

April 9, 1984

## CONGRESSIONAL RECORD — HOUSE

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Mr. CRAIG. Mr. Speaker, this past weekend, former Idaho Senator Frank Church passed away after a long illness. He served the State of Idaho and the Nation for 24 years in the U.S. Senate.

It would be inappropriate for me to extol the political stewardship of Senator Church because we held few philosophical beliefs in common. Even so, I, Idaho, and the Nation mourn his passing because he was a man and a political leader of deep commitment and a sincere, personal resolve to pursuing policies he felt were in the best interest of this Nation.

He was a man of unique ability who established a lofty goal in his political life of becoming chairman of the Senate Foreign Relations Committee and achieved it; who believed strongly about the conduct of American foreign policy and courageously fought for those beliefs despite the political consequences. One need not agree with those positions to admire and respect that integrity and honesty.

Many Members of Congress will come and go, but few will carve out of their tenures a place in history. Those that do, usually have done so out of their strength of commitment and statesmanship. The passing of Frank Church is the passing of one of those men.

The greatest strength of the American political experiment is the tolerance, integrity, and intensity of its deliberative process, where men and women of divergent positions seek to implement policies that will steer the country toward a peaceful, prosperous, and free future. Positions on the specific issues at the time defines the politician participants in that process, but history and force of personal commitment to the process define statesmen.

This weekend, the Nation lost a statesman. And whether you agreed or disagreed with the late Senator Church's political positions, he carried those beliefs to the deliberative process with that strength of character.

I join with others in extending my condolences to the Church family.

**REPORT ON RESOLUTION DIRECTING SECRETARY OF STATE TO PROVIDE INFORMATION CONCERNING SLAYING OF AMERICAN CHURCHWOMEN IN EL SALVADOR**

Mr. KOSTMAYER, from the Committee on Foreign Affairs, submitted a privileged report (Rept. No. 98-657) on the resolution (H. Res. 464) directing the Secretary of State to provide certain information to the House of Representatives concerning the 1980 slayings of four American churchwomen in El Salvador, which was referred to the House Calendar and ordered to be printed.

**REPORT ON RESOLUTION DIRECTING SECRETARY OF STATE TO PROVIDE INFORMATION CONCERNING DEATH SQUADS IN EL SALVADOR**

Mr. KOSTMAYER, from the Committee on Foreign Affairs, submitted a privileged report (Rept. No. 98-658) on the resolution (H. Res. 463) directing the Secretary of State to provide certain information to the House of Representatives concerning death squads in El Salvador, which was referred to the House Calendar and ordered to be printed.

**MEMORIAL SERVICE TO BE HELD FOR SENATOR FRANK CHURCH**

(Mr. WRIGHT asked and was given permission to address the House for 1 minute.)

Mr. WRIGHT. Mr. Speaker, I should like to announce for all who may wish to attend that a memorial service will be held at 11 o'clock tomorrow morning at the Washington National Cathedral in honor of the late Senator Frank Church. Frank Church's example combined the starkly independent judgments of an honest man with the warm, outgoing good will of an inherently kind human being.

At a time when there are disagreements, candid and profound, on international issues, it may be that we can draw from his inspiration to create a few basic principles which will allow us to be more bipartisan in our spirits if not always in our judgments and, when we disagree, to do so with sufficient grace that we shall not be disagreeable.

Those who would join in honoring the memory of Frank Church are invited to attend the observance in the cathedral at 11 o'clock tomorrow.

□ 1230

**ANNOUNCEMENT BY THE SPEAKER**

The SPEAKER. Pursuant to the provisions of clause 5, rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken at the end of the legislative business on Tuesday, April 10, 1984.

**PERMISSION FOR COMMITTEE ON WAYS AND MEANS TO FILE REPORT ON H.R. 5362**

Mr. MILLER of California. Mr. Speaker, on behalf of the chairman of the Committee on Ways and Means, I ask unanimous consent that the Committee on Ways and Means have until 6 p.m. tonight, Monday, April 9, 1984, to file its report to accompany the bill, H.R. 5362.

Mr. Speaker, it is my understanding that this has been cleared with the minority members of the committee.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. WORTLEY. Mr. Speaker, reserving the right to object, there is no objection. We have received assurances that the cost estimates to accompany the bill, prepared by the Congressional Budget Office, will be included in that report and, therefore, we have no objection.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

**LAND REMOTE-SENSING COMMERCIALIZATION ACT OF 1984**

Mr. VOLKMER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5155) to establish a system to promote the use of land remote-sensing satellite data, and for other purposes.

