

OPEN-MARKET REORGANIZATION FOR THE BETTERMENT OF INTERNATIONAL TELECOMMUNICATIONS ACT

The text of S. 376, passed by the Senate on July 1, 1999, follows:

S. 376

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Open-market Reorganization for the Betterment of International Telecommunications Act".

SEC. 2. PURPOSE.

It is the purpose of this Act to promote a fully competitive domestic and international market for satellite communications services for the benefit of consumers and providers of satellite services by fully encouraging the privatization of the intergovernmental satellite organizations, INTELSAT and Inmarsat, and reforming the regulatory framework of the COMSAT Corporation.

SEC. 3. FINDINGS.

The Congress finds that:

(1) International satellite communications services constitute a critical component of global voice, video and data services, play a vital role in the integration of all nations into the global economy and contribute toward the ability of developing countries to achieve sustainable development.

(2) The United States played a pivotal role in stimulating the development of international satellite communications services by enactment of the Communications Satellite Act of 1962 (47 U.S.C. 701-744), and by its critical contributions, through its signatory, the COMSAT Corporation, in the establishment of INTELSAT, which has successfully established global satellite networks to provide member countries with worldwide access to telecommunications services, including critical lifeline services to the developing world.

(3) The United States played a pivotal role in stimulating the development of international satellite communications services by enactment of the International Maritime Satellite Telecommunications Act (47 U.S.C. 751-757), and by its critical contributions, through its signatory, COMSAT, in the establishment of Inmarsat, which enabled member countries to provide mobile satellite services such as international maritime and global maritime distress and safety services to include other satellite services, such as land mobile and aeronautical communications services.

(4) By statute, COMSAT, a publicly traded corporation, is the sole United States signatory to INTELSAT and, as such, is responsible for carrying out United States commitments under the INTELSAT Agreement and the INTELSAT Operating Agreement. Pursuant to a binding Headquarters Agreement, the United States, as a party to INTELSAT, has satisfied many of its obligations under the INTELSAT Agreement.

(5) In the 37 years since enactment of the Communications Satellite Act of 1962, satellite technology has advanced dramatically, large-scale financing options have improved immensely and international telecommunications policies have shifted from those of natural monopolies to those based on market forces, resulting in multiple private commercial companies around the world providing, or preparing to provide, the domestic, regional, and global satellite telecommunications services that only INTELSAT and

Inmarsat had previously had the capabilities to offer.

(6) Private commercial satellite communications systems now offer the latest telecommunications services to more and more countries of the world with declining costs, making satellite communications an attractive complement as well as an alternative to terrestrial communications systems, particularly in lesser developed countries.

(7) To enable consumers to realize optimum benefits from international satellite communications services, and to enable these systems to be competitive with other international telecommunication systems, such as fiber optic cable, the global trade and regulatory environment must support vigorous and robust competition.

(8) In particular, all satellite systems should have unimpeded access to the markets that they are capable of serving, and the ability to compete in a fair and meaningful way within those markets.

(9) Transforming INTELSAT and Inmarsat from intergovernmental organizations into conventional satellite services companies is a key element in bringing about the emergence of a fully competitive global environment for satellite services.

(10) The issue of privatization of any State-owned firm is extremely complex and multifaceted. For that reason, the sale of a firm at arm's length does not automatically, and in all cases, extinguish any prior subsidies or government conferred advantages.

(11) It is in the interest of the United States to negotiate the removal of its reservation in the Fourth Protocol to the General Agreement on Trade in Services regarding INTELSAT's and Inmarsat's access to the United States market through COMSAT as soon as possible, but such reservation cannot be removed without adequate assurance that the United States market for satellite services will not be disrupted by such INTELSAT or Inmarsat access.

(12) The Communications Satellite Act of 1962, and other applicable United States laws, need to be updated to encourage and complete the pro-competitive privatization of INTELSAT and Inmarsat, to update the domestic United States regulatory regime governing COMSAT, and to ensure a competitively neutral United States framework for the provision of domestic and international telecommunications services via satellite systems.

SEC. 4. ESTABLISHMENT OF SATELLITE SERVICES COMPETITION; PRIVATIZATION.

