We have an enormous number of telecommunications companies out in Colorado, from cable companies, those who provide DSL, satellite companies, a vast array of Competitive Local Exchange Company's (CLECs). So we have a pretty good representation of the sort of services that are available, and we also have some of the problems that exist across the country, like a lack of services in the more rural areas of the state, and a dearth of competition for local phone service.

Clearly the goal of any telecommunications legislation should be to accelerate the deployment of broadband services to all consumers. As policymakers, we are charged with doing our part to facilitate the most competitive marketplaces that in turn provide the best services and prices available.

We need to do so in a way that is technology and industry neutral. I deeply fear that this bill will not only not accomplish this, but will actually benefit certain sectors of the industry and seriously harm others. This bill will result in the sluggish development and deployment of future advanced technologies.

For example, the CLECs in my district, which have been heavily hit by the recent bumps in the economy, would be in serious trouble if this bill passed. This is not only because of the policy changes mandated by this bill, the details of which we will undoubtedly discuss ad nauseum in the next couple of hours, but also because the capital that has allowed these companies to build up their networks will simply disappear.

I do not think this bill is necessary, and I will use the example of Qwest, located in my district to illustrate this. Qwest is currently in the process of getting back into long distance service after its merge with US West. It will file its first state application this summer and then file for its remaining thirteen states so it can obtain long distance authority for its entire region before the end of the year. I am quite optimistic that they will be successful in complying with the checklist, whether or not this bill passes, and move on to provide my constituents, along with the rest of consumers in their region, great service.

The most diverse array of technologies and services is what will best serve consumers, and I do not think H.R. 1542 will facilitate competition or an even-handed promotion of wide-ranging technologies that exist or are currently developing.

Why now are we now poised to undercut legislation that has brought the marketplace so far along over the past few years? This is not to say that everything has worked out exactly as envisioned, but the '96 Act accomplished some very important goals, and the fact is that things are still shaking out.

I have grave concerns that enactment of H.R. 1542 may adversely impact competition for local telephone service. As currently drafted, the legislation puts at risk the line-sharing requirements that allow competitors into the local exchange market. Absent these requirements it is unlikely that a truly competitive marketplace will continue to develop. Rather we would likely see market consolidation and the attendant increased rates.

In my final analysis of this issue, I have concluded there is nothing in the 1996 Act that prohibits the RBOCs from providing broadband services to the customers that they now serve. In fact, they are doing so today, competing with other providers and satisfying customers the needs of consumers for high-speed Internet access.

The bottom line is that competition is the best incentive for broadband deployment. DSL and other technologies have been around for years. The local exchanges really only began stepping up their roll-outs and lowering their prices in response to the emerging competition from the CLECs, cable companies, wireless and satellite providers.

It cannot be said enough, and indeed, I don't think it has been said enough that we are obligated to pass, or not pass, a legislation that will most benefit consumers. Not bills that will only help certain companies, or particular technologies, but that will, as I said before, create the most diverse and competitive marketplace for our constituents.

Mr. MEEKS of New York. Mr. Chairman, I rise this morning in support of H.R. 1542—the Tauzin-Dingell Broadband Deployment Act. If you believe in competition vote for this bill. As Members of Congress, we have the responsibility and opportunity to bring increased choices for our constituents.

H.R. 1542 promotes fair competition for high-speed internet services which will mean lower prices, more choices and greater access for consumers. Fair competition will bring high-speed internet services to communities that cannot get them—inner cities, small towns and rural areas.

In order to ensure real competition, all companies that provide high-speed access to the internet should face the same rules and regulations. Cable, wireless, satellite and companies that all provide competing high-speed internet services should all be governed by the same rules. When all companies must compete under the same rules, consumers will benefit—from increased choices, lower prices and a stronger economy.

Meanwhile, this bill represents an opportunity to not only help our sagging economy but also to cure an ill that continues to plague our country—the digital divide. The Internet, probably nothing in recent memory has done so much so quickly to change the way we work, learn and live. Think about it: It took 38 years for the radio to get to 50 million American homes . . . and 12 years for TV. The WEB got there in four. And with it have come education, entertainment and economic opportunities like never before.

And today, with the help of a new generation of communications technologies, what used to be the ''world wide wait'' is rapidly becoming a new, wide-open window onto the world. H.R. 1542 will move along that progress more quickly and help so many who have no access or limited access to the kind of internet services they should expect and deserve.

