H.R. 3261 does not limit the ability of non-U.S.
signatories of INTELSAT to provide direct ac-
cess in the United States. Thus the sections of
H.R. 1872 dealing with signatory fees and for-
ign signatories, along with section 641(1)(A)(iii)
regarding carrier pass through of savings real-
ized as a result of direct access, were deleted.
H.R. 3261 does not grant the Commission au-
thority to impose a signatory fee or limit di-
rect access by foreign signatories nor should
the statement indicating that the Commission
has the authority to impose direct access be in-
terpreted as meaning that the Commission has
the authority to impose a signatory fee or limit
direct access by foreign signatories.
New section 641 also does not direct the
Commission to take action on COMSAT’S peti-
tion to be treated as a non-dominant common
carrier because the FCC already has acted on
this petition. Furthermore, section 641(4), stat-
ing that direct access regulation would be eli-
minated after a pro-competitive privatization
of INTELSAT or Inmarsat is achieved was un-
necessary and thus was deleted.
H.R. 3261 does not include an equivalent of
section 642 of H.R. 1872 dealing with the re-
negotiation of monopoly contracts, which is
also known as "fresh look." The sections of
H.R. 3261 following section 641 were renum-
bered to reflect the deletion of old section 642.
New section 649 is intended to prevent U.S.
licensed Inmarsat operators and satellite
elite operators from gaining access to those foreign
markets. The effect of Section 649 is to apply
this policy to all foreign satellite operators
to do business in the United States.
Section 641(1)(A)(iii) regarding carrier pass
through of savings realized as a result of direct
access, were deleted.
Section 641 of H.R. 1872 dealt with various
issues raised by ending COMSAT’S exclusive access
to INTELSAT and Inmarsat. We do not believe
it necessary for the new section 641 to address
these issues. First, given the changes at
Inmarsat, and the provisions of other parts of
the legislation dealing with Inmarsat, such as
section 624, there is no need to specify
direct access to Inmarsat in the new section
641. Second, it is appropriate to permit both
non-investment, or contract, direct access
(also known as Level 3) and investment (also
known as Level 4) direct access to INTELSAT
immediately upon the effective date of this leg-
islation. All such direct access is in the public
interest. It will increase competition for access
to INTELSAT services and lower prices for
consumers of INTELSAT services.
The Commission currently has the authority
to pursue contract or Level 3 direct access. As
was the case with respect to H.R. 1872, by
including provisions on direct access in H.R.
3261, we do not intend to imply that there is
a need to amend any provision of the Commu-
nications Satellite Act of 1962 to provide for
direct access.
There are several other differences between
H.R. 3261 and H.R. 1872 in section 641 re-
garding direct access. First, H.R. 3261 does not
provide for or specifically authorize any
signatory support costs. This is a change from
H.R. 1872, which permitted competition to
INTELSAT signatories for support costs that
the signatories would not otherwise be able to
avoid under a direct access regime. Second,
H.R. 3261 does not limit the ability of non-U.S.