So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). Pursuant to section 3 of House Resolution 434, the text of H.R. 3846 will be appended to the engrossment of H.R. 3081; and H.R. 3846 will be laid on the table.

GENERAL LEAVE

Mr. GOODLING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 3842.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 3842, MINIMUM WAGE INCREASE ACT

Mr. GOODLING. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, H.R. 3842, the Clerk be authorized to make technical corrections and conforming changes to the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

PERSONAL EXPLANATION

Mr. STUPAK. Mr. Speaker, I was unavoidably detained at a bipartisan meeting on youth violence and missed rollcall vote on House Resolution 433 regarding the consideration of H.R. 1695. Had I been present I would have voted ''aye.''

ANNOUNCEMENT OF AMENDMENT PROCESS FOR H.R. 2372, PRIVATE PROPERTY RIGHTS IMPLEMENTATION ACT

(Mr. LINDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LINDER. Mr. Speaker, this evening a ''Dear Colleague'' letter was sent to all Members informing them that the Committee on Rules is planning to meet the week of March 13 to grant a rule which may limit the amendment process on H.R. 2372, the Private Property Rights Implementation Act.

Any Member who wishes to offer an amendment should submit 55 copies and a brief explanation of the amendment by 4 p.m. on Tuesday, March 14, to the Committee on Rules in room H–312 of the Capitol. Amendments should be drafted to the text of the bill as reported by the Committee on the Judiciary.

Members should use the Office of Legislative Counsel to ensure that their amendments are properly drafted and should check with the Office of the Parliamentarian to be certain their amendments comply with the rules of the House.

CONFERENCE REPORT ON S. 376, OPEN-MARKET REORGANIZATION FOR THE BETTERMENT OF INTERNATIONAL TELECOMMUNICATIONS ACT

Mr. BLILEY. Mr. Speaker, I call up the conference report on the Senate bill (S. 376) to amend the Communications Satellite Act of 1962 to promote competition and privatization in satellite communications, and for other purposes.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Pursuant to the rule, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of March 2, 2000, at page H636.)

The SPEAKER pro tempore. The gentleman from Virginia (Mr. BLILEY) and the gentleman from Michigan (Mr. DINGELL) each will control 30 minutes.

The Chair recognizes the gentleman from Virginia (Mr. BLILEY).

GENERAL LEAVE

Mr. BLILEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to include extraneous material on the conference report on S. 376.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. BLILEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, tonight the House will pass and send to the President the conference report on S. 376, very important legislation to privatize the intergovernmental satellite organizations.

The bill lowers prices for consumers and promotes the free enterprise market. It opens new opportunities for American companies seeking to do business overseas. It creates new and better jobs. It breaks up a cartel. It ends a monopoly.

I started working on this issue when I became chairman of the Committee on Commerce in 1995. The bill the gentleman from Massachusetts (Mr. MARKEY) and I introduced in the last Congress was reported out of the conference committee and passed 403 to 16. The bill we are considering today is based on and reflects the hard work we did back then.

This bill will lead to the pro-competitive privatization of the intergovernmental organizations, INTELSAT and Inmarsat.

INTELSAT, like the U.N., is a treaty-based organization, not a company. They cannot be sued, taxed, or regulated. Governments, not the market, determine its action.

INTELSAT is like the oil cartel OPEC. It is run by a combination of the world's governments and owned by a consortium of national telecommunications monopolies and dominant players: by government monopolies, for government monopolies, of government monopolies. Its supporters call it a ''cooperative.'' Where I come from, that is called a ''cartel.''

The INTELSAT system is like the post office. Its U.S. signatory COMSAT has a government-sponsored monopoly over access for its services in the U.S.

Our legislation puts an end to all this. Our legislation requires privatization and an end of the U.N.-like intergovernmental structure. It also ends the privileges and immunities.

Our legislation ends the cartel by freeing up the existing ownership structure.

Finally, our legislation ends the monopoly over access to INTELSAT from the U.S. held by COMSAT.

I should add that we do welcome a pro-competitive INTELSAT into the international marketplace.

I urge all Members to support this consensus conference report and submit a joint statement on behalf of myself and the ranking democrat of the Telecommunications, Trade and Consumer Protection Subcommittee, Mr. MARKEY.

