

the budget shortly after it is designed to be balanced.

It is clear to me that many Members of this body are only interested in using the balanced budget debate as a pretense to grant expensive new tax cuts. We are now so close to finally balancing the budget, it makes absolutely no sense to me to start moving in the opposite direction with tax measures that will drive up the deficit.

If we would simply pass the spending reforms called for by this year's budget resolution, and do no harm by enacting new tax cuts, we would balance the budget before the end of the century and achieve a surplus of at least \$20 billion in the year 2002. This, I believe, is the wisest course of action because it allows us to invest for the future needs of this country, and ensure that we do not produce a budget that is a 1-year wonder, balancing in the year 2002, but becoming unbalanced shortly thereafter.

Mr. Speaker, now more than ever it is imperative that Members of both parties, along with the President, come together in a unified effort. We must take this opportunity to pass meaningful entitlement reform, hold off on granting expensive tax cuts until we can afford them, and keep our promise to balance the budget once and for all.

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#### THE SPECTRUM GIVEAWAY IS A MISNOMER

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997, the gentleman from Florida [Mr. STEARNS] is recognized during morning hour debates for 5 minutes.

Mr. STEARNS. Mr. Speaker, you might title my 5 minutes this afternoon "The Spectrum Giveaway is a Misnomer." The spectrum issue has generated a lot of misinformation, and as a member of the Subcommittee on Telecommunications, Trade and Consumer Protection, I feel obliged to clear up the confusion. Some pundits and politicians have the notion that providing broadcasters access to the digital spectrum represents a massive giveaway. They are not understanding the point.

But first let us talk about what the spectrum is. It is broadcast airwaves, a series of frequencies for transmitting signals. The spectrum had no impact on human life until Mr. Farnsworth developed broadcast television. I might add, Mr. Speaker, that there is a statue of Mr. Farnsworth in Statuary Hall here in the Capitol.

Almost literally, something was made from nothing. Over the years, the media have invested billions of dollars to put the previously idle analog spectrum to productive use. As a Nation, we have benefited from these broadcasts through weather alerts, political debates and coverage of the first Moon walk.

With the advent of high definition technologies, the broadcasters need access to a new spectrum, the digital

spectrum. Again, the broadcasters will invest billions of dollars to deliver free TV over these frequencies. Individual stations will also have to convert at a cost of up to \$20 million each.

Now, obviously, this is a huge cost, particularly for most broadcasters in small- and medium-sized markets like many in my home State of Florida, where they have assets under \$10 million. However, there are many who want broadcasters to give up the old analog spectrum, spend billions of dollars on new equipment to convert to digital TV, and then continue to deliver free TV and pay for the digital spectrum all together. Well, it cannot be done.

Mr. Speaker, heaping auction costs on top of this transition cost will make it virtually impossible for many local broadcasters to provide free, over-the-air programming in the digitized world. It does not take a genius to figure out that if enough broadcasters are forced out of these auctions by these costs, consumers will have fewer choices in their viewing options.

Mr. Speaker, I do not agree with those advocating the up-front auction of the digital spectrum loaned to broadcasters. These advocates should look at this issue in the proper context. In the 1980's, the government and broadcasters developed an understanding to develop and promote high definition television over digital transmissions. The Federal Communications Commission, with the endorsement of Congress, agreed to provide broadcasters an additional 6 megahertz of spectrum. This added 6 megahertz of spectrum is necessary to assure that the old analog transmissions, current over-the-air TV, is not disrupted in the transition to digital transmission.

This does not mean that I support a government giveaway to the media. We can still, Mr. Speaker, generate government revenue from this exchange, and let me explain.

Once the transition from analog to digital is completed, we can then auction off the analog spectrum for cellular and other transmissions. In addition, the government may charge broadcasters a fee if they provide ancillary service such as paging or faxing in the new digital spectrum.

Last week William Safire, a leading columnist, called this exchange a sweet payoff to broadcasters and compared it with the prospect of, "giving Yellowstone National Park to the timber companies." Mr. Speaker, I wish to offer a different analogy this afternoon: The Homestead Act of 1862.

Mr. Speaker, through this act, the Federal Government parceled out billions of acres of what it considered worthless western land. Now a settler received a 160-acre plot of land and the government got a pledge that the land would be cultivated and put to productive use. What was then considered the "great American desert" is now among the most valuable land in the world.

My position is that a rational approach providing a win-win situation

for all should be involved. The government wins because its coffers will be filled with analog action proceeds and fees from supplemental digital services. Those who care about free, over-the-air broadcasting win because television will not be interrupted in the transition from analog to digital. Broadcasters win because they will remain competitive in the new information age. But above all, consumers win with continued free access to news and information and more competition among information and entertainment providers.

The up-front auction of the digital spectrum could be a roadblock to the new era of communications. Combined with other technologies, digital TV will yield a single box sitting in our living rooms; one device functioning as our TV, telephone, computer, modem, radio, and VCR. Mr. Speaker, let us not let misguided policies stand in the way of progress.

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#### RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until 2 p.m.

Accordingly (at 12 o'clock and 42 minutes p.m.), the House stood in recess until 2 p.m.

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□ 1400

#### AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore [Mr. GOODLATTE] at 2 p.m.

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#### PRAYER

The Chaplain, Rev. James David FORD, D.D., offered the following prayer:

O God, as You have brought us together from many backgrounds and diverse traditions, so we may strive to demonstrate a unity of spirit that reflects the solidarity You have given us at creation. We are grateful that we are blessed by our diversity and we learn from each other. We accept the challenge of celebrating our own heritage even as we celebrate the heritage of others. We thank You, gracious God, for our history as we pray that Your spirit will lead and guide us in the days ahead. This is our earnest prayer. Amen.

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#### THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

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#### PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Florida [Mr. HASTINGS]