PROMISES VS. PERFORMANCE: THE 1996 TELECOM ACT REVISITED

HON. J. DENNIS HASTERT

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 12, 1998

Mr. HASTERT. Mr. Speaker, two years ago, on February 8, 1996, virtually the entire bipartisan leadership of Congress and the Administration gathered to celebrate the passage of the Telecommunications Act of 1996. It was supposed to reduce regulation, foster competition, create new jobs, and expand customer choice.

But today, it is becoming increasingly clear that the Federal Government has not delivered on that commitment. Of course, everyone has someone else to blame. However, the fact remains that we have more regulatory roadblocks than ever. At every juncture, the FCC's approach has been to adopt more rules and regulations. Almost all of those actions have been overturned by the courts.

Why should this matter to consumers? Because it means that they aren't getting the benefits of lower prices and more choices.

Mr. Speaker, it's time for someone to get a handle on these runaway regulations, so I'm looking forward to the new commissioners stepping up to the task. My message to the FCC is simple—Congress is still looking for competition and more choice—let's allow the communications marketplace to work for the American people, not the lawyers of the regulatory bureaucracy.

TRIBUTE TO LOUIS R. MARCHESE

HON. SIDNEY R. YATES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 12, 1998

Mr. YATES. Mr. Speaker, a year ago Monday, on February 9, 1997, Mr. Louis R. Marchese, 65, died at his home in Arlington Heights, IL. I rise today to pay tribute to this fine man on the anniversary of his death.

I was acquainted with Lou Marchese through his son Steven, my Legislative Director for Foreign Operations Appropriations. Lou was a prominent lawyer in Illinois, nationally recognized for his work in the wholesale-distribution industry. More importantly, he was a man of integrity and high moral character.

Lou was the consummate self made man. His beginnings were humble; his parents were first generation Italians. He worked hard to rise above the trappings of poverty, and was the first in his family to attend college.

Education was a priority for Lou, and only took a backseat when he served in the Army during the Korean War. He later used the GI bill to attend law school at DePaul University in Chicago. He began his legal career at the Chicago Association of Commerce and Industry and it was there that he developed a lifelong affinity for the needs of the American businessman.

He was active in a number of industries, and was a leader among his peers. He served on the board of directors for many organizations and was instrumental in forming national, regional, and local trade associations to champion the rights of small, family-owned businesses.

During his long and distinguished career, he helped to build the law firm that would later bear his name, Halfpenny, Hahn, Roche & Marchese. Lou's expertise was sought in the areas of antitrust, trade regulation, and interstate taxation. He was well-published and the author of several books on the legal aspects of distribution.

He loved representing entrepreneurial firms, as he knew they were the backbone of a successful national economy. To achieve this end, he created the Distribution Research and Education Foundation, an organization dedicated to promoting wholesale-distribution.

Lou won recognition as a leading legal authority in the automotive industry, receiving the industry's leadership award in 1983. He also is one of only two individuals outside of the automotive field to be elected to the Automotive Hall of Fame.

Mr. Speaker, despite all of Lou's many accomplishments, he was proudest of all of his family. He is survived by his wife of 36 years, Marge, and his five children, Anne, Mary Ellen, John, Meg, and of course Steve. It is within these fine individuals that his legacy continues today.

I am honored to have known such an outstanding gentleman as Lou Marchese. His sense of humor and commanding presence will be sorely missed by all those whose lives he touched. Lou's death was a great loss to the legal community and to all whom had the pleasure to meet him. I consider myself lucky to have been one of them.

UNFULFILLED PROMISES: THE 1996 TELECOMMUNICATIONS ACT

HON. SCOTTY BAESLER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 12, 1998

Mr. BAESLER. Mr. Speaker, the etymology of the phrase ''buying a pig in the poke'' has a rich linguistic history that can be traced back to the 16th century. In those days, as in ours, it refers to ''something offered in such a way as to obscure its real nature or worth.'' The phrase is used these days to describe the growing sentiment regarding the Telecommunications Act of 1996.

When we voted on this legislation two years ago, we were promised a new era on the telecommunications frontier. We were promised better values for our consumers, greater competition, a higher level of local competition, and increased investments in local service facilities.

When this chamber passed the bill, we expected prompt and effective action from the Federal Communications Commission. We expected the FCC to give all consumers more long distance options and a greater array of services, in terms of local telephone and video service choices.

In my view, it seems that the FCC is moving in the wrong direction in allowing companies to compete for long distance services. This has been done at the expense of consumers and the regional Bell companies.

Although this is a tad tedious, the record speaks for itself. The FCC has attempted to subordinate state agencies through mandatory pricing ''guidelines'' and other requirements. Regrettably, the FCC has been joined by the U.S. Justice Department's Antitrust Division in expanding the scope of long distance ''checklist'' items.

Sadly, all Bell company applications to compete in long distance have been denied. This not only hurts the regional Bell companies, it also harms middle income and lower-income consumers in my Congressional District and across my home state. In Kentucky, for example, more than 60 agreements have been signed between BellSouth and competitors seeking to provide local telephone service to ''re-sell'' local service. In contrast to federal regulators, those closest to the ground know the value of fostering competition. In other words, state commissions continue to foster local exchange competition.

Across Kentucky we are seeing examples of competitors operating in Lexington and Louisville, where they can capture the more profitable business markets. Yet, we don't see a rush to introduce competitive services for residential customers.

In my view, it appears that there is a flaw either in the statute itself or with the manner in which the FCC is choosing to carry out its mandate. There's no doubt in my mind that we sorely need a collaborative approach by the FCC on this matter. This is what Congress expected when it voted on the Telecommunications Act. We still have this expectation.

In summary, we need an approach that is reasonable, balanced, specific and consistent with the clear intent of Congress. To do so, allows the Telecommunications Act of 1996 to achieve its intended worth and promised value to consumers and telecommunications companies. To do otherwise is to delay, or deny, the once-in-a-generation opportunity for consumers to benefit from a competitive and rapidly changing telecommunications market.

CAMPAIGN FINANCE REFORM

HON. RON KIND

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 12, 1998

Mr. KIND. Mr. Speaker, the American people are looking to us to pass meaningful campaign finance reform in order to restore their faith in the political process. The President of the United States has called for bipartisan campaign finance reform to restore fairness and structure to a system plagued by abuses and unfair advantage. Now, leaders of corporate America have spoken out demanding campaign finance reform to ensure that businesses do not feel obliged to make large campaign contributions. The House still fails to set a date for debate and ultimately, a vote. What group needs to speak out to get the attention of House leadership?

I will continue to deliver daily statements. Individuals and public and private interests will continue to speak out. The Senate will continue to do its job by voting on reform by March 6, 1998. Will the House continue to turn a deaf ear to a growing voice calling for reform? My constituents demand to be heard, they will not take ''no'' for an answer.