JOINT STATEMENT OF PRIMARY ORIGINAL SPONSORS OF LEGISLATION COMMITTEE ON COMMERCE CHAIRMAN TOM BLILEY AND RANKING DEMOCRAT OF THE TELECOMMUNICATIONS, TRADE AND CONSUMER PROTECTION SUBCOMMITTEE EDWARD J. MARKEY

The Conference Report the House is considering today is based on the hard work we have done on this issue over the years. As the primary sponsors of this legislation in the House we believe it is important for us to clarify the meaning of several provisions in this legislation.

First, section 624(1) is, with one change discussed below, identical to section 624(4) in H.R. 3261 and an identical provision in the bill which passed the House in the last Congress. Circumstances have changed with respect to this particular section which require clarification of its meaning. Last August, ICO, also known as ICO Global Communications (Holdings) Ltd., declared bankruptcy and bankruptcy proceedings have been ongoing since then. All references in the Conference Report to ICO are viewed as references to the entity formally known as ICO Global Communications (Holdings) Ltd.

The policy reasons for section 624 were that Inmarsat should not be able to expand by repurchasing all or some of, or control, its spin-off, ICO. A primary purpose of the legislation is to dilute the ownership by signatories or former signatories of INTELSAT, Inmarsat and their spin-offs.

When the bankruptcy process is complete, the charter of ICO is likely to have fundamentally changed. First, the ownership structure is likely to be very different from that of Inmarsat. Most importantly, ICO is likely to be liquidated in bankruptcy and its assets and subsidiaries acquired by a new entity with an ownership structure will be very different from that of Inmarsat. This post-bankruptcy ''new-ICO'' will be controlled by new investors. Thus the policy reasons for the prohibition on ownership by ICO of Inmarsat no longer apply if it does indeed emerge from bankruptcy in such a reconstituted form. This would occur, for example, if

ICO emerges from bankruptcy in a structure that fully reorganizes the corporation so that there is no governmental ownership of the reconstituted company beyond the one percent ownership by Inmarsat permitted by section 624(1), where no officers or managers of the new company are simultaneously officers or managers of any signatory or hold positions in any intergovernmental organization, and where any transactions or other relationships between this reconstituted company and Inmarsat can be conducted on an arm's length basis.

Furthermore, the limitations of section 624 were never intended to apply to a company acquiring the assets of ICO or to investors in such a company. Thus the purchase of interests in Inmarsat of greater than one percent by ''new-ICO,'' or by investors in ''new-ICO,'' would not be prohibited by this legislation.

The one change in section 624 from H.R. 3261 was to allow the ownership of up to one percent of ICO by Inmarsat, which was likely to be the result of the bankruptcy proceedings.

Second, we have also inserted into the RECORD a letter dated February 12, 1997 from United States Trade Representative Ambassador Charlene Barshefsky which states USTR's finding that ''[w]e have also concluded that the United States cannot be forced to grant a license to a privatized ISO (should the ISO change its treaty status and incorporate in a country) or to a future privatized affiliate, subsidiary or other form of spin-off from the ISO. Existing U.S. communications and antitrust law, regulation, policy and practice will continue to apply to license applicants if a GBT deal goes into effect.''

It is clear that this legislation's provisions are consistent with the U.S. WTO obligations as applied to not only INTELSAT and Inmarsat, but also to their privatized successors and spin-offs.

Third, it is important to clarify section 648, which addresses exclusivity arrangements. This provision was contained in H.R. 3261 as section 649 and was described in Mr. BLILEY's extension of remarks on that bill. This provision applies to foreign market exclusivity whether it was obtained by actively seeking it or passively accepting it. This language is designed to prevent any satellite operator who serves the U.S. market from benefitting from exclusivity in any foreign market.

Mr. Speaker, I submit for the RECORD correspondence regarding the conference report.

FEBRUARY 28, 2000.

Hon. WILLIAM J. CLINTON,
President of the United States,
The White House, Washington, DC.

DEAR MR. PRESIDENT: We are writing to urge you to support international satellite telecommunications reform legislation. As you are aware, Chairmen Bliley and Burns and Representative Markey, principal sponsors of the House and the Senate bills now in conference, recently announced that a compromise has been reached on this satellite privatization legislation. The bills in conference, S. 376 and H.R. 3261, were quite different, although both had the stated purpose of promoting a competitive global market for international satellite communications. This is a very delicately balanced compromise that may well unravel if it is reopened.