The Communications Satellite Act of 1962 (47 U.S.C. 701) is amended by adding at the end the following:

"TITLE VI—SATELLITE SERVICES COMPETITION AND PRIVATIZATION

"SUBTITLE A—TRANSITION TO A PRIVATIZED INTELSAT

"SEC. 601. POLICY OF THE UNITED STATES.

"It is the policy of the United States to—

"(1) encourage INTELSAT to privatize in a pro-competitive manner as soon as possible, but not later than January 1, 2002, recognizing the need for a reasonable transition and process to achieve a full, pro-competitive restructuring; and

"(2) work constructively with its international partners in INTELSAT, and with INTELSAT itself, to bring about a prompt restructuring that will ensure fair competition, both in the United States as well as in the global markets served by the INTELSAT system; and

"(3) encourage Inmarsat's full implementation of the terms and conditions of its privatization agreement.

"SEC. 602. ROLE OF COMSAT.

"(a) **ADVOCACY.**—As the United States signatory to INTELSAT, COMSAT shall act as an aggressive advocate of pro-competitive privatization of INTELSAT. With respect to the consideration within INTELSAT of any matter related to its privatization, COMSAT shall fully consult with the United States Government prior to exercising its voting rights and shall exercise its voting rights in a manner fully consistent with any instructions issued. In the event that the United States signatory to INTELSAT is acquired after enactment of this section, the President and the Commission shall assure that the instructional process safeguards against conflicts of interest.

"(b) **ANNUAL REPORTS.**—The President and the Commission shall report annually to the Committee on Commerce of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate, respectively, on the progress being made by INTELSAT and Inmarsat to privatize and complete privatization in a pro-competitive manner.

"SEC. 603. RESTRICTIONS PENDING PRIVATIZATION.

"(a) INTELSAT shall be prohibited from entering the United States market directly to provide any satellite communications services or space segment capacity to carriers (other than the United States signatory) or end users in the United States until July 1, 2001 or until INTELSAT achieves a pro-competitive privatization pursuant to section 613 (a) if privatization occurs earlier.

"(b) Notwithstanding subsection (a), INTELSAT shall be prohibited from entering the United States market directly to provide any satellite communications services or space segment capacity to any foreign signatory, or affiliate thereof, and no carrier, other than the United States signatory, nor any end user, shall be permitted to invest directly in INTELSAT.

"(c) Pending INTELSAT's privatization, the Commission shall ensure that the United States signatory is compensated by direct access users for the costs it incurs in fulfilling its obligations under this Act.

"(d) The provisions of subsections (b) and (c) shall remain in effect only until INTELSAT achieves a pro-competitive privatization pursuant to section 613 (a).

"SUBTITLE B—ACTIONS TO ENSURE PRO-COMPETITIVE SATELLITE SERVICES

"SEC. 611. PRIVATIZATION.

"(a) **IN GENERAL.**—The President shall seek a pro-competitive privatization of INTELSAT as soon as practicable, but no later than January 1, 2002. Such privatization shall be confirmed by a final decision of the INTELSAT Assembly of Parties and shall be followed by a timely initial public offering taking into account relative market conditions.

"(b) **ENSURE CONTINUATION OF PRIVATIZATION.**—The President and the Commission shall seek to ensure that the privatization of Inmarsat continues in a pro-competitive manner.

"SEC. 612. PROVISION OF SERVICES IN THE UNITED STATES BY PRIVATIZED AFFILIATES OF INTERGOVERNMENTAL SATELLITE ORGANIZATIONS.

"(a) **IN GENERAL.**—With respect to any application for a satellite earth station or space station under title III of the Communications Act of 1934 (47 U.S.C. 301 et seq.) or any application under section 214 of that Act (47 U.S.C. 214), or any letter of intent to provide service in the United States via non-United States licensed space segment, submitted by a privatized IGO affiliate or successor, the Commission—

“(1) shall apply a presumption in favor of entry to an IGO affiliate or successor licensed by a WTO Member for services covered by United States commitments under the WTO Basic Telecom Agreement;

“(2) may attach conditions to any grant of authority to an IGO affiliate or successor that raises the potential for competitive harm; or

“(3) shall in the exceptional case in which an application by an IGO affiliate or successor would pose a very high risk to competition in the United States satellite market, deny the application.