That is why I urge all my colleagues to vote ''no'' on the Cannon-Conyers amendment, vote ''no'' on the motion to recommit, and vote ''yes'' on final passage. A ''yes'' vote for Tauzin-Dingell is a vote for consumers, choice and competition.

The CHAIRMAN. All time for general debate has expired.

In lieu of the amendments recommended by the Committee on Energy and Commerce and the Committee on the Judiciary printed in the bill, the amendment in the nature of a substitute printed in part A of House Report 107–361 is adopted.

The bill, as amended, shall be considered as an original bill for the purpose of further amendment under the 5-minute rule and shall be considered as read.

The text of the bill, as amended pursuant to House Resolution 340, is as follows:

H.R. 1542

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Internet Freedom and Broadband Deployment Act of 2001''.

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds the following:

(1) Internet access services are inherently interstate and international in nature, and should therefore not be subject to regulation by the States.

(2) The imposition of regulations by the Federal Communications Commission and the States has impeded the rapid delivery of high speed Internet access services and Internet backbone services to the public, thereby reducing consumer choice and welfare.

(3) The Telecommunications Act of 1996 represented a careful balance between the need to open up local telecommunications markets to competition and the need to increase competition in the provision of interLATA voice telecommunications services.

(4) In enacting the prohibition on Bell operating company provision of interLATA services, Congress recognized that certain telecommunications services have characteristics that render them incompatible with the prohibition on Bell operating company

provision of interLATA services, and exempted such services from the interLATA prohibition.

(5) High speed data services and Internet backbone services constitute unique markets that are likewise incompatible with the prohibition on Bell operating company provision of interLATA services.

(6) Since the enactment of the Telecommunications Act of 1996, the Federal Communications Commission has construed the prohibition on Bell operating company provision of interLATA services in a manner that has impeded the development of advanced telecommunications services, thereby limiting consumer choice and welfare.

(7) Internet users should have choice among competing Internet service providers.

(8) Internet service providers should have the right to interconnect with high speed data networks in order to provide service to Internet users.

(b) PURPOSES.—It is therefore the purpose of this Act to provide market incentives for the rapid delivery of advanced telecommunications services—

(1) by deregulating high speed data services, Internet backbone services, and Internet access services;

(2) by clarifying that the prohibition on Bell operating company provision of interLATA services does not extend to the provision of high speed data services and Internet backbone services;

(3) by ensuring that consumers can choose among competing Internet service providers; and

(4) by ensuring that Internet service providers can interconnect with competitive high speed data networks in order to provide Internet access service to the public.

SEC. 3. DEFINITIONS.

(a) AMENDMENTS.—Section 3 of the Communications Act of 1934 (47 U.S.C. 153) is amended—

(1) by redesignating paragraph (20) as paragraph (21);

(2) by redesignating paragraphs (21) through (52) as paragraphs (26) through (57), respectively;

(3) by inserting after paragraph (19) the following new paragraph:

''(20) HIGH SPEED DATA SERVICE.—The term 'high speed data service' means any service that consists of or includes the offering of a capability to transmit, using a packet-switched or successor technology, information at a rate that is generally not less than 384 kilobits per second in at least one direction. Such term does not include special access service offered through dedicated transport links between a customer's premises and an interexchange carrier's switch or point of presence.'';

(4) by inserting after paragraph (21) the following new paragraphs:

''(22) INTERNET.—The term 'Internet' means collectively the myriad of computer and telecommunications facilities, including equipment and operating software, which comprise the interconnected world-wide network of networks that employ the Transmission Control Protocol/Internet Protocol, or any predecessor or successor protocols to such protocol, to communicate information of all kinds by wire or radio.

''(23) INTERNET ACCESS SERVICE.—The term 'Internet access service' means a service that combines computer processing, information storage, protocol conversion, and routing with transmission to enable users to access Internet content and services.

''(24) INTERNET BACKBONE.—The term 'Internet backbone' means a network that carries Internet traffic over high-capacity long-haul transmission facilities and that is interconnected with other such networks via private peering relationships.

''(25) INTERNET BACKBONE SERVICE.—The term 'Internet backbone service' means any interLATA service that consists of or includes the transmission by means of an Internet backbone of any packets, and shall include related local connectivity.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 230(f) of the Communications Act of 1934 (47 U.S.C. 230(f)) is amended—

(A) by striking paragraph (1); and

(B) by redesignating paragraphs (2) through (4) as paragraphs (1) through (3), respectively.

