

MCCAIN will be introducing this legislation today as well.

It is our joint intention to combine our respective work product as two titles of the same bill, S. 1720, in a way that will clearly delineate the work product of each committee, but combine them into the seamless whole necessary to make the licenses work for consumers and the affected industries.

In conclusion, let me again thank the Majority Leader for his interest in and leadership with respect to these issues, and I thank the chairman of the Commerce Committee for his collegiality and cooperation in this process. I look forward to working with them and with our other colleagues on these important issues.

I ask unanimous consent that the text of the Chairman's mark substitute for S. 1720 be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[The material was not available for printing. It will appear in a future edition of the RECORD.]

BILL TO PREVENT CUTOFFS OF SATELLITE TV SERVICE

Mr. LEAHY. Mr. President, I have heard from scores of Vermonters lately who are steaming mad after being told by their home satellite signal providers that they are about to lose some of their network satellite channels. They have every right to be upset. It is within Congress's ability to un-muddle this mess, and the public has every reason to expect Congress to get its act together to do that, and to do that promptly.

While the hills and mountains of Vermont are a natural wonder, they can also be barriers to reception of clear TV signals over-the-air with rooftop antennas. At my home in Middlesex, Vermont, we can only get one channel clearly, and lots of ghosts on the other channel we receive. We get so many ghosts on our family set that it looks like Mark McGwire and Sammy Sosa are hitting four home runs at a time.

That is why Vermonters have chosen satellite reception: They cannot get a clear picture without it.

I am gratified tonight that we are finally in a position to announce an understanding that I hope will keep satellite TV viewers from having to lose station signals this year. I am joining with both the Chairman of the Judiciary Committee and the Chairman of the Commerce Committee on two separate bills designed fix these problems. I am certain that most Senators will be pleased with this breakthrough, and I hope we can pass this bill without objection in the Senate.

Under a court order, thousands of viewers—many of them living in my home state of Vermont—will be cut off from receiving satellite TV stations that they are paying to receive. We have 65,000 home satellite dishes in Vermont. The court order directly af-

fects only those subscribers who signed up for service after March 11, 1997, but most subscribers are being warned nonetheless by their signal providers that they will soon lose several network channels they now receive.

This huge policy glitch is intruding right now into hundreds of thousands of homes. It is a royal mess, and Congress and the FCC need to fix it.

I introduced a bill in March of this year with Chairman HATCH so that we could try to resolve this issue before it became a major problem. We have tried in the many months since then to push Congress toward a solution. Many viewers have lost signals already. We are trying to get these bills passed in the next couple of weeks to restore service and to keep other households from losing their satellite TV signals—not just in Vermont but throughout the nation.

I am pleased that Chairman HATCH and I have worked out arrangements with the Chairman of the Commerce Committee and other Senators active on this issue, including Senators DEWINE and KOHL, that significantly raise the prospects that Congress can soon pass a bill to prevent the cutoff of thousands of viewers this month and in October. We hope and we believe that all Senators can support this approach.

This legislation would keep signals available to Vermonters and subscribers in other states until the FCC has a chance to address these issues by the end of next February.

Our legislation will direct the FCC to address this problem for the future, and our proposal ultimately will mean—as technology advances—that Vermonters will be able to receive satellite TV for all Vermont full-power TV stations. Viewers in all states would be similarly protected. This effort eventually will promote head-to-head competition between cable and satellite TV providers.

The goal is to provide satellite home viewers in Vermont and across the nation with more choices and more channel selections, and at lower rates. The evidence is clear that in areas of the country where there is full competition between cable providers, rates to customers are considerably lower. The same will be true when there is greater effective competition between cable providers and satellite signal providers.

Over time, this effort will permit satellite TV providers to offer a full selection of local TV channels to viewers—even to those living in or near Burlington, Vermont, where local signals are now blocked.

Under current law, those families must get their local TV signals over an antenna which often does not provide a clear picture. These bills eventually will remove that legal limitation that prohibits satellite carriers from offering local TV signals to viewers.