“(b) DETERMINATION FACTORS.—In determining whether an application to serve the United States market by an IGO affiliate raises the potential for competitive harm or risk under subsection (a)(2), the Commission shall determine whether any potential anti-competitive or market distorting consequences of continued relationships or connections exist between an IGO and its affiliates including—

“(1) whether the IGO affiliate is structured to prevent anti-competitive practices such as collusive behavior or cross-subsidization;

“(2) the degree of affiliation between the IGO and its affiliate;

“(3) whether the IGO affiliate can directly or indirectly benefit from IGO privileges and immunities;

“(4) the ownership structure of the affiliate and the effect of IGO and other Signatory ownership and whether the affiliate is independent of IGO signatories or former signatories who control telecommunications market access in their home territories;

“(5) the existence of clearly defined arm's-length conditions governing the affiliate-IGO relationship including separate officers, directors, employees, and accounting systems;

“(6) the existence of fair market valuing for permissible business transactions between an IGO and its affiliate that is verifiable by an independent audit and consistent with normal commercial practice and generally accepted accounting principles;

“(7) the existence of common marketing;

“(8) the availability of recourse to IGO assets for credit or capital;

“(9) whether an IGO registers or coordinates spectrum or orbital locations on behalf of its affiliate; and

“(10) whether the IGO affiliate has corporate charter provisions prohibiting re-affiliation with the IGO after privatization.

“(c) SUNSET.—The provisions of subsection (b) shall cease to have effect upon approval of the application pursuant to section 613.

“(d) PUBLIC INTEREST DETERMINATION.—Nothing in this Act affects the Commission's ability to make a public interest determination concerning any application pertaining to entry into the United States market.

“SEC. 613. PRESIDENTIAL NEGOTIATING OBJECTIVES AND FCC CRITERIA FOR PRIVATIZED IGOs.

“(a) IN GENERAL.—Upon a final decision of the INTELSAT Assembly of Parties creating the legal structure and characteristics of the privatized INTELSAT and recognizing that Inmarsat transitioned into a private company on April 15, 1999, the President shall within 30 days report to the Congress on the extent to which such privatization framework meets each of the criteria in subsection (c), and whether taking into consideration all other relevant competitive factors, entry of a privatized INTELSAT or Inmarsat into the United States market will not be likely to distort competition.

“(b) PURPOSE OF PRIVATIZATION CRITERIA.—The criteria provided in subsection (c) shall be used as—

“(1) the negotiation objectives for achieving the privatization of INTELSAT no later than January 1, 2002, and also for Inmarsat;

“(2) the standard for measuring, pursuant to subsection (a), whether negotiations have resulted in an acceptable framework for achieving the pro-competitive privatization of INTELSAT and Inmarsat; and

“(3) licensing criteria by the Commission in making its independent determination of whether the certified framework for achieving the pro-competitive privatization of INTELSAT and Inmarsat has been properly implemented by the privatized INTELSAT and Inmarsat.

“(c) PRIVATIZATION CRITERIA.—A pro-competitively privatized INTELSAT or Inmarsat—

“(1) has no privileges or immunities limiting legal accountability, commercial transparency, or taxation and does not unfairly benefit from ownership by former signatories who control telecommunications market access to their home territories;

“(2) has submitted to the jurisdiction of competition and independent regulatory authorities of a nation that is a signatory to the World Trade Organization Agreement on Basic Telecommunications and that has implemented or accepted the agreement's reference paper on regulatory principles;

“(3) can offer assurance of an arm's-length relationship in all respects between itself and any IGO affiliate;

“(4) has given due consideration to the international connectivity requirements of thin route countries;

“(5) can demonstrate that the valuation of assets to be transferred post-privatization is in accordance with generally accepted accounting principles;

“(6) has access to orbital locations and associated spectrum post-privatization in accordance with the same regulatory processes and fees applicable to other commercial satellite systems;

“(7) conducts technical coordinations post-privatization under normal, established ITU procedures;

“(8) has an ownership structure in the form of a stock corporation or other similar and accepted commercial mechanism, and a commitment to a timely initial public offering has been established for the sale or purchase of company shares;

“(9) shall not acquire, or enjoy any agreements or arrangements which secure, exclusive access to any national telecommunications market; and

“(10) will have accomplished a privatization consistent with the criteria listed in this subsection at the earliest possible date, but not later than January 1, 2002, for INTELSAT and Inmarsat.

