

POM-326. A resolution adopted by the Catholic War Veterans to the Committee on Foreign Relations.

POM-327. A resolution adopted by the legislature of the State of California; to the Committee on Rules and Administration.

**ASSEMBLY JOINT RESOLUTION No. 16**

Whereas State law requires that the polls be open at 7 a.m. on election day and that they be kept open for voting until 8 p.m.; and

Whereas in the years in which presidential elections are held, California votes, because of this state's geographic location, usually are still voting or have not yet voted while the polls in other states have already closed; and

Whereas the lack of a national uniform time schedule for voting at presidential elections, combined with the release of voting results in other states and election projections made by national television networks, gives rise to the perception that Californians engage in an insignificant voting exercise at this important national election; and

Whereas fundamental democratic values require that action be taken to avoid the apparent or actual disenfranchisement of millions of citizens at presidential elections, and to ensure that the electorate of California, the largest and most populous state in the Union, participates meaningfully in the election of the national leadership; and

Whereas the establishment of a national time schedule at which the polls in the several states uniformly are closed for voting no earlier than 8 p.m. in the Pacific time zone would permit California to significantly participate, and would permit California voters to cast more meaningful votes, the election of the President of the United States; now, therefore, be it

*Resolved by the Assembly and the Senate of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the Congress of the United States to enact appropriate legislation to establish a national time schedule for the uniform closing of the polls no earlier than 8 p.m. in the Pacific time zone in the several states for voting at presidential elections; and be it further*

*Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."*

**INTRODUCTION OF BILLS AND JOINT RESOLUTIONS**

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. SIMON:

S. 1659. A bill to amend the Higher Education Act of 1965 to restore a more reasonable balance in student assistance between grants and loans, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. BREAUX (for himself, Mr. KOHL, Mr. GORE, Mr. PRESSLER, Mr. SIMON, Mr. KERRY, and Mr. BURNS):

S. 1660. A bill relating to telephone operator consumer services, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. PRYOR (for himself, Mr. BOREN, Mr. HATCH, and Mr. HARKIN):

S. 1661. A bill to amend the Internal Revenue Code of 1986 to provide for a tax credit

for qualifying disability expenses; to the Committee on Finance.

By Mr. LEVIN:

S. 1662. A bill to waive the 5-year accreditation requirement for institutional aid under part A of title III of the Higher Education Act of 1965 for any institution of higher education in which at least 50 percent of the enrolled students are black Americans; to the Committee on Labor and Human Resources.

**SUBMISSION ON CONCURRENT AND SENATE RESOLUTIONS**

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. PELL:

S. Con. Res. 71. Concurrent resolution congratulating Malta on the 25th anniversary of its independence; to the Committee on Foreign Relations.

**STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS**

By Mr. BREAUX (for himself, Mr. KOHL, Mr. GORE, Mr. PRESSLER, Mr. SIMON, Mr. KERRY, and Mr. BURNS):

S. 1660. A bill relating to telephone operator consumer services, and for other purposes; to the Committee on Commerce, Science, and Transportation.

**TELEPHONE OPERATOR CONSUMER SERVICES IMPROVEMENT ACT**

Mr. BREAUX. Mr. President, I would also take this time to introduce legislation today that would insure fairness to consumers who make long distance telephone calls many times from hotels and motels, hospitals, universities, or other privately owned paid telephones who I think are not getting a fair deal. Many times we are seeing situations where the public is being faced with charges sometimes as high as 10 to 15 times higher than if these charges were being submitted by the regular AT&T charges that we normally see.

Mr. President, my bill would not outlaw these new telephone services but would certainly require them to notify consumers in this country about the services, what type of services are going to cost. I know that many people in this country have gone to hotels, for instance, and used a telephone to make long distance calls, and are shocked when they get their bill in seeing that these outrageous phone prices are being added to their hotel bills.

My legislation would require a set of rules and procedures which would clearly outline what the charges would be, would clearly spell out the duties of these operators as to meeting their requirements to meet the needs of consumers in this country. Right now this is not being done. We need to establish a set of rules and regulations which will be fair treatment to all of the consumers in this country and, at the same time, a law for technological achievements to go forward.