Over time, satellite carriers will have to follow the rules that cable providers have to follow which will mean that they must carry all local Vermont TV

stations. In addition, Vermont stations will be available over satellite to many areas of Vermont that today are unserved by satellite or by cable.

Vermonters now receive network satellite signals with programming from stations in other states. In other words, they may get a CBS station from another state but not WCAX, the Burlington CBS affiliate.

By allowing satellite providers to offer a wider variety of programming, including local stations, the satellite industry would be able to compete with cable, and the cable industry will be competing with satellite carriers. Cable will continue to be a highly effective competitor with its ability to offer extremely high-speed Internet connections to homes and businesses.

The second major improvement offered through our legislation is that satellite carriers that offer local Vermont channels in their mix of programming will be able to reach Vermonters throughout our state. The system will be based on regions called Designated Market Areas, or DMAs. Vermont has one large DMA covering most of the state—the Burlington-Plattsburg DMA, and two smaller ones in southeastern Vermont—the Albany-Schenectady-Troy DMA includes Bennington County—and in southwestern Vermont, where the Boston DMA includes Windham County.

Using current technology, signals would be provided by spot-beam satellites using some 150 regional uplink sites throughout the nation to beam local signals up to two satellites. Those satellites would use 60 or so spotbeams to send those local signals, received from the regional uplinks, back to satellite dish owners. High-definition TV would be offered under this system at a later date. This system is likely to take two to three years to be put into full operation. In the meantime, another company called EchoStar may provide some local-into-local service in some parts of the country.

Under the bill that Senator HATCH and I introduced in March, this spotbeam technology would mean that home owners with satellite dishes in downtown Burlington, and in every county in Vermont except Windham and Bennington, would receive all the full-power TV stations in the Burlington-Plattsburg DMA, including PBS stations. Bennington residents would receive the stations in the Schenectady-Albany-Troy DMA, and Windham County residents would receive Boston signals, since they are in the Boston DMA. Over time these counties could be blended into the Burlington-Plattsburg DMA.

Since technology advances so quickly, other systems could be developed before this bill is fully implemented that would provide similar service but using different technology. And existing systems would be accommodated

under our legislation, but those systems would follow rules similar to current rules until conversion to this new technology takes place.

It is time for this Congress to step up to the plate and solve this policy nightmare that is now at the door of countless homes across the nation. Our constituents rightly will not take "not now" as an acceptable answer.

I commend Chairman HATCH and Chairman MCCAIN for the leadership they have shown in solving this problem, and I look forward to continue working closely with them and with other Senators as we move this solution toward, and eventually across, the goal line.

ADMINISTRATION'S UPDATED ENCRYPTION POLICY

Mr. LEAHY. Mr. President, when the Administration first announced the encryption policy that has been in effect for the past two years, I warned on October 1, 1996, that:

The general outline of the Administration's plan smacks of the government trying to control the marketplace for high-tech products. Only those companies that agree to turn over their business plans to the government and show that they are developing key recovery systems, will be rewarded with permission to sell abroad products with DES encryption, which is the global encryption standard.

The Administration announced yesterday that it is finally fixing this aspect of its encryption policy. New Administration guidelines will permit the export of 56-bit DES encryption without a license, after a one time technical review, to all users outside the seven terrorist countries. No longer will the Administration require businesses to turn over business plans and make promises to build key recoverable products for the freedom to export 56-bit DES.

In 1996, I also raised serious questions about the Administration's proposal to pull the plug on 56-bit DES exports in two years. I warned at the time that this "sunset" provision "does not promote our high-tech industries overseas." I specifically asked,

Does this mean that U.S. companies selling sophisticated computer systems with DES encryption overseas must warn their customers that the supply may end in two years? Customers both here and abroad want stable suppliers, not those jerked around by their government.

I am pleased that the Administration has also changed this aspect of its policy and adopted an export policy with no "sunset." Instead, the Administration will conduct a review of its policy in one year to determine how well it is working.

Indeed, while 56-bit encryption may still serve as the global standard, this will not be the situation for much longer. 128-bit encryption is now the preferred encryption strength.