The companies listed below represent every aspect of the U.S. commercial international satellite industry, as well as the largest U.S. users of international satellite services. We firmly believe that the compromise is fair and balanced. As with most compromises, none of the parties is entirely happy, but the compromise has gained significant support for being fair, reasonable, and timely. In fact, all of the U.S. companies involved in this legislative effort support it. It is critical that this long-overdue reform package, as represented by the recent compromise, be passed by Congress and signed by the President as soon as possible.

We urge you to support this compromise without modification and to expedite final enactment of this important telecommunications policy reform that is key to promoting U.S. competitiveness in the international marketplace.

Sincerely,

American Mobile Satellite Corporation; AT&T Corp.; Columbia Communications Corporation; Ellipso, Inc.; General Electric Company; Hughes Electronics Corporation; Iridium LLC, Level 3 Communications, Inc.; MCI WorldCom; PanAmSat Corporation; Sprint, and Teledesic Corporation.

TELECOMMUNICATIONS INDUSTRY ASSOCIATION,
Washington, DC, March 6, 2000.

Hon. WILLIAM JEFFERSON CLINTON,
The President of the United States,
The White House, Washington, DC.

DEAR MR. PRESIDENT: I am writing to you on behalf of the Telecommunications Industry Association (TIA) to urge you to sign the Conference Report to S. 376, the Open Market Reorganization for the Betterment of the International Telecommunications Act (ORBIT). TIA represents over 1000 suppliers of communications and information technology products on public policy, standards and marketing developing initiatives. Our member companies manufacture or supply virtually all of the products used in building and updating global communications networks.

We strongly support this important legislation. While the House and Senate bills were originally very different, under the leadership of Chairman Bliley, Senator Burns and Representative Markey, principal sponsors of the House and Senate bills, the conference managers were able to reconcile the differences between the House and Senate bills in order to achieve a truly bipartisan agreement. Not only is this bill widely supported in the House and Senate, but also it is strongly supported by every American industry group and all interested companies, from service providers to the entire satellite industry to all of the communications manufacturers and suppliers of TIA.

This consensus agreement is the key that will unlock the international satellite sector to competition. Enactment of this bill will create new jobs and new business opportunities for domestic satellite companies, who will at last be able to compete on a global scale. The manufacturers of TIA will only benefit from the enabling effect that this satellite reform legislation will have on the rapid deployment of new communications technologies.

TIA urges your swift approval of this bipartisan compromise, which has already passed the Senate by unanimous consent. After five long years of debate, the time for pro-competitive privatization is now. The sooner this agreement is enacted into law the sooner the American consumer will be able to reap the benefits of competition in the international telecommunications marketplace.

It is critical to American industry, consumers and workers that you sign this important legislation.

Sincerely,

MATTHEW J. FLANIGAN,
President, TIA.

NEW SKIES,
March 8, 2000.

Senator CONRAD BURNS,
Chairman, Senate Commerce, Science and Transportation Committee, Subcommittee on Communications, Washington, DC.
Representative THOMAS J. BLILEY, Jr.,
Chairman, House Commerce Committee, Washington, DC.

DEAR SENATOR BURNS AND REPRESENTATIVE BLILEY: On behalf of New Skies Satellites N.V. (''New Skies''), I am writing to endorse the version of S. 376, the ''Open-market Reorganization for the Betterment of International Telecommunications Act'' (the ''ORBIT Act''), that recently was approved by the committee of conference and that was passed by the Senate on March 2, 2000. Although New Skies had concerns with earlier drafts of the legislation, I am pleased that, as a result of constructive discussions with the conferees and their staffs, these concerns have been redressed in the current version of the ORBIT Act.

New Skies believes that the ORBIT Act now provides an appropriate framework within which to regularize New Skies' continued access to the U.S. market and to foster a vibrant and competitive market for international satellite services. Specifically, the ultimate passage of the ORBIT Act will ensure that New Skies will be able to provide high quality satellite services to, from and within the United States on a long term basis, thereby increasing competition and securing the pro-competitive objectives of the authors of the legislation. Plainly the true beneficiaries of this important legislation are U.S. satellite users and the American citizens they serve.

Sincerely,

ROBERT W. ROSS,
Chief Executive Officer.

CHAMBERS ASSOCIATES INCORPORATED,
Washington, DC, March 1, 2000.

Hon. WILLIAM J. CLINTON,
President of the United States,
Washington, DC.