“(d) FCC INDEPENDENT DETERMINATION ON IMPLEMENTATION.—After the President has made a report to Congress pursuant to subsection (a), with respect to any application for a satellite earth station or space station under title III of the Communications Act of 1934 (47 U.S.C. 301) or any application under section 214 of the Communications Act of 1934 (47 U.S.C. 214), or any letter of intent to provide service in the United States via a non-United States licensed space segment, submitted by a privatized affiliate prior to the privatized IGO, or by a privatized IGO, the Commission shall determine whether the enumerated objectives for a pro-competitive privatization of INTELSAT and Inmarsat under this section have been implemented with respect to the privatized IGO, but in making that consideration, may neither contract or expand the privatization criteria in subsection (c).

“(e) AUTHORITY TO DENY AN APPLICATION.—Nothing in this section affects the Commission's authority to condition or deny an application on the basis of the public interest.

“SEC. 614. FAILURE TO PRIVATIZE IN A TIMELY MANNER.

“(a) REPORT.—In the event that INTELSAT fails to fully privatize as provided in section 611 by January 1, 2002, the President shall—

“(1) instruct all instrumentalities of the United States Government to grant a preference for procurement of satellite services from commercial private sector providers of satellite space segment rather than IGO providers;

“(2) immediately commence deliberations to determine what additional measures should be implemented to ensure the rapid privatization of INTELSAT;

“(3) no later than March 31, 2002, issue a report delineating such other measures to the Committee on Commerce of the House of Representatives, and Committee on Commerce, Science, and Transportation of the Senate; and

“(4) withdraw as a party from INTELSAT.

“(b) RESERVATION CLAUSE.—The President may determine, after consulting with Congress, that in consideration of privatization being imminent, it is in the national interest of the United States to provide a reasonable extension of time for completion of privatization.

“SUBTITLE C—COMSAT GOVERNANCE AND OPERATION

“SEC. 621. ELIMINATION OF PRIVILEGES AND IMMUNITIES.

“(a) COMSAT.—COMSAT shall not have any privilege or immunity on the basis of its status as a signatory or a representative of the United States to INTELSAT and Inmarsat, except that COMSAT retains its privileges and immunities—

“(1) for those actions taken in its role as the United States signatory to INTELSAT or Inmarsat upon instruction of the United States Government; and

“(2) for actions taken when acting as the United States signatory in fulfilling signatory obligations under the INTELSAT Operating Agreement.

“(b) NO JOINT OR SEVERAL LIABILITY.—If COMSAT is found liable for any action taken in its status as a signatory or a representative of the party to INTELSAT, any such liability shall be limited to the portion of the judgment that corresponds to COMSAT's percentage of the responsibility, as determined by the trier of fact.

“(c) PROSPECTIVE EFFECT OF ELIMINATION.—The elimination of privileges and immunities contained in this section shall apply only to actions or decisions taken by COMSAT after the date of enactment of the Open-market Reorganization for the Betterment of International Telecommunications Act.

“SEC. 622. ABROGATION OF CONTRACTS PROHIBITED.

“Nothing in this Act or the Communications Act of 1934 (47 U.S.C. 151 et seq.) shall be construed to modify or invalidate any contract or agreement involving COMSAT, INTELSAT, or any terms or conditions of such agreement in force on the date of enactment of the Open-market Reorganization for the Betterment of International Telecommunications Act, or to give the Commission authority, by rule-making or any other means, to invalidate any such contract or agreement, or any terms and conditions of such contract or agreement.

“SEC. 623. PERMITTED COMSAT INVESTMENT.

“Nothing in this Act shall be construed as precluding COMSAT from investing in or owning satellites or other facilities independent from INTELSAT, or from providing services through reselling capacity over the facilities of satellite systems independent from INTELSAT. This section shall not be construed as restricting the types of contracts which can be executed or services which may be provided by COMSAT over the independent satellites or facilities described in this subsection.

“SUBTITLE D—GENERAL PROVISIONS**“SEC. 631. PROMOTION OF EFFICIENT USE OF ORBITAL SLOTS AND SPECTRUM.**

“All satellite system operators authorized to access the United States market should make efficient and timely use of orbital and spectrum resources in order to ensure that these resources are not warehoused to the detriment of other new or existing satellite system operators. Where these assurances cannot be provided, satellite system operators shall arbitrate their rights to these resources according to ITU procedures.