(2) Section 223(h)(2) of such Act (47 U.S.C. 223(h)(2)) is amended by striking ''230(f)(2)'' and inserting ''230(f)(1)''.

SEC. 4. LIMITATION ON AUTHORITY TO REGULATE HIGH SPEED DATA SERVICES.

(a) IN GENERAL.—Part I of title II of the Communications Act of 1934 (47 U.S.C. 201 et seq.) is amended by adding at the end the following new section:

''SEC. 232. PROVISION OF HIGH SPEED DATA SERVICES.

''(a) FREEDOM FROM REGULATION.—Except to the extent that high speed data service, Internet backbone service, and Internet access service are expressly referred to in this Act, neither the Commission, nor any State, shall have authority to regulate the rates, charges, terms, or conditions for, or entry into the provision of, any high speed data service, Internet backbone service, or Internet access service, or to regulate any network element to the extent it is used in the provision of any such service; nor shall the Commission impose or require the collection of any fees, taxes, charges, or tariffs upon such service.

''(b) SAVINGS PROVISION.—Nothing in this section shall be construed to limit or affect the authority of any State to regulate circuit-switched telephone exchange services, nor affect the rights of cable franchise authorities to establish requirements that are otherwise consistent with this Act.

''(c) CONTINUED ENFORCEMENT OF ESP EXEMPTION, UNIVERSAL SERVICE RULES PERMITTED.—Nothing in this section shall affect the ability of the Commission to retain or modify—

''(1) the exemption from interstate access charges for enhanced service providers under Part 69 of the Commission's regulations, and the requirements of the MTS/WATS Market Structure Order (97 FCC 2d 682, 715 (1983)); or

''(2) rules issued pursuant to section 254.''.

(b) CONFORMING AMENDMENT.—Section 251 of the Communications Act of 1934 (47 U.S.C. 251) is amended by adding at the end thereof the following new subsection:

''(j) EXEMPTION.—

''(1) ACCESS TO NETWORK ELEMENTS FOR HIGH SPEED DATA SERVICE.—

''(A) LIMITATION.—Subject to subparagraphs (B), (C), and (D) of this paragraph, neither the Commission nor any State shall require an incumbent local exchange carrier to provide unbundled access to any network element for the provision of any high speed data service.

''(B) PRESERVATION OF REGULATIONS AND LINE SHARING ORDER.—Notwithstanding subparagraph (A), the Commission shall, to the extent consistent with subsections (c)(3) and (d)(2), require the provision of unbundled access to those network elements described in section 51.319 of the Commission's regulations (47 C.F.R. 51.319), as—

''(i) in effect on January 1, 1999; and

''(ii) subject to subparagraphs (C) and (D), as modified by the Commission's Line Sharing Order.

''(C) EXCEPTIONS TO PRESERVATION OF LINE SHARING ORDER.—

''(i) UNBUNDLED ACCESS TO REMOTE TERMINAL NOT REQUIRED.—An incumbent local exchange carrier shall not be required to provide unbundled access to the high frequency portion of the loop at a remote terminal.

''(ii) CHARGES FOR ACCESS TO HIGH FREQUENCY PORTION.—The Commission and the States shall permit an incumbent local exchange carrier to charge requesting carriers for the high frequency portion of a loop an amount equal to which such incumbent local exchange carrier imputes to its own high speed data service.

''(D) LIMITATIONS ON REINTERPRETATION OF LINE SHARING ORDER.—Neither the Commission nor any State Commission shall construe, interpret, or reinterpret the Commission's Line Sharing Order in such manner as would expand an incumbent local exchange carrier's obligation to provide access to any network element for the purpose of line sharing.

''(E) AUTHORITY TO REDUCE ELEMENTS SUBJECT TO REQUIREMENT.—This paragraph shall not prohibit the Commission from modifying the regulation referred to in subparagraph (B) to reduce the number of network elements subject to the unbundling requirement, or to forbear from enforcing any portion of that regulation in accordance with the Commission's authority under section 706 of the Telecommunications Act of 1996, notwithstanding any limitation on that authority in section 10 of this Act.

''(F) PROHIBITION ON DISCRIMINATORY SUBSIDIES.—Any network element used in the provision of high speed data service that is not subject to the requirements of subsection (c) shall not be entitled to any subsidy, including any subsidy pursuant to section 254, that is not provided on a nondiscriminatory basis to all providers of high speed data service and Internet access service. This prohibition on discriminatory subsidies shall not be interpreted to authorize or require the extension of any subsidy to any provider of high speed data service or Internet access service.