DEAR MR. PRESIDENT: I am writing on behalf of Inmarsat Holdings Ltd. (Inmarsat) to say that Inmarsat now supports the international satellite privatization bill, the ''Open-Market Reorganization for the Betterment of International Telecommunications Act.''

As Inmarsat's Washington representative, I am authorized to say that in light of important changes made to the legislation earlier today, Inmarsat now endorses the bill in its modified form.

Sincerely,

W. ALLEN MOORE,
Vice President.

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE,
Washington, DC, February 12, 1997.

Mr. KENNETH GROSS,
President and Chief Operating Officer,
Columbia Communications, Bethesda, MD.

DEAR MR. GROSS: I am writing in reply to a letter of January 31, 1997, from your legal counsel, regarding the negotiations on basic telecommunications services at the World Trade Organization. The U.S. goal in these negotiations is to strengthen the ability of the U.S. satellite services industry to compete globally, and on a level playing field, with the inter-governmental satellite services organizations and with satellite service providers of other countries.

The United States has taken a number of steps to make certain that our key trade partners provide market access for satellite-based delivery of basic telecom services. Based on a note issued by the chairman of

the negotiations in November, 1996, which has become part of the formal record of the proceedings, we have clarified the scheduling approach with regard to satellites. As a result, close to forty countries have made offers that would provide full market access for satellite-based delivery of all scheduled services on an immediate or phased-in basis.

WTO members that make specific commitments on satellites will be subject to allocating and assigning frequencies in accordance with the principles of most-favored-nation and national treatment, as well as in accordance with the requirement for domestic regulations in the General Agreement on Trade in Service. Almost all of the countries making full satellite commitments have also adopted the reference paper on pro-competitive regulatory commitments. As a result, they will be obligated to provide additional regulatory safeguards with respect to allocation and use of radio frequencies.

A successful agreement on basic telecom services would also obligate those countries which have not made satellite commitments to provide treatment no less favorable to satellite service providers of the United States than the treatment provided to service suppliers of other countries. This would apply, for example, to how WTO members reach decisions regarding new market access arrangements involving service suppliers of other countries.

I share your deep concern regarding the possible distortive impact on competition in the U.S. satellite services market of certain proposals for restructuring INTELSAT. The United States has proposed a restructuring of INTELSAT that would lead to the creation of an independent commercial affiliate, INTELSAT New Corporation (INC). If made independent, the United States believes that the creation of INC will enhance competition and help ensure the continuation of INTELSAT's mission of global connectivity for core services. As you are aware, however, many INTELSAT members are resisting the idea of independence for INC and we believe that a failure to achieve independence could adversely affect competition in the U.S. satellite services market. In the WTO negotiations we have taken pains to preserve our ability to protect competition in the U.S. market.

Our legal conclusion, for which there is a consensus among participants in the WTO negotiations, is that the ISOs do not derive any benefits from a GBT agreement because of their status as treaty-based organizations. The status of ISOs was discussed in detail in the GBT multilateral sessions. No delegation in the GBT negotiations has contested this conclusion.

We have also concluded that the United States cannot be forced to grant a license to a privatized ISO (should the ISO change its treaty status and incorporate in a country) or to a future privatized affiliate, subsidiary or other form of spin-off from the ISO. Existing U.S. communications and antitrust law, regulation, policy and practice will continue to apply to license applicants if a GBT deal goes into effect. Both Department of Justice and FCC precedent evidence long-standing concerns about competition in the U.S. market and actions to protect that competition. We have made it clear to all our negotiating partners in the WTO that the United States will not grant market access to a future privatized affiliate, subsidiary or other form of spin-off from the ISOs, that would likely lead to anti-competitive results.

It has always been U.S. practice to defend vigorously any challenge in the WTO to allegations that U.S. measures are inconsistent with our WTO obligations. There is no question that we would do the same for any FCC decision to deny or condition a license to access an ISO or a future privatized affiliate, subsidiary or other form of spin-off from the ISO. For your information, section 102(c) of the Uruguay Round Agreements Act, specifically denies a private right of action in U.S. courts on the basis of a WTO agreement. Therefore, a FCC decision is not subject to judicial review in U.S. courts based upon a WTO agreement, such as the General Agreement on Trade in Services.

The United States is confident that it would win if a U.S. decision went to WTO dispute settlement. If the United States did not prevail, however, we would not allow trade retaliation measures to deter us from protecting the integrity of U.S. competition policy.

I appreciate the support your firms' representatives have expressed for our objectives in the WTO negotiations.