In fact, to access online account information from the Thrift Savings Plan for Federal Employees, Members

and congressional staff must use 128-bit encryption. If you use weaker encryption, a screen pops up to say "you cannot have access to your account information because your Web browser does not have Secure Socket Layer (SSL) and 128-bit encryption (the strong U.S./Canada-only version)."

Likewise, the Department of Education has set up a Web site that allows prospective students to apply for student financial aid online. Significantly, the Education Department states that "[t]o achieve maximum protection we recommend you use 128-bit encryption."

These are just a couple examples of government agencies or associated organizations directing or urging Americans to use 128-bit encryption. We should assume that people in other countries are getting the same directions and recommendations. Unfortunately, while American companies can fill the demand for this strong encryption here, they will still not be permitted to sell this strength encryption abroad for use by people in other countries.

Nevertheless, the Administration's new encryption policy announced today moves in the right direction to bolster the competitive edge of our Nation's high-tech companies, allow American companies to protect their confidential and trade secret information and intellectual property in communications with subsidiaries abroad, and promote global electronic commerce. These are objectives I have sought to achieve in encryption legislation that I have introduced and cosponsored with bipartisan support in this and the last Congress.

I remain concerned, however, that privacy safeguards and standards for law enforcement access to decryption assistance are ignored in the Administration's new policy. These are critical issues that continue to require our attention.

REPORT CONCERNING THE NATIONAL EMERGENCY WITH RESPECT TO IRAN—MESSAGE FROM THE PRESIDENT—PM 158

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs.

To the Congress of the United States:

I hereby report to the Congress on developments concerning the national emergency with respect to Iran that was declared in Executive Order 12957 of March 15, 1995, and matters relating to the measures in that order and in Executive Order 12959 of May 6, 1995, and in Executive Order 13059 of August 19, 1997. This report is submitted pursuant to section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c) (IEEPA), section

401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa-9(c). This report discusses only matters concerning the national emergency with respect to Iran that was declared in Executive Order 12957 and does not deal with those relating to the emergency declared on November 14, 1979, in connection with the hostage crisis.

I. On March 15, 1995, I issued Executive Order 12957 (60 Fed. Reg. 14615, March 17, 1995) to declare a national emergency with respect to Iran pursuant to IEEPA, and to prohibit the financing, management, or supervision by United States persons of the development of Iranian petroleum resources. This action was in response to actions and policies of the Government of Iran, including support for international terrorism, efforts to undermine the Middle East peace process, and the acquisition of weapons of mass destruction and the means to deliver them. A copy of the Order was provided to the Speaker of the House and the President of the Senate by letter dated March 15, 1995.

Following the imposition of these restrictions with regard to the development of Iranian petroleum resources, Iran continued to engage in activities that represent a threat to the peace and security of all nations, including Iran's continuing support for international terrorism, its support for acts that undermine the Middle East peace process, and its intensified efforts to acquire weapons of mass destruction. On May 6, 1995, I issued Executive Order 12959 (60 Fed. Reg. 24757, May 9, 1995) to further respond to the Iranian threat to the national security, foreign policy, and economy of the United States. The terms of that order and an earlier order imposing an import ban on Iranian-origin goods and services (Executive Order 12613 of October 29, 1987) were consolidated and clarified in Executive Order 13059 of August 19, 1997.

At the time of signing Executive Order 12959, I directed the Secretary of the Treasury to authorize through specific licensing certain transactions, including transactions by United States persons related to the Iran-United States Claims Tribunal in The Hague, established pursuant to the Algiers Accords, and related to other international obligations and U.S. Government functions, and transactions related to the export of agricultural commodities pursuant to preexisting contracts consistent with section 5712(c) of title 7, United States Code. I also directed the Secretary of the Treasury, in consultation with the Secretary of State, to consider authorizing United States persons through specific licensing to participate in market-based swaps of crude oil from the Caspian Sea area for Iranian crude oil in support of energy projects in Azerbaijan, Kazakhstan, and Turkmenistan.