“SEC. 632. PROHIBITION ON PROCUREMENT PREFERENCES.

“Except pursuant to section 615 of this Act, nothing in this title or the Communications Act of 1934 (47 U.S.C. 151 et seq.) shall be construed to authorize or require any preference in Federal Government procurement of telecommunications services, for the satellite space segment provided by INTELSAT or Inmarsat, nor shall anything in this title or that Act be construed to result in a bias against the use of INTELSAT or Inmarsat through existing or future contract awards.

“SEC. 633. SATELLITE AUCTIONS.

“Notwithstanding any other provision of law, the Commission shall not assign by competitive bidding orbital locations or spectrum used for the provision of international or global satellite communications services. The President shall oppose in the International Telecommunications Union and in other bilateral and multilateral negotiations any assignment by competitive bidding of orbital locations, licenses, or spectrum used for the provision of such services.

“SEC. 634. RELATIONSHIP TO OTHER LAWS.

“Whenever the application of the provisions of this Act is inconsistent with the provisions of the Communications Act of 1934, the provisions of this Act shall govern.

“SEC. 635. EXCLUSIVITY ARRANGEMENTS.

“(a) **IN GENERAL.**—No satellite operator shall acquire or enjoy the exclusive right of handling traffic to or from the United States, its territories or possessions, and any other country or territory by reason of any concession, contract, understanding, or working arrangement to which the satellite operator or any persons or companies controlling or controlled by the operator are parties.

“(b) **EXCEPTION.**—In enforcing the provisions of this subsection, the Commission—

“(1) shall not require the termination of existing satellite telecommunications services under contract with, or tariff commitment to, such satellite operator; but

“(2) may require the termination of new services only to the country that has provided the exclusive right to handle traffic, if the Commission determines the public interest, convenience, and necessity so requires.

“SUBTITLE E—DEFINITIONS**“SEC. 641. DEFINITIONS.**

“(a) **IN GENERAL.**—In this title:

“(1) **INTELSAT.**—The term ‘INTELSAT’ means the International Telecommunications Satellite Organization established pursuant to the Agreement Relating to the International Telecommunications Satellite Organization.

“(2) **INMARSAT.**—The term ‘Inmarsat’ means the International Mobile Satellite Organization established pursuant to the Convention on the International Maritime Satellite Organization and may also refer to INMARSAT Limited when appropriate.

“(3) **COMSAT.**—The term ‘COMSAT’ means the corporation established pursuant to title III of this Act and its successors and assigns.

“(4) **SIGNATORY.**—The term ‘signatory’ means the telecommunications entity designated by a party that has signed the Operating Agreement and for which such Agreement has entered into force.

“(5) **PARTY.**—The term ‘party’ means, in the case of INTELSAT, a nation for which the INTELSAT agreement has entered into force or been provisionally applied, and in the case of INMARSAT, a nation for which the Inmarsat convention entered into force.

“(6) **COMMISSION.**—The term ‘Commission’ means the Federal Communications Commission.

“(7) **INTERNATIONAL TELECOMMUNICATION UNION; ITU.**—The terms ‘International Telecommunication Union’ and ‘ITU’ mean the intergovernmental organization that is a specialized agency of the United Nations in which member countries cooperate for the development of telecommunications, including adoption of international regulations governing terrestrial and space uses of the frequency spectrum as well as use of the geostationary orbital arc.

“(8) **PRIVATIZED INTELSAT.**—The term ‘privatized INTELSAT’ means any entity created from the privatization of INTELSAT from the assets of INTELSAT.

“(9) **PRIVATIZED INMARSAT.**—The term ‘privatized Inmarsat’ means any entity created from the privatization of Inmarsat from the assets of Inmarsat, namely INMARSAT, Ltd.

“(10) **ORBITAL LOCATION.**—The term ‘orbital location’ means the location for placement of a satellite in geostationary orbits as defined in the International Telecommunication Union Radio Regulations.

“(11) **SPECTRUM.**—The term ‘spectrum’ means the range of frequencies used to provide radio communication services.