Sincerely,

CHARLENE BARSHEFSKY,
U.S. Trade Representative-Designate.

Mr. BLILEY. Mr. Speaker, I reserve the balance of my time.

Mr. DINGELL. Mr. Speaker, I yield myself such time as I may consume.

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

Mr. DINGELL. Mr. Speaker, I rise in support of the conference report.

This bill would mandate privatization of two international treaty organizations, INTELSAT and Inmarsat, according to a specific timetable and criteria. Privatization of these organizations has been a goal for us in the Congress for a number of years.

It is interesting to note that these treaty groups themselves have been working diligently towards privatization. They have demonstrated their commitment to this goal, because to do so is in their own interest. In fact, Inmarsat has already privatized and INTELSAT is well on its way to accomplishing this end.

Any opposition I had to the House-passed bill was based on my belief that the privatization criteria carried in the legislation were too dictatorial and had little chance of being accomplished in their original form. I am happy to report that some of the more onerous provisions in the House bill have been removed in conference. I believe the conference report is now worthy of support.

Specifically, I am pleased that the provisions were added in conference that protect national security and public safety agencies from losing the INTELSAT services they need to perform their missions. I am also satisfied that U.S. companies who rely on INTELSAT will be given a voice in the FCC licensing process before INTELSAT services may be curtailed. The bill was also improved by removing an unconstitutional provision that would have nullified existing legal contracts.

Finally, Mr. Speaker, I would like to mention another important change in this legislation that persuaded me to sign the conference report. It involves the treatment of spin-off companies, or so-called ''separated entities,'' from INTELSAT. The original House-passed bill inappropriately singled out a specific company that was already spun off from INTELSAT, has since been incorporated, and is known as New Skies Satellites.

The earlier version contained provisions that would have been punitive towards that company, apparently because the drafters believed the company might not be a true competitor for INTELSAT. This is, of course, not so. In recognition of that impending IPO, and New Skies' clear demonstration to the marketplace of its independence, the majority of the conferees of the House, including myself, insisted on changes to remove any doubt that New Skies meets the licensing criteria contained in the bill.

I would like to thank my good friends, the gentleman from Virginia (Mr. BLILEY), and Chairman BURNS, from the other body, for working with me to include these important changes and making it one we can all support. I am happy to have assisted in making the legislative history of this particular provision.

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

Mr. BLILEY. Mr. Speaker, I yield such time as he may consume to the gentleman from Louisiana (Mr. TAUZIN), the chairman of the Subcommittee on Telecommunications, Trade, and Consumer Protection of the Committee on Commerce.

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

Mr. TAUZIN. Mr. Speaker, I simply want to join my colleagues, the chairman of our committee, the gentleman from Virginia (Mr. BLILEY), who has made a very important announcement this week about his own retirement, in the success of this work and so many works that he has carried through our Committee on Commerce over the years of his stewardship. All of us owe a debt of gratitude to him for his leadership on our committee, and on this bill in particular.

As the gentleman said, it has been a bill that he has worked on throughout his stewardship as chairman of our committee; and he has brought it to a compromise position now where Members on both sides of the aisle, antagonists for many years over this bill, have come to common agreement.

I want to thank him in particular for working out the concerns that I have had over the years with the provisions called ''fresh look,'' which I believe would have abrogated contracts.

2200

I will be very careful in watching the implementation of this legislation to ensure that the FCC does in fact respect the sanctity of contracts as this legislation is implemented.

But, most importantly, I want to thank the gentleman from Virginia (Chairman BLILEY) and the gentleman from Michigan (Mr. DINGELL), the ranking minority member, for the extraordinary way in which the final conference indeed answered the concerns

of many of us with regard to the implementation of this legislation and has arrived at a point where we can all agree that this does in fact accomplish the goals of privatization and of open market competition and, more importantly, add new elements, new companies and new competition and choices for Americans in satellite service.

This has been a long fight for the gentleman from Virginia (Chairman BLILEY). Tonight represents a very big victory for him in his efforts toward achieving open markets and satellite competition and for choice for consumers. I think we all owe him, as I said, a debt of gratitude and compliment him on his good work.

Mr. Speaker, I rise in strong support of this compromise agreement and conference report and urge all the Members of our body to adopt it and send it on to the President.