''(2) RESALE.—For a period of three years after the enactment of this subsection, an incumbent local exchange carrier that provides high speed data service shall have a duty to offer for resale any such service at wholesale rates in accordance with subsection (c)(4). After such three-year period, such carrier shall offer such services for resale pursuant to subsection (b)(1).

''(3) DEFINITIONS.—For purposes of this subsection—

''(A) the 'Commission's Line Sharing Order' means the Third Report and Order in CC Docket No. 98–147 and the Fourth Report and Order in CC Docket 96–98 (FCC 99–355), as adopted November 18, 1999, and without regard to any clarification or interpretation in the further notice of proposed rulemaking in such Dockets adopted January 19, 2001 (FCC 01–26); and

''(B) the term 'remote terminal' means an accessible terminal located outside of the central office to which analog signals are carried from customer premises, in which such signals are converted to digital, and from which such signals are carried, generally over fiber, to the central office.''.

(c) PRESERVATION OF EXISTING INTERCONNECTION AGREEMENTS.—Nothing in the amendments made by this section—

(1) shall be construed to permit or require the abrogation or modification of any interconnection agreement in effect on the date of enactment of this section during the term of such agreement, except that this paragraph shall not apply to any interconnection agreement beyond the expiration date of the existing current term contained in such agreement on the date of enactment of this section, without regard to any extension or renewal of such agreement; or

(2) affects the implementation of any change of law provision in any such agreement.

SEC. 5. INTERNET CONSUMERS FREEDOM OF CHOICE.

Part I of title II of the Communications Act of 1934, as amended by section 4, is amended by adding at the end the following new section:

"SEC. 233. INTERNET CONSUMERS FREEDOM OF CHOICE.

''(a) PURPOSE.—It is the purpose of this section to ensure that Internet users have freedom of choice of Internet service provider.

''(b) OBLIGATIONS OF INCUMBENT LOCAL EXCHANGE CARRIERS.—Each incumbent local exchange carrier has the duty to provide—

''(1) Internet users with the ability to subscribe to and have access to any Internet service provider that interconnects with such carrier's high speed data service;

''(2) any Internet service provider with the right to acquire the facilities and services necessary to interconnect with such carrier's high speed data service for the provision of Internet access service;

''(3) any Internet service provider with the ability to collocate equipment in accordance with the provisions of section 251, to the extent necessary to achieve the objectives of paragraphs (1) and (2) of this subsection; and

''(4) any provider of high speed data services, Internet backbone service, or Internet access service with special access for the provision of Internet access service within a period no longer than the period in which such incumbent local exchange carrier provides special access to itself or any affiliate for the provision of such service.

''(c) DEFINITIONS.—As used in this section—

''(1) INTERNET SERVICE PROVIDER.—The term 'Internet service provider' means any provider of Internet access service.

''(2) INCUMBENT LOCAL EXCHANGE CARRIER.—The term 'incumbent local exchange carrier' has the same meaning as provided in section 251(h).

''(3) SPECIAL ACCESS SERVICE.—The term 'special access service' means the provision of dedicated transport links between a customer's premises and the switch or point of presence of a high speed data service provider, Internet backbone service provider, or Internet service provider.''.

SEC. 6. INCIDENTAL INTERLATA PROVISION OF HIGH SPEED DATA AND INTERNET BACKBONE SERVICES.

(a) INCIDENTAL INTERLATA SERVICE PERMITTED.—Section 271(g) of the Communications Act of 1934 (47 U.S.C. 271(g)) is amended—

(1) by striking ''or'' at the end of paragraph (5);

(2) by striking the period at the end of paragraph (6) and inserting ''; or''; and

(3) by adding at the end thereof the following new paragraph:

''(7) of high speed data service or Internet backbone service.''.

(b) PROHIBITION ON PROVISION OF VOICE TELEPHONE SERVICES.—Section 271 of such Act is amended by adding at the end thereof the following new subsection:

''(k) PROHIBITION ON PROVISION OF VOICE TELEPHONE SERVICES.—Until the date on which a Bell operating company is authorized to offer interLATA services originating in an in-region State in accordance with the provisions of this section, such Bell operating company offering any high speed data service or Internet backbone service pursuant to the provisions of paragraph (7) of subsection (g) may not, in such in-region State provide interLATA voice telecommunications service, regardless of whether there is a charge for such service, by means of the high speed data service or Internet backbone service provided by such company.''.