“(12) **SPACE SEGMENT.**—The term ‘space segment’ means the satellites, and the tracking, telemetry, command, control, monitoring and related facilities and equipment used to support the operation of satellites owned or leased by INTELSAT and Inmarsat or an IGO successor or affiliate.

“(13) **INTELSAT AGREEMENT.**—The term ‘INTELSAT agreement’ means the agreement relating to the International Telecommunications Satellite Organization, including all of its annexes (TIAS 7532, 23 UST 3813).

“(14) **OPERATING AGREEMENT.**—The term ‘operating agreement’ means—

“(A) in the case of INTELSAT, the agreement, including its annex but excluding all titles of articles, opened for signature at Washington on August 20, 1971, by governments or telecommunications entities designated by governments in accordance with the provisions of The Agreement; and

“(B) in the case of Inmarsat, the Operating Agreement on the International Maritime Satellite Organization, including its annexes.

“(15) **HEADQUARTERS AGREEMENT.**—The term ‘headquarters agreement’ means the

binding international agreement, dated November 24, 1976, between the United States and INTELSAT covering privileges, exemptions, and immunities with respect to the location of INTELSAT’s headquarters in Washington, D.C.

“(16) **DIRECT-TO-HOME SATELLITE SERVICES.**—The term ‘direct-to-home satellite services’ means the distribution or broadcasting of programming or services by satellite directly to the subscriber’s premises without the use of ground receiving or distribution equipment, except at the subscriber’s premises or in the uplink process to the satellite.

“(17) **IGO.**—The term ‘IGO’ means the Intergovernmental Satellite organizations, INTELSAT and Inmarsat.

“(18) **IGO AFFILIATE.**—The term ‘IGO affiliate’ means any entity in which an IGO owns or has owned an equity interest of 10 percent or more.

“(19) **IGO SUCCESSOR.**—The term ‘IGO Successor’ means an entity which holds substantially all the assets of a pre-existing IGO.

“(20) **GLOBAL MARITIME DISTRESS AND SAFETY SERVICES.**—The term ‘global maritime distress and safety services’ means the automated ship-to-shore distress alerting system which uses satellite and advanced terrestrial systems for international distress communications and promoting maritime safety in general, permitting the worldwide alerting of vessels, coordinated search and rescue operations, and dissemination of maritime safety information.

“(b) **COMMON TERMS.**—Except as otherwise provided in subsection (a), terms used in this title that are defined in section 3 of the Communications Act of 1934 (47 U.S.C. 153) have the meaning provided in that section.”

SEC. 5. CONFORMING CHANGES.

(a) **REPEAL OF FEDERAL COORDINATION AND PLANNING PROVISIONS.**—Section 201 of the Communications Satellite Act of 1962 (47 U.S.C. 721) is amended to read as follows:

“SEC. 201. IMPLEMENTATION OF POLICY.

“The Federal Communications Commission, in its administration of the Communications Act of 1934, shall make rules and regulations to carry out the provisions of this Act.”

(b) **REPEAL OF GOVERNMENT-ESTABLISHED CORPORATION PROVISIONS.**—

(1) **IN GENERAL.**—Section 301 of the Communications Satellite Act of 1962 (47 U.S.C. 731) is amended to read as follows:

“SEC. 301. CORPORATION.

“The corporation organized under the provisions of this title, as this title existed before the enactment of the Open-market Reorganization for the Betterment of International Telecommunications Act, known as COMSAT, and its successors and assigns, are subject to the provisions of this Act. The right to repeal, alter, or amend this Act at any time is expressly reserved.”

(2) **CONFORMING CHANGES.**—Title III of the Communications Satellite Act of 1962 (47 U.S.C. 731 et seq.) is amended—

(A) by striking “**CREATION OF A COMMUNICATIONS SATELLITE**” in the caption of title III;

(B) by striking sections 302, 303, and 304;

(C) by redesignating section 305 as section 302; and

(D) by striking subsection (c) of section 302, as redesignated.

(c) **REPEAL OF CERTAIN MISCELLANEOUS PROVISIONS.**—Title IV of the Communications Satellite Act of 1962 (47 U.S.C. 741 et seq.) is amended—

(1) by striking section 402;

(2) by striking subsection (a) of section 403 and redesignating subsections (b) and (c) as subsections (a) and (b), respectively; and
(3) by striking section 404.

