

Mr. Speaker, over the course of recent months, I have taken to this floor in support of one of the critical elements of the 1996 Telecommunication Act, which was an agreement that was forged between Congress and the telecommunications industry for the benefit of our schools and libraries.

It was decreed that the concept of universal service, which has been employed since 1934 to subsidize the cost of extending service to rural areas, areas that provide very high costs, would be extended to include the Internet access for our schools and libraries through a mechanism known as the E-Rate.

It was determined that the E-Rate would be paid for by the savings that would be received by the telecommunication industry as a result of deregulation.

Over the course of this last year and a half, 30,000 schools and libraries across America are seeking to capitalize on this provision in the agreement. They have put tens of thousands of dollars into developing technology plans and applying for the discounts on services they need to give America's school kids access to the information highway. This is an important opportunity to remedy the fact that barely a quarter of America's classrooms have Internet access today.

Through a mechanism that would provide discounts ranging from 20 to 80 percent based on the cost of providing service and the poverty level in the individual community, this access would be provided.

Of late we have seen a certain amount of controversy arise surrounding the FCC and its handling of the new E-Rate authority. I will be the first to admit that there are a host of management and universal service issues. There are concerns, perhaps, about the mechanism chosen by the previous FCC Chair to pursue application approval.

But as evidenced by the recent surcharges that have been imposed by some of the giant telecommunications companies, and the people's reaction to them, there is also some controversy over whether adequate savings have materialized to cover the E-Rate costs or whether phone companies are seeking to recoup costs they have already recovered under deregulation.

I have received and examined information from the FCC that suggests that there are already over \$2 billion worth of savings that have been granted to the telecommunications industry with hundreds of millions of dollars more underway; more than enough to offset the proposed \$2 billion that is currently in the pipeline of applications from our schools and libraries.

But my concern, Mr. Speaker, is that we cannot let these controversies derail the promise of Internet and the benefits for schools that were approved under the act in 1996.

Mr. Speaker, I am introducing legislation today that would call for a General Accounting Office study on the actual savings and give consumers some truth in billing. It would show how much money has been saved by the telecommunication carriers as a result of these hundreds of millions of dollars in reduction. It would show how much has been passed back through to the consumers, and how much additional cost telecommunications carriers will have to bear, if any, in the implementation of the E-Rate.

In addition, my legislation would require that for those companies that seek to add additional line items to their bills, that these line items reflect the full and the accurate picture of both savings and costs to the carriers as a result of the Federal regulatory actions.

Similar language has already passed in the United States Senate, a part of their antislamming legislation, by a vote of 99-to-nothing.

The complex arguments surrounding implementation of a complex bill are hard for everybody to follow, but it will be lost on the thousands of representatives of our communities who are now operating in good faith to take advantage of what they understood to be a promise to help our schools and libraries.

We cannot end up holding our kids hostage to an intergovernmental dispute. This Congress will end up doing very little for education, the number one priority for most Americans. We must ensure that America's school kids have access to the information resources they need.