(c) NOTICE TO ATTORNEY GENERAL.—Section 271 of such Act is further amended by adding at the end the following new subsection:

''(*l*) NOTICE TO ATTORNEY GENERAL.—

''(1) STATEMENT REQUIRED.—Not less than 30 days before commencing to offer any interLATA high speed data service or Internet backbone service originating in an in-region State pursuant to paragraph (7) of subsection (g), a Bell operating company shall submit to the Attorney General a statement that

''(A) expresses the intention to commence providing such service in such State;

''(B) provides a description of the service to be offered; and

''(C) identifies the geographic region within the State in which the service will be offered, if the service is not going to be offered Statewide.

''(2) ADDITIONAL CONTENTS PROHIBITED.—The Attorney General may not require a statement under this subsection to contain any additional information other than that specified in subparagraph (A), (B), and (C) of paragraph (1).

''(3) CONFIDENTIAL TREATMENT OF STATEMENTS.—A statement submitted to the Attorney General under this subsection shall be exempt from disclosure under section 552 of title 5, United States Code, and no such statement may be made public, except as may be relevant to any administrative or judicial action or proceeding.''.

(d) CONFORMING AMENDMENTS.—

(1) Section 272(a)(2)(B)(i) of such Act is amended to read as follows:

''(i) incidental interLATA services described in paragraphs (1), (2), (3), (5), (6), and (7) of section 271(g);''.

(2) Section 272(a)(2)(C) of such Act is repealed.

SEC. 7. DEPLOYMENT OF BROADBAND SERVICES.

Part III of title II of the Communications Act of 1934 is amended by inserting after section 276 (47 U.S.C. 276) the following new section:

"SEC. 277. DEPLOYMENT OF BROADBAND SERVICES.

''(a) DEPLOYMENT REQUIRED.—Each Bell operating company and its affiliates shall deploy high speed data services in each State in which such company or affiliate is an incumbent local exchange carrier (as such term is defined in section 251(h)) in accordance with the requirements of this section.

''(b) DEPLOYMENT REQUIREMENTS.—

''(1) MILEPOSTS FOR DEPLOYMENT.—A Bell operating company or its affiliate shall deploy high speed data services by attaining high speed data capability in its central offices in each State to which subsection (a) applies. Such company or affiliate shall attain such capability in accordance with the following schedule:

''(A) Within one year after the date of enactment of this section, such company or affiliate shall attain high speed data capability in not less than 20 percent of such central offices in such State.

''(B) Within 2 years after the date of enactment of this section, such company or affiliate shall attain high speed data capability in not less than 40 percent of such central offices in such State.

''(C) Within 3 years after the date of enactment of this section, such company or affiliate shall attain high speed data capability in not less than 70 percent of such central offices in such State.

''(D) Within 5 years after the date of enactment of this section, such company or affiliate shall attain high speed data capability in not less than 100 percent of such central offices in such State.

''(2) HIGH SPEED DATA CAPABILITY.—For purposes of paragraph (1), a central office shall be considered to have attained high speed capability if—

''(A)(i) such central office is equipped with high speed data multiplexing capability; and

''(ii) each upgradeable customer loop that originates or terminates in such central office is upgraded promptly upon receipt of a customer request for such upgrading, as necessary to permit transmission of high speed data service (including any conditioning of the loop);

''(B) each customer served by such central office (without regard to the upgradeability or length of the customer's loop) is able to obtain the provision of high speed data service from such Bell operating company or its affiliate by means of an alternative technology that does not involve the use of the customer's loop; or

''(C) each such customer is able to obtain the provision of high speed data service by one or the other of the means described in subparagraphs (A) and (B).

''(3) UPGRADEABLE LOOPS.—For purposes of paragraph (2), a customer loop is upgradeable if—

''(A) such loop is less than 15,000 feet in length (from the central office to the customer's premises along the line); and

''(B) such loop can, with or without conditioning, transmit high speed data services without such transmission on such loop causing significant degradation of voice service.