I would like to commend my colleagues on both sides of the aisle and on both sides of the Capitol for their work on the compromise satellite privatization legislation crafted by this conference. The effort to create a new policy framework that more accurately reflects the emerging global satellite marketplace than does current satellite communications law, has been a bi-partisan one. I am pleased that we have finally reached this point where we have before us prudent and reasonable compromise legislation that will privatize INTELSAT and Inmarsat in a competitive manner, and will also ensure that the United States continues to enjoy its position as a world leader in global satellite communications technology and service. Moreover, this compromise legislation will enable the completion of Lockheed Martin's proposed $2.7 billion dollar acquisition of COMSAT, which will further enhance market competition.

I am pleased that the legislation repeals unconditionally upon enactment the current ownership restrictions on COMSAT that have prevented Lockheed Martin from purchasing 100% COMSAT. COMSAT has carried out its job as the U.S. signatory to INTELSAT quite successfully. However, COMSAT's business performance acutely demonstrates that COMSAT must reinvent itself if it is to better react to the ever-evolving marketplace. Because of its inability to swiftly take advantage of new market opportunities, COMSAT, over the years, has experienced a steady decline in market share. This compromise legislation unshackles COMSAT from the antiquated regulatory burdens that have to date hampered its success. This legislation enables Lockheed Martin to complete its acquisition of COMSAT. By fortifying COMSAT, through an infusion of financial and human capital, Lockheed Martin will transform COMSAT into a vibrant commercial company, thereby introducing a new American company in the satellite services marketplace. Consumers will be the beneficiaries of this increasingly vibrant satellite marketplace as competition brings about lower prices, superior technology and greater choices.

As a fervent protector of property rights, I am pleased to note that this compromise satellite privatization legislation recognizes the property rights of the industry participants. Specifically, the legislation does not contain any "fresh look" provisions. To include "fresh look" would allow the Federal Government to permit COMSAT's corporate customers to abrogate their current contracts with COMSAT. The "fresh look" provisions were rejected by both chambers because they amounted to an unconstitutional takings of COMSAT's property and violated the 5th Amendment's Takings Clause which prohibits the government from taking private property without just compensation. No one can doubt that COMSAT has a property interest in its existing contracts. Indeed, this asset represented a significant portion of the $2.7 billion dollar purchase price of COMSAT offered by Lockheed Martin. This constitutional violation would have subjected the U.S. Government—and the taxpayers—to substantial claims for damages. In that same vein, this conference agreement wisely rejects Level IV direct access—a provision like "fresh look" that would have forced COMSAT to divest its investment in INTELSAT at fire sale prices before INTELSAT's privatization. I will watch the Commission closely as it implements this legislation to ensure that it does not force the abrogation of contracts or other such agreements.

In fact, one of the primary marketplace successes that will grow out of this conference agreement will be the benefit to customers and consumers from unshackling a new competitor in the satellite industry from the restrictions placed upon it last summer by the FCC. Although at an earlier point in this process some Members viewed INTELSAT's spinoff of New Skies Satellites with suspicion, New Skies has proven itself to be a persistent and independent competitor—even in the face of limitations imposed by the FCC on its access to the U.S. market. By the time the conferees arrived at the negotiating table, New Skies was well on its way to an initial public offering of stock. If conducted within the broad time frame established by the conferees, the IPO will entitle New Skies to full and nondiscriminatory U.S. market access under the bill. I want to express my appreciation to Chairman BLILEY and ranking Member MARKEY, as well as to Chairman BURNS, for responding affirmatively to the concerns of other House conferees that the New Skies issue be addressed. Once the New skies IPO is done and its stock is trading publicly, the underlying purposes of this legislation will have been met. Thus, I am confident that the FCC will respond by removing the discriminatory conditions it previously placed on New Skies' ability to extend the full benefits of vigorous market competition to American customers.

Again, I commend my colleagues for their hard work in developing the proper framework to inject genuine competition in the international satellite marketplace by privatizing INTELSAT and Inmarsat in a meaningful way and for allowing the transformation of COMSAT, a company that has served this country well.

Mr. DINGELL. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Massachusetts (Mr. MARKEY).

Mr. MARKEY. Mr. Speaker, I thank the gentleman very much for yielding me the time.

Mr. Speaker, this is a very, very historic evening. Tonight, as we pass this legislation, we break down the final governmentally-sanctioned monopoly that had been granted over the last decades to private telecommunications companies.

