

“(A) The amount to be paid as a deposit for a DTV license under paragraph (1)—

“(i) may be paid to the Commission in installments over a 15-year period beginning on the date on which the license is assigned; and

“(ii) shall be held in escrow and invested in interest-bearing obligations of the United States.

“(B) Amounts received as interest earned on deposits held in escrow under subparagraph (A) shall be available to the United States for tax reduction or deficit reduction purposes.

“(C) Fifteen years after a DTV license is assigned to an NTSC licensee under paragraph (1), the licensee may relinquish its NTSC license or its DTV license. If an NTSC licensee relinquishes either license under this subparagraph, then the amount of the deposit paid by the licensee shall be returned to the licensee, without interest, reduced by 20 percent for each year the licensee continues NTSC operations in excess of the 15-year period beginning on the date on which the DTV license is assigned to the licensee.

“(b) EXISTING NTSC LICENSES.—

“(1) GRANT OF FLEXIBILITY.—An NTSC licensee with a valid NTSC license on the date of enactment of the Electromagnetic Spectrum Management Policy Reform and Privatization Act—

“(A) may provide standard NTSC television service after such date of enactment;

“(B) may transfer its NTSC license to any other person who is qualified to be an NTSC licensee; and

“(C) shall enjoy flexibility in use (within the meaning of that term as used in section 337(a) of the license, subject to technical limits imposed by the Commission to prevent interference to DTV and other NTSC assignments.

“(2) REDUCTION OR DISCONTINUANCE OF NTSC SERVICE.—An NTSC licensee may not reduce or discontinue any NTSC service unless the licensee provides comparable replacement for such service free to viewers, as defined and approved by the Commission, including necessary receiving equipment for all such service to be displayed on standard NTSC receivers. An NTSC license relinquished by a licensee who provides such comparable free replacement service may not be reassigned by the Commission.

“(3) REASSIGNMENT OF ABANDONED OR REVOKED LICENSES.—An NTSC license that is—

“(A) abandoned by the licensee without providing comparable free replacement service (within the meaning of such term as it is used in paragraph (2) of this subsection); or

“(B) revoked by the Commission, shall be reassigned by the Commission by auction for standard NTSC service, with the same flexibility in use rights provided to other NTSC licensees.

“(c) ASSIGNMENT OF NEW OVERLAY LICENSES.—

“(1) IN GENERAL.—The Commission shall assign overlay licenses by a simultaneous, multiple round auction. Any spectrum previously encumbered by NTSC or DTV licenses that have been relinquished shall be available for use by overlay licensees in accordance with such terms and conditions, consistent with the other provisions of this section, as the Commission may establish.

“(2) USE.—An overlay licensee—

“(A) shall enjoy flexibility in use (within the meaning of that term as used in section 337(a) of the license, subject to—

“(i) power limits set by the Commission at the boundaries of the spectrum block and service area; and

“(ii) such additional technical restrictions as may be imposed by the Commission to protect NTSC and DTV licensees, and au-

thorized land mobile services, from harmful interference;

“(B) may aggregate multiple overlay licenses to create larger spectrum blocks and service areas; and

“(C) may transfer an overlay license to any other person qualified to be an overlay licensee.

“(d) DEFINITIONS.—For purposes of this section—

“(1) DTV.—The term ‘DTV’ means digital television.

“(2) NTSC.—The term ‘NTSC’ means the National Television Systems Committee.

“(3) NTSC LICENSEE.—The term ‘NTSC licensee’ means a licensee assigned a television channel allotted for full power television service under the Commission’s rules.

“(4) OVERLAY LICENSE.—

“(A) IN GENERAL.—The term ‘overlay license’ shall be defined by the Commission.

“(B) INDIVIDUALLY.—As defined by the Commission, each overlay license shall cover—

“(i) a block of one or more contiguous 6 megahertz channels; and

“(ii) a contiguous geographic area, as determined by the Commission.

“(C) COLLECTIVELY.—As defined by the Commission, overlay licenses shall cover collectively—

“(i) all 402 megahertz of spectrum in the VHF and UHF television bands; and

“(ii) the entire area of the United States.

“SEC. 339. COMMISSION MAY NOT ESTABLISH DTV STANDARDS OR DTV RECEPTION SET REQUIREMENTS.

“Notwithstanding any other provision of law to the contrary, the Commission may not—

“(1) establish DTV (as defined in section 338(d)(1)) standards; nor

“(2) require that television receivers manufactured in, or imported into, the United States be capable of receiving and decoding DTV signals.”.

SEC. 11. REPEAL OF FEES IMPOSED ON BROADCASTERS FOR ANCILLARY AND SUPPLEMENTARY SERVICES.

Section 336 of the Communications Act of 1934 (47 U.S.C. 336) is amended—

(1) by striking subsection (e); and

(2) by redesignating subsections (f) and (g) as subsections (e) and (f).

SEC. 12. SPECTRUM REPORT.

Two years after the date of enactment of this Act, the Commission shall report the results of implementation of this Act, together with a cost-benefit analysis of such results, and any recommendations for additional legislation related thereto, to the Committee on Commerce, Science, and Transportation of the Senate and to the Committee on Commerce of the House of Representatives.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent and referred as indicated:

H.R. 2980. An act to amend title 18, United States Code, with respect to stalking; to the Committee on the Judiciary.

The following concurrent resolution was read and referred as indicated:

H. Con. Res. 150. Concurrent resolution authorizing the use of the Capitol Grounds for an event displaying racing, restored, and customized motor vehicles and transporters; to the Committee on Rules and Administration.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2543. A communication from the Managing Director of the Federal Communications Commission, transmitting, pursuant to law, the report of an interim rule relative to a freeze on paging applications (received on April 26, 1996); to the Committee on Commerce, Science, and Transportation.

EC-2544. A communication from the Secretary of the Federal Trade Commission, transmitting, pursuant to law, the report of rules relative to Premerger Notification and Trade Regulation (received on April 26, 1996); to the Committee on Commerce, Science, and Transportation.

EC-2545. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a final rule (RIN 2125-AC17); to the Committee on Environment and Public Works.

EC-2546. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of final rules (FRL-5455-4, FRL-5454-6, FRL-5455-4, FRL-5451-9, FRL-5463-9, FRL-5459-3, FRL-5463-1, FRL-5462-7, FRL-5424-2, FRL-5458-9, FRL-5464-1, FRL-5448-9, FRL-5461-7, FRL-5452-6, FRL-5465-1, FRL-5461-2); to the Committee on Environment and Public Works.

EC-2547. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of final rules (RIN 2137-AC79, RIN 2120-AA65, RIN 2120-AA65, RIN 2120-AA66, RIN 2127-AG22, RIN 2127-AG28, RIN 2127-AF68, RIN 2127-AF79, RIN, RIN 2127-AF65, RIN 2127-AG30, RIN 2115-AB47, RIN 2120-AA64, RIN 2137-AC69) (received April 29, 1996); to the Committee on Commerce, Science, and Transportation.

EC-2548. A communication from the Acting Assistant Secretary of State, Legislative Affairs, transmitting, pursuant to law, a report on military expenditures for countries receiving U.S. assistance; to the Committee on Appropriations.

EC-2549. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of final rules (FRL-5465-5, FRL-5458-8, FRL-5465-9, FRL-5467-9, FRL-5359-5, FRL-5364-5, FRL-5358-5, FRL-5365-2, FRL-5362-9, FRL-5360-3, FRL-4995-8, FRL-5365-6) received on April 30, 1996; to the Committee on Environment and Public Works.

EC-2550. A communication from the Director of the Office of Regulatory Management