''(c) AVAILABILITY OF REMEDIES.—

''(1) FORFEITURE PENALTIES.—A Bell operating company or its affiliate that fails to comply with this section shall be subject to the penalties provided in section 503(b)(2). In determining whether to impose a forfeiture penalty, and in determining the amount of any forfeiture penalty under section 503(b)(2)(D), the Commission shall take into consideration the extent to which the requirements of this section are technically infeasible.

''(2) JURISDICTION.—The Commission shall have exclusive jurisdiction to enforce the requirements of this section, except that any State commission may file a complaint with the Commission seeking the imposition of penalties as provided in paragraph (1).

''(d) ANNUAL REPORT ON DEPLOYMENT.—

''(1) ANALYSIS REQUIRED.—The Commission shall include in each of its annual reports submitted no more than 18 months after the date of enactment of this section an analysis of the deployment of high speed data service to underserved areas. Such report shall include—

''(A) a statistical analysis of the extent to which high speed data service has been deployed to central offices and customer loops, or is available using different technologies, as compared with the extent of such deployment and availability prior to such date and in prior reports under this subsection;

''(B) a breakdown of the delivery of high speed data service by type of technology and class or category of provider;

''(C) an identification of impediments to such deployment and availability, and developments in overcoming such impediments during the intervening period between such reports; and

''(D) recommendations of the Commission, after consultation with the National Telecommunications and Information Administration, for further extending such deployment and availability and overcoming such impediments.

''(2) DEFINITION OF UNDERSERVED AREA.—For purposes of paragraph (1), the term 'underserved areas' means areas that—

''(A) are high cost areas that are eligible for services under subpart D of part 54 of the

Commission's regulations (47 C.F.R. 54.301 et seq.); or

''(B) are within or comprised of any census tract—

''(i) the poverty level of which is at least 30 percent (based on the most recent census data); or

''(ii) the median family income of which does not exceed—

''(I) in the case of a census tract located in a metropolitan statistical area, 70 percent of the greater of the metropolitan area median family income or the statewide median family income; and

''(II) in the case of a census tract located in a nonmetropolitan statistical area, 70 percent of the nonmetropolitan statewide median family income.

''(3) DESIGNATION OF CENSUS TRACTS.—The Commission shall, not later than 90 days after the date of the enactment of this section, designate and publish those census tracts meeting the criteria described in paragraph (2)(B).''.

SEC. 8. COMMISSION AUTHORIZED TO PRESCRIBE JUST AND REASONABLE CHARGES.

The Federal Communications Commission may impose penalties under section 503 of the Communications Act of 1934 not to exceed $1,000,000 for any violation of provisions contained in, or amended by, section 5, 6, or 7 (or any combination thereof) of this Act. Each distinct violation shall be a separate offense, and in the case of a continuing violation, each day shall be deemed a separate offense, except that the amount assessed for any continuing violation shall not exceed a total of $10,000,000 for any single act or failure to act described in section 5, 6, or 7 (or any combination thereof) of this Act.

SEC. 9. CLARIFICATION OF CONTINUING OPERATION OF ANTITRUST LAWS.

Section 601(b) of the Telecommunications Act of 1996 (Public Law 104-104; 110 Stat. 143) is amended by adding at the end the following new paragraph:

''(4) CONTINUING OPERATION OF THE ANTITRUST LAWS.—Paragraph (1) shall be interpreted to mean that the antitrust laws are—

''(A) not repealed by,

''(B) not precluded by,

''(C) not diminished by, and

''(D) not incompatible with,

the Communications Act of 1934, this Act, or any law amended by either such Act.''.

The CHAIRMAN. No further amendment to the bill, as amended, shall be in order except those printed in part B of the report. Each amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, debatable for the time specified in the report, equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for a division of the question.

The Committee will rise informally.

The Speaker pro tempore (Mr. WELDON of Florida) assumed the chair.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Ms. Evans, one of his secretaries.

The SPEAKER pro tempore. The Committee will resume its sitting.

INTERNET FREEDOM AND BROADBAND DEPLOYMENT ACT OF 2001

The Committee resumed its sitting.

The CHAIRMAN. It is now in order to consider amendment No. 1 printed in part B of House Report 107–361.

PART B AMENDMENT NO. 1 OFFERED BY MR. UPTON

Mr. UPTON. Mr. Chairman, I offer amendment No. 1.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Part B Amendment No. 1 offered by Mr. UPTON:

At the end of the bill, add the following new section:

SEC. 9. COMMON CARRIER ENFORCEMENT.