Mr. President, an increasing number of businesses and institutions are entering into agreements with operator services provider [OSP] or alternative operator service provider [AOS] companies to provide long-distance telephone services to increasingly mobile consumers.

From January 1988 through February 1989 the FCC received over 2,000 consumer complaints about the practices of some providers of telephone operator services. Consumers complained of exorbitant rates charged by these providers, in some cases as much as 10 to 15 times more than the AT&T charge. They complained of being deceived about the identities of service providers. They complained of being denied through call blocking their choice of long-distance telephone service carrier. They complained of call splashing, the practice of transferring and charging for a call placed through a location distant from the call's origination point. Additionally, they complained of having used the calling card of one carrier but receiving a bill—usually at a higher rate—from another.

OSP companies were not telling callers that their calls were being carried through an OSP company; and were not telling callers what the charges would be. Also, a number of OSP companies were not telling a consumer that their own telephone company's calling card rates would not apply.

The problem is troublesome enough in the State of Louisiana that our Public Service Commission has closed the door to any new entrants in the business. This restriction will remain in place pending the completion of a PSC investigation.

This legislation offers relief for the consumer. It establishes minimum consumer notification requirements. The OSP provider must identify itself before the consumer incurs any charges. A consumer will be informed by a notice on or near the telephone of the name, address, and toll-free telephone number of the provider. Mr. President, these requirements will assure consumers in this market the same fair right of choice that they would have in making any other purchase. It can not be otherwise. We can not sustain a long-distance carrier system wherein a caller is unknowingly playing Russian roulette with his wallet any time he picks up a telephone.

The notification requirements of the bill directs the provider to see to it that consumers are informed of their right to obtain access to any long-distance carrier of their choice. Call blocking is forbidden. The consumer is to be told that upon request, additional information is available, such as rates or charges for the call, collection methods, and complaint resolution procedures.

To ensure that OSP companies' rates are reasonable, these complaints must file informational tariffs with

the FCC, specifying rates, commissions, surcharges, or other fees collected from consumers. The FCC will be required to monitor industry rates examine service innovations and improvements, study market structure, and report its findings to the Congress.

Mr. President, I want to make it clear that there is no intent to injure or discourage the development of the OSP industry. We want to help them to continue to gain respectability. A few bad actors have hurt them, and there is agreement in the industry, to its credit, that a remedy is necessary. Industry representatives have worked diligently with labor and consumer representatives, with the author of companion legislation in the House, Congressman JIM COOPER, and the distinguished chairman of the House Subcommittee on Telecommunications and Finance, Congressman ED MARKEY, to help shape an acceptable legislative resolution of these issues.

OSP companies have moved into a market that is dominated by AT&T, and they have had a positive impact. Competition has stimulated the development of service improvements. We've seen an upgrading of operator service equipment, and enhanced services such as foreign language operators, advanced emergency call handling, voice message, and other specialized services. We expect such developments to continue.

I want to reiterate, Mr. President, that this bill is companion legislation to H.R. 971, a bill carefully crafted over several months by Mr. COOPER and Mr. MARKEY, and now awaiting floor consideration by the other body. Mr. MARKEY and Mr. COOPER have done a marvelous job in the interest of consumers. I look forward to working with my colleagues in the Senate in moving this very worthwhile legislation. I am joined in sponsoring this legislation by Senators HERB KOHL, AL GORE, LARRY PRESSLER, PAUL SIMON, JOHN KERRY, and CONRAD BURNS.

• Mr. KOHL. Mr. President, I am pleased to join today with my colleague from Louisiana, Senator BREAUX, in introducing legislation important to anyone who uses a public telephone.

Since the breakup of AT&T in 1984, companies have been allowed to compete to provide operator services from public telephones. The advent of these companies—known as AOS's, or alternative operator services—has created havoc.

Pick up a phone today in a hotel, or hospital, or airport and make an operator assisted phone call. Chances are you won't know whether the operator you're talking to is an AT&T operator or an independent operator service. Chances are even better that you won't know what rate you're being charged for the call. And chances are high that the rate you're being charged is higher than the average

AT&T rate for an operator assisted call.

Alternative operator services are a consumer's nightmare. Most people have used them and not known they were doing so until after the fact—when their telephone bill arrived.