We did the bulk of the work in the 1992 Cable Act and in the 1996 Telecommunications Act, but this was the last refuge of the last monopoly; and, as of tonight, it too has ended.

I want to congratulate the chairman, the gentleman from Virginia (Mr. BLILEY), for his excellent work on this bill. I have worked very closely with him over the last counsel of terms on this legislation. Although, I have to admit that I did introduce the first bill back in 1983. Although, most of my last couple of decades was notable for its lack of success in legislating in this area. But I think the inexorable momentum of the move toward the privatization of telecommunications companies has in fact finally swept down this final barrier, as well.

I want to congratulate the gentleman from Louisiana (Mr. TAUZIN) and the gentleman from Michigan (Mr. DINGELL). Working together with them, we have been able to craft I believe a compromise that works for everyone. The gentleman from Ohio (Mr. OXLEY) has been there all the way. This is, without question, compromise at its best. Over in the Senate, Senator BURNS, without question, was leading the way.

Back in 1962 when COMSAT was formed, it would have been inconceivable that a private company would be able to launch satellites. So, as a result, the Government had to grant monopolies. But since the beginning of the 1990s, and really back in the 1980s, when Rene Anselmo of PanAmSat came on the scene, it was clear now we had reached the point where private sector companies could compete. And, in fact, the United States is far in the lead in these areas. And, so, this legislation really does help to make it possible to open up that competition even further.

I want to congratulate the staffers, Ed Hearst and Mike O'Rielly, Cliff Riccio, Monica Azare, Andy Levin, and David Schuler, along with Collin Proel on my staff who has been working on this bill for 4 years. This has been a long, long effort; and I know, just through Collin's work, how much time and how much negotiation has gone into it.

This is a good bill. And as we finish tonight, hopefully enacting it unanimously, we will open up a brand new era of competition in the skies of this world and that will be a good thing.

I congratulate again the chairman, along with the gentleman from Louisiana (Mr. TAUZIN) and the gentleman from Michigan (Mr. DINGELL) and the gentleman from Ohio (Mr. OXLEY). This is a good bill.

Mr. BLILEY. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio (Mr. OXLEY).

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

Mr. OXLEY. Mr. Speaker, let me begin by thanking the gentleman from

Virginia (Mr. BLILEY), the chairman of the full committee, who has shown immense leadership in this issue and one that we have dealt with for a number of years.

I did not realize it was 1983 when the gentleman from Massachusetts (Mr. MARKEY) first introduced his legislation. But in the true spirit of the Committee on Commerce, we were able to craft a compromise that will truly change the satellite industry for the better based on competition, new technologies, and breaking up the last monopoly, as my friend from Massachusetts (Mr. MARKEY) said.

So my hat is off to the chairman on his efforts in this very important piece of legislation, along with the gentleman from Michigan (Mr. DINGELL) and the gentleman from Massachusetts (Mr. MARKEY) and the gentleman from Louisiana (Mr. TAUZIN) and Senator BURNS and others on the Senate side for bringing us to where we are tonight.

There were times when I did not think we were going to be successful in our efforts. Too many times this bill reached a Sisyphus proportions where we were perhaps doomed to roll that rock up the proverbial mountain and have it rolled back, as my friend from Massachusetts (Mr. MARKEY) reminds us so many times on some of these pieces of legislation.

But I guess if it was easy, we would have done it long ago. And so our hats are off to the chairman; and as he is a retiring Member, this will be perceived as one of his greatest triumphs for our committee and for the entire country and for this he is to be congratulated.

So I thank everyone involved with this.

Mr. DINGELL. Mr. Speaker, I have no more requests for time, and I yield back the balance of my time.

Mr. BLILEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I just want to thank again the gentleman from Michigan (Mr. DINGELL) for his cooperation and particularly thank the gentleman from Massachusetts (Mr. MARKEY) who labored on this long before I got really into the picture and has been invaluable in his help in moving us to this time.

Mr. PALLONE. Mr. Speaker, I rise to commend the efforts of Chairman BLILEY, Mr. DINGELL, Mr. MARKEY, Mr. TAUZIN, Mr. OXLEY and our friends in the other body for reaching a consensus on legislation to promote more competition in the satellite communication industry. The conference agreement on S. 376 is landmark legislation that will finally update our nation's satellite communication laws for the 21st century.