(a) CEASE AND DESIST AUTHORITY.—Section 501 of the Communications Act of 1934 (47 U.S.C. 501) is amended—

(1) by striking ''Any person'' and inserting ''(a) FINES AND IMPRISONMENT.—Any person'';

(2) by adding at the end the following new subsection:

''(b) CEASE AND DESIST ORDERS.— If, after a hearing, the Commission determines that any common carrier is engaged in an act, matter, or thing prohibited by this Act, or is failing to perform any act, matter, or thing required by this Act, the Commission may order such common carrier to cease or desist from such action or inaction.''.

(b) FORFEITURE PENALTIES.—Section 503(b) of the Communications Act of 1934 (47 U.S.C. 503(b)) is amended—

(1) in paragraph (2)(B)—

(A) by striking ''exceed $100,000'' and inserting ''exceed $1,000,000''; and

(B) by striking ''of $1,000,000'' and inserting ''of $10,000,000'';

(2) in paragraph (2)(C), by striking ''subparagraph (A) or (B)'' and inserting ''subparagraph (A), (B), or (C)'';

(3) by redesignating subparagraphs (C) and (D) of paragraph (2) as subparagraphs (D) and (E), respectively;

(4) by inserting after subparagraph (B) of paragraph (2) the following new subparagraph:

''(C) If a common carrier has violated a cease and desist order or has previously been assessed a forfeiture penalty for a violation of a provision of this Act or of any rule, regulation, or order issued by the Commission, and if the Commission or an administrative law judge determines that such common carrier has willfully violated the same provision, rule, regulation, that this repeated violation has caused harm to competition, and that such common carrier has been assessed a forfeiture penalty under this subsection for such previous violation, the Commission may assess a forfeiture penalty not to exceed $2,000,000 for each violation or each day of continuing violation; except that the amount of such forfeiture penalty shall not exceed $20,000,000.''; and

(5) in paragraph (6)(B), by striking ''1 year'' and inserting ''2 years''.

(c) EVALUATION OF IMPACT.—

(1) EVALUATION REQUIRED.—Within one year after the date of enactment of this Act, the Federal Communications Commission shall conduct an evaluation of the impact of the increased remedies available under the amendments made by this section on improving compliance with the requirements of the Communications Act of 1934, and with the rules, regulations, and orders of the Commission thereunder. Such evaluation shall include—

(A) an assessment of the number of enforcement proceedings commenced before and after such date of enactment;

(B) an analysis of any changes in the number, type, seriousness, or repetition of violations; and

(C) an analysis of such other factors as the Commission considers appropriate to evaluate such impact.

(2) REPORT.—Within one year after such date of enactment, the Commission shall submit a report on the evaluation to the Committee on Energy and Commerce of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate.

The CHAIRMAN. Pursuant to House Resolution 350, the gentleman from Michigan (Mr. UPTON) and a Member opposed each will control 20 minutes.

The Chair recognizes the gentleman from Michigan (Mr. UPTON).

Mr. UPTON. Mr. Chairman, I ask unanimous consent to yield 10 minutes of my time to the gentleman from Texas (Mr. GREEN) for his use and for him to yield that time to other Members as he sees fit.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. UPTON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, as the chairman of the Subcommittee on Telecommunications and the Internet, I am very pleased to offer this commonsense, bipartisan enforcement amendment with my good friend and colleague, the gentleman from Texas (Mr. GREEN).

When I became chairman last year, one of the first things I did was to invite the then new chairman of the FCC, Chairman Powell, to appear before the subcommittee to present his vision for that agency. The thing that struck me most was his message that the FCC's current enforcement authority was in fact too weak, and that the FCC's current fines were viewed by many as simply the cost of doing business for many companies.

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And I heard that from many competitive carriers as well.

In a letter to Congress last year, Chairman Powell specifically wrote that, among other things, Congress should consider increasing the cap on fines to at least $10 million in order to enhance their deterrent effect. The current cap, of course, is at $1.2 million.

Responding to Chairman Powell's recommendation, we are, in fact, offering this bipartisan amendment which will substantially increase the FCC's fines for phone companies which violate the telecommunications law by elevating the current cap from $1.2 million to $10 million and increasing the amount up to which the FCC can impose per violation or each day of a continuing violation from $120,000 to $1 million. We did exactly what Chairman Powell requested.

In addition, for repeat offenders the amendment doubles the increased fines up to $2 million per violation or each day of a continuing violation capped at $20 million.