Many States have already taken action to address AOS's. In Wisconsin, the State public service commission has acted to prevent operator service providers operating in the State from charging rates in excess of the AT&T rate for the same call. The State's action, however, applies only to intrastate calls—not those made across State lines. Other States, such as Tennessee, have instituted similar intrastate rate regulation.

Unfortunately, the FCC has been slow to initiate similar rate proceedings at the Federal level, despite a petition on the part of several State regulatory bodies, including the Wisconsin PSC, to do so.

The bill we are introducing today would require the FCC to take several actions to protect consumers against unreasonable rates charged by AOS companies. It would require that the operator service provider identify itself to the caller prior to a call being placed. It would prevent AOS providers from blocking access to the long distance carrier of the caller's choice. It would require AOS companies to file their rate schedules with the FCC, and to justify any rates that the FCC determines are unreasonable. And it would require the FCC to assess, over a 9-month period, the extent to which operator service providers have affected the quality and cost of operator service to telephone customers.

Mr. President, this bill is a good first step. It will protect consumers against using an alternative operator service unknowingly. And it will require AOS companies to justify any rates considered unreasonable by the FCC.

The bill also represents a compromise. It was put together with the advice and assistance of industry representatives and consumer groups.

While the bill does not go as far as the actions taken by the Wisconsin Public Service Commission, I am supporting it not only because it affords some immediate consumer protection but because it sends a clear signal to the FCC and to operator service providers that Congress is concerned about excessive rate charges in the industry.

However, the concerns that have been raised in Wisconsin regarding the need for rate regulation are not exclusive to Wisconsin. I am hopeful that this measure will bring about voluntary rate reduction in the industry, making further legislative action in this area unnecessary. But such action may be warranted in the future.

I want to commend my colleague, Senator BREAUX, for his work on this legislation. I look forward to working with him and other members of the Commerce Committee in fine tuning

this bill and bringing it before the full Senate in the near future.

By Mr. PRYOR (for himself, Mr. BOREN, Mr. HATCH, and Mr. HARKIN):

S. 1661. A bill to amend the Internal Revenue Code of 1986 to provide for a tax credit for qualifying disability expenses; to the Committee on Finance.

#### SMALL BUSINESS DISABILITIES TAX CREDIT TAX

Mr. PRYOR. Mr. President, today I am introducing the Small Business Disabilities Tax Credit Act of 1989. Just 2 weeks ago the Senate traveled a tremendous distance along the road to full disability rights with the passage of the Americans With Disabilities Act. The Small Business Disabilities Tax Credit Act of 1989 will take us still closer to the end of this road by providing a tax credit that will help businesses comply with the ADA bill recently passed.

This legislation will provide a \$5,000 refundable tax credit for expenses a business incurs in order to accommodate a disabled patron or employee. All expenditures made to comply with the reasonable accommodations provision of the Americans with Disabilities Act will qualify for this credit. Businesses will be able to claim the credit for carryover expenses, meaning that if expenses exceed the \$5,000 credit in 1 year, the excess will qualify for the credit in subsequent years.

Section 190 of the Internal Revenue Code currently provides a \$35,000 deduction for expenditures to remove architectural and transportation barriers to the handicapped. As the Small Business Legislative Council has pointed out, though, "small business has not been able to take advantage of section 190 for a variety of reasons." For instance, under the current deduction a small business in the 34-percent tax bracket would have to spend almost \$15,000 to realize \$5,000 dollars in tax savings while under the credit approach a small business would receive a dollar-for-dollar \$5,000 savings for \$5,000 in expenditure. As we can see, the credit approach is much more effective at getting more money back into the hands of businesses that can most use help and which will be called upon most often to accommodate the disabled.

I intend to pay for the new tax credit by repealing the inadequate \$35,000 deduction, thereby making my proposal revenue neutral. Large businesses that may have benefited slightly more under the \$35,000 deduction will still qualify for the credit, and they will of course be able to carry over expenses in excess of \$5,000 from 1 year to the next. Large businesses are already in a better position to comply with the ADA since most already employ or serve disabled persons. Moreover, many of the disabled are predisposed toward small businesses since their smaller family settings can better serve the particular needs