I am pleased that the conference agreement is a bipartisan bill that will encourage the privatization of INTELSAT without imposing unreasonable restrictions or penalties that will hurt consumers. Of course, if INTELSAT thumbs its nose at the standards set forth in this bill for a pro-competitive privatization, its ability to offer services in the United States could be hindered dramatically. However, this leverage is necessary to ensure that INTELSAT truly privatizes, and to ensure that we finally have a level playing field in the satellite services market.

I am also pleased that the conferees made several necessary changes to the conference agreement to ensure that the Department of Defense and other agencies that protect our national security would not be harmed by any limitations imposed upon INTELSAT if it were to fail to privatize in a timely manner. This bill is explicit in its protection of our national security interests, and I especially want to thank Mr. DINGELL, the Ranking Member of the Commerce Committee, for including this language in the bill.

It is also important to note that this bill eliminates several antiquated statutes that have hindered the growth and expansion of satellite communications companies. In particular, this bill will enable Lockheed Martin to complete its acquisition of COMSAT Corporation. I am confident that this merger will enhance competition in the satellite services market, and I urge the FCC to act on this merger as soon as possible. American companies like Lockheed Martin and COMSAT deserve the right to compete in the global satellite market now without any further delay.

I want to thank all of the members and staff who worked so hard on this important legislation. I urge its immediate adoption.

Mr. SHAYS. Mr. Speaker, I rise in support of S. 376, the Communications Satellite Competition and Privatization Act, and commend House Commerce Chairman TOM BLILEY and Congressman EDWARD MARKEY for their work in crafting this important legislation. This bill is yet another feather in their cap—another important step in Congress's ongoing efforts to deregulate the telecommunications industry.

S. 376 will enhance competition and open foreign markets for U.S. companies by promoting the privatization of the intergovernmental satellite organizations—called Intelsat and Inmarsat—that dominate international commercial satellite communications. These organizations operate as a cartel-like structure comprised of the national telephone monopolies and dominant companies of its member organizations.

The provisions contained in S. 376—which will update policies dating back to 1062—are long overdue. I don't think anyone in this Congress needs to be told the extent to which communications technology has changed in the past 40 years.

Back in 1962, it was widely believed that only governments could finance and manage a global satellite system. Today, however, two companies in my own district—GE Americom and PanAmSat—are among the private companies that offer high-quality international services. These companies have launched private sector ventures that must compete with Intelsat, an intergovernmental behemoth.

Yet, we still have the same structure for international satellite communications that was designed before Neil Armstrong walked on the moon. The result is a distorted marketplace, stifled competition and innovation, and increased prices for consumers.

Mr. Speaker, the promotion of a competitive satellite communications marketplace is a goal we should all support and I urge my colleagues to support this pro-trade, pro-consumer bill.

Mr. BLILEY. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

ANNUAL REPORT ON FEDERAL ADVISORY COMMITTEES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Government Reform:

To the Congress of the United States:

As provided by the Federal Advisory Committee Act (FACA), as amended (Public Law 92–463; 5 U.S.C., App. 2, 6(c)), I hereby submit the Twenty-seventh Annual Report on Federal Advisory Committees, covering fiscal year 1998.

In keeping with my commitment to create a more responsive government, the executive branch continues to implement my policy of maintaining the number of advisory committees within the ceiling of 534 required by Executive Order 12838 of February 10, 1993. Accordingly, the number of discretionary advisory committees (established under general congressional authorizations) was again held to substantially below that number. During fiscal year 1998, 460 discretionary committees advised executive branch officials. The number of discretionary committees supported represents a 43 percent reduction in the 801 in existence at the beginning of my Administration.

Through the planning process required by Executive Order 12838, the total number of advisory committees specifically mandated by statute also continues to decline. The 388 such groups supported at the end of fiscal year 1998 represents a modest decrease from the 391 in existence at the end of fiscal year 1997. However, compared to the 439 advisory committees mandated by statute at the beginning of my Administration, the net total for fiscal year 1998 reflects nearly a 12 percent decrease since 1993.

The executive branch has worked jointly with the Congress to establish a partnership whereby all advisory committees that are required by statute are regularly reviewed through the legislative reauthorization process and that any such new committees proposed through legislation are closely linked to compelling national interests. Furthermore, my Administration will continue to direct the estimated costs to fund required statutory groups in fiscal year 1999, or $45.8 million, toward supporting initiatives that reflect the highest priority public involvement efforts.

Combined savings achieved through actions taken during fiscal year 1998 to eliminate all advisory committees that