SEC. 6. INTERNATIONAL MARITIME SATELLITE TELECOMMUNICATIONS ACT AMENDMENTS.

(a) REPEAL OF SUPERSEDED AUTHORITY.—Title V of the Communications Satellite Act of 1962 (47 U.S.C. 751 et seq.) is amended—

(1) by striking sections 502, 503, 504, and 505; and

(2) by inserting after section 501 the following:

“SEC. 502. GLOBAL SATELLITE SAFETY SERVICES AFTER PRIVATIZATION OF BUSINESS OPERATIONS OF INMARSAT.

“In order to ensure the continued provision of global maritime distress and safety satellite telecommunications services after privatization of the business operations of Inmarsat, the President may maintain membership in the International Mobile Satellite Organization on behalf of the United States.”.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) take effect on the date on which the International Mobile Satellite Organization ceases to operate directly a global mobile satellite system.

DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 2000

the text of S. 1283, passed by the Senate on July 1, 1999, follows:

S. 1283

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the District of Columbia for the fiscal year ending September 30, 2000, and for other purposes, namely:

FEDERAL FUNDS

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA CORRECTIONS TRUSTEE OPERATIONS

For payment to the District of Columbia Corrections Trustee, \$176,000,000 for the administration and operation of correctional facilities and for the administrative operating costs of the Office of the Corrections Trustee, as authorized by section 11202 of the National Capital Revitalization and Self-Government Improvement Act of 1997, as amended: *Provided*, That said sums shall be paid quarterly by the Treasury of the United States based on quarterly apportionments approved by the Office of Management and Budget.

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA COURTS

Notwithstanding any other provision of law, \$136,440,000 for payment to the Joint Committee on Judicial Administration in the District of Columbia; of which not to exceed \$128,440,000 shall be for District of Columbia Courts operation, to be allocated as follows: for the District of Columbia Court of Appeals, \$7,403,000; for the District of Columbia Superior Court, \$78,561,000; for the District of Columbia Court System, \$42,476,000; and of which not to exceed \$8,000,000 shall remain available until September 30, 2001 for capital improvements for District of Columbia courthouse facilities: *Provided*, That of amounts available for District of Columbia Courts operation, \$6,900,000 shall be for the Counsel for Child Abuse and Neglect program pursuant to section 1101 of title 11, D.C. Code, and section 2304 of title 16, D.C. Code,

and of which \$26,036,000 shall be to carry out sections 2602 and 2604 of title 11, D.C. Code, relating to representation of indigents in criminal cases under the Criminal Justice Act, in total, \$32,936,000: *Provided further*, That, subject to normal reprogramming requirements contained in section 116 of this Act, this \$32,936,000 may be used for other purposes under this heading: *Provided further*, That funds under this heading to carry out the District of Columbia Criminal Justice Act (D.C. Code, sec. 11-2601 et seq.), shall be available for obligations incurred under the Act in each fiscal year since fiscal year 1975: *Provided further*, That funds under this heading to carry out the District of Columbia Neglect Representation Equity Act of 1984 (D.C. Code, sec. 16-2304), shall be available for obligations incurred under the Act in each fiscal year since fiscal year 1985: *Provided further*, That funds under this heading to carry out the District of Columbia Guardianship, Protective Proceedings, and Durable Power of Attorney Act of 1986 (D.C. Code, sec. 21-2060), shall be available for obligations incurred under the Act in each fiscal year since fiscal year 1989: *Provided further*, That all amounts under this heading shall be paid quarterly by the Treasury of the United States based on quarterly apportionments approved by the Office of Management and Budget, with payroll and financial services to be provided on a contractual basis with the General Services Administration [GSA], said services to include the preparation of monthly financial reports, copies of which shall be submitted directly by GSA to the President and to the Committees on Appropriations of the Senate and House of Representatives, the Committee on Governmental Affairs of the Senate, and the Committee on Government Reform of the House of Representatives.