The Clerk read as follows:

H.R. 5155

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Land Remote-Sensing Commercialization Act of 1984".*

**TITLE I—DECLARATION OF FINDINGS, PURPOSES, AND POLICIES**

**FINDINGS**

Sec. 101. The Congress finds and declares that—

(1) the continuous civilian collection and utilization of land remote-sensing data from space is of major benefit in managing the Earth's natural resources and in planning or conducting many other activities of economic importance;

(2) the national interest of the United States lies in maintaining international leadership in civil remote-sensing and in broadly promoting the beneficial use of remote-sensing data;

(3) land remote-sensing by the Government or private parties of the United States affects international commitments and policies and national security concerns of the United States;

(4) the broadest and most beneficial use of land remote-sensing data is likely to result from maintaining a policy of nondiscriminatory access to data;

(5) use of land remote-sensing data has been inhibited by slow market development and by the lack of assurance of data continuity;

(6) the private sector, and in particular the "value-added" industry, is best suited to develop land remote-sensing data markets;

(7) vigorous, competitive, market-driven private sector involvement in land remote-sensing can lead to rapid realization of the potential benefits of that technology;

(8) to utilize fully the strengths of the private sector, any process of commercialization of land remote-sensing should involve the maximum practicable competition and the minimum (both in duration and amount) practicable Government subsidy;

(9) at the present time, it is unclear that the private sector alone will develop a total land remote-sensing system because of the

high risk and large capital expenditures involved;

(10) cooperation between the Federal Government and the private sector can help assure both data continuity and United States leadership;

(11) the time is now appropriate to initiate such cooperation with phased transition to a fully commercial system;

(12) cooperation between Government and the private sector in civil land remote-sensing should be structured so as to minimize Government direction and regulation and maximize private sector involvement;

(13) nevertheless, certain Government oversight must be maintained to assure that private sector activities are in the national interest and that the international commitments and policies of the United States are honored; and

(14) there is no compelling reason to commercialize meteorological satellites at this time.

#### PURPOSES

SEC. 102. It is therefore the purpose of this Act—

(1) to guide the United States Government in promoting full, prompt, and proper involvement of the private sector in civil land remote-sensing from space;

(2) to maintain the United States leading position in civil remote-sensing, preserve its national security, and fulfill its international obligations;

(3) to prescribe conditions for assuring continuity of civil land remote-sensing data while protecting public and private nondiscriminatory access to these data;

(4) to minimize the duration and amount of any further Federal investment that might be necessary to achieve full commercialization of civil land remote-sensing; and

(5) to prohibit commercialization of meteorological satellites at this time.

#### POLICIES

SEC. 103. (a) It shall be the policy of the United States to preserve its right to acquire and disseminate digital remote-sensing data.

(b) It shall be the policy of the United States that civilian digital remote-sensing data be made available to all potential users on a nondiscriminatory basis.

(c) It shall be the policy of the United States both to commercialize those space remote-sensing functions that properly lend themselves to private sector operation and to avoid competition by the Government with such commercial operations, while continuing to preserve our national security, to honor our international obligations, and to retain in the Government those remote-sensing functions that are essentially of a public service nature.

#### DEFINITIONS

SEC. 104. For purposes of this Act:

(1) The term "digital remote-sensing data" means the unprocessed and minimally processed signals collected from civil remote-sensing space systems or original film products collected from such systems. Such minimal processing shall be limited to rectification of instrumental distortions, registration with respect to features on the Earth, and calibration of spectral response. Such term does not include conclusions, manipulations, or calculations derived from such signals or combination of the signals with other data or information. Unless otherwise limited, digital remote-sensing data includes land and ocean sensed data.

(2) The term "Secretary" means the Secretary of Commerce.

(3)(A) The term "on a nondiscriminatory basis" means without preference, bias, or any other special arrangement regarding de-

livery, format, financing, or technical considerations which would favor one buyer or class of buyers over another.

(B) The sale of data is made on a nondiscriminatory basis only if (i) any offer to sell or deliver data is published in advance in such manner as will ensure that the offer is equally available to all prospective buyers; (ii) the system operator has not established or changed any price, policy, procedure, or other term or condition in a manner which gives one buyer or class of buyer de facto favored access to data; and (iii) in a case where a system operator offers volume discounts, such discounts are no greater than the demonstrable reductions in the cost of such sales. The sale of data on a nondiscriminatory basis does not preclude the system operator offering discounts other than volume discounts to the extent that such discounts are not inconsistent with any other provision of this paragraph.

(C) The sale of data on a nondiscriminatory basis does not require (i) that a system operator disclose names of buyers or their purchases; (ii) that a system operator maintain all, or any particular subset of, data in a working inventory; or (iii) that a system operator expend equal effort in developing all segments of a market.

(4) The term "Landsat system" means Landsat 1, 2, 3, 4, and 5, and related ground equipment, systems, and facilities, and any successor civil land remote-sensing satellites operated by the United States Government prior to the commencement of the six-year period described in section 302(b)(2).