FEDERAL PAYMENT TO THE COURT SERVICES AND OFFENDER SUPERVISION AGENCY FOR THE DISTRICT OF COLUMBIA

For payment to the Court Services and Offender Supervision Agency for the District of Columbia, \$80,300,000, as authorized by the National Capital Revitalization and Self-Government Improvement Act of 1997, as amended; of which \$47,100,000 shall be for necessary expenses of Parole Revocation, Adult Probation and Offender Supervision, to include expenses relating to supervision of adults subject to protection orders or provision of services for or related to such persons; \$17,400,000 shall be available to the Public Defender Service; and \$15,800,000 shall be available to the Pretrial Services Agency: *Provided*, That, notwithstanding any other provision of law, said sums shall be paid quarterly by the Treasury based on quarterly apportionments approved by the Office of Management and Budget. Upon the Agency's certification as a Federal entity, as authorized by such Act, and notwithstanding any other provision of law, the Public Defender Service shall be subject to quarterly apportionment by the Office of Management and Budget: *Provided further*, That, of the amounts made available under this heading, \$5,873,000 shall be available only for individuals on probation or supervised release for drug screening and testing.

FEDERAL PAYMENT FOR DISTRICT OF COLUMBIA RESIDENT TUITION SUPPORT

For payment to the District of Columbia, \$17,000,000, for a program, to be administered by the Mayor, for District of Columbia resident tuition support, subject to the enactment of authorizing legislation specifically referencing this program: *Provided*, That said funds will be used to pay the difference be-

tween in-State and out-of-State tuition at public institutions of higher education on behalf of eligible District of Columbia residents: *Provided further*, That awarding of said funds shall be prioritized on the basis of a resident's academic merit and other factors as authorized.

FEDERAL PAYMENT FOR METROPOLITAN POLICE DEPARTMENT

For payment to the Metropolitan Police Department, \$1,000,000, for a program to eliminate open air drug trafficking in the District of Columbia.

DISTRICT OF COLUMBIA FUNDS

OPERATING EXPENSES

DIVISION OF EXPENSES

The following amounts are appropriated for the District of Columbia for the current fiscal year out of the general fund of the District of Columbia, except as otherwise specifically provided.

GOVERNMENTAL DIRECTION AND SUPPORT

Governmental direction and support, \$162,356,000 (including \$137,134,000 from local funds, \$11,670,000 from Federal funds, and \$13,552,000 from other funds): *Provided*, That not to exceed \$2,500 for the Mayor, \$2,500 for the Chairman of the Council of the District of Columbia, and \$2,500 for the City Administrator shall be available from this appropriation for official purposes: *Provided further*, That any program fees collected from the issuance of debt shall be available for the payment of expenses of the debt management program of the District of Columbia: *Provided further*, That no revenues from Federal sources shall be used to support the operations or activities of the Statehood Commission and Statehood Compact Commission: *Provided further*, That the District of Columbia shall identify the sources of funding for Admission to Statehood from its own locally-generated revenues: *Provided further*, That all employees permanently assigned to work in the Office of the Mayor shall be paid from funds allocated to the Office of the Mayor: *Provided further*, That, notwithstanding any other provision of law now or hereafter enacted, no Member of the District of Columbia Council eligible to earn a part-time salary of \$92,520, exclusive of the Council Chairman, shall be paid a salary of more than \$84,635 during fiscal year 2000.

ECONOMIC DEVELOPMENT AND REGULATION

Economic development and regulation, \$190,335,000 (including \$52,911,000 from local funds; \$84,751,000 from Federal funds, and \$52,673,000 from other funds), of which \$15,000,000 collected by the District of Columbia in the form of BID tax revenue shall be paid to the respective BIDs pursuant to the Business Improvement Districts Act of 1996 (D.C. Law 11-134; D.C. Code, sec. 1-2271 et seq.), and the Business Improvement Districts Temporary Amendment Act of 1997 (D.C. Law 12-23): *Provided*, That such funds are available for acquiring services provided by the General Services Administration: *Provided further*, That Business Improvement Districts shall be exempt from taxes levied by the District of Columbia.

PUBLIC SAFETY AND JUSTICE

Public safety and justice, including purchase or lease of 135 passenger-carrying vehicles for replacement only, including 130 for police-type use and five for fire-type use, without regard to the general purchase price limitation for the current fiscal year, \$778,470,000 (including \$565,211,000 from local funds, \$29,012,000 from Federal funds, and \$184,247,000 from other funds): *Provided*, That