(5) The term "system operator" means a contractor under title II or a license holder under title IV.

#### TITLE II—CONTRACT FOR EXISTING LAND REMOTE-SENSING SATELLITE SYSTEM

##### CONTRACT REQUIREMENTS

SEC. 201. (a) In accordance with the requirements of this Act, the Secretary shall, subject to the availability of appropriations therefor, contract with a United States private sector party (as defined by the Secretary) to market digital remote-sensing data generated by the Landsat system. If the Secretary determines that competition for such contract will promote the policies and purposes of this Act, the Secretary may accept proposals for such contract which include the operation by such United States private sector party of (1) the space component of the Landsat system, (2) the related ground equipment, systems, and facilities, or (3) both such space component and such related equipment, systems, and facilities.

(b) A contract awarded under subsection (a) shall be awarded, after competition, in accordance with the conditions of section 203. Such contract may be reawarded competitively after the practical demise of the space segment of the Landsat system, as determined by the Secretary.

(c) Any contract authorized by subsection (a)—

(1) shall not permit the transfer to any contractor of title to any part or all of the Landsat system; and

(2) may specify that the contractor use, and, at his own expense, maintain, repair, or modify elements of the Landsat system as the contractor finds necessary for commercial operations.

(d) If, as a result of the competitive process required by subsection (b), the Secretary receives no proposal which he finds acceptable under the conditions of this Act, the Secretary shall so certify and fully report his findings to the Congress. Thirty days after so certifying and reporting, the Secretary may reopen the competition. If no acceptable proposals are received after such

subsequent competition, or if the Secretary decides not to reopen the competition, the Secretary shall so certify and fully report his findings to the Congress. In the event that no acceptable proposal is received, the Secretary shall continue to operate the Landsat system and to market data from such system.

(e) In defining "United States private sector party" for purposes of subsection (a), the Secretary may take into account the citizenship of key personnel, location of assets, foreign ownership, control, and influence, and other such factors.

##### SALE OF DATA

SEC. 202. (a) The United States Government shall retain title to any and all data generated by the Landsat system. However, after the date of the commencement of the contract described in section 201(a), the contractor shall be entitled to revenues from sales of copies of data from the Landsat system, subject to the conditions specified in sections 601 and 602 of this Act.

(b) The contractor may continue to market data previously generated by the Landsat system after the demise of the space segment of that system.

##### CONDITIONS OF COMPETITION FOR CONTRACT

SEC. 203. (a) The Secretary of Commerce shall, as part of his advertisement for the competition for the contract authorized by section 201, identify and publish the international obligations, national security concerns (with appropriate protection of sensitive information), domestic legal considerations, and any other standards or conditions which a private contractor shall be required to meet.

(b) In selecting a contractor under this title, the Secretary shall consider—

(1) ability to market aggressively digital remote-sensing data;

(2) the best overall financial return to the Government, including the potential savings to the Government;

(3) ability to meet the obligations, concerns, standards, and conditions identified under subsection (a);

(4) technical competence, including the ability to assure continuity and timeliness of data from the Landsat system;

(5) absence of any conflicts of interest which could inhibit nondiscriminatory access to such data;

(6) ability to effect a smooth transition with the contractor selected under title III of this Act; and

(7) such other factors as he deems appropriate.

##### FOREIGN GROUND STATIONS

SEC. 204. (a) The contract under this title shall provide that the contractor shall act as the agent of the Secretary by continuing to supply digital remote-sensing data to foreign ground stations for the life, and according to their terms, of those agreements between the United States Government and such foreign ground stations that are in force on the date of the commencement of the contract.

(b) Upon the expiration of such agreements, or in the case of foreign ground stations that have no agreement with the United States on the date of commencement of the contract, the contract shall provide—

(1) that digital remote-sensing data from the Landsat system shall be made available to foreign ground stations only by the contractor; and

(2) that such data shall be made available on a nondiscriminatory basis.

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## TITLE III—PROVISION OF DATA CONTINUITY DURING TRANSITION PERIOD

## PURPOSES AND DEFINITIONS

Sec. 301. (a) It is the purpose of this title—

(1) to provide, in an orderly manner and with minimal risk, for a transition between Government operation and private, commercial operation of civil land remote-sensing space systems; and

(2) to provide for the continuity of MSS data for six years after the practical demise of the space segment of the Landsat system.

(b) For purposes of this title—

(1) the term "Multi-Spectral Scanner" means the instrument referred to by that name and carried on the Landsat 4 and Landsat 5 satellites; and

(2) the term "MSS data" means digital remote-sensing data which, from the point of view of a data user, are—

(A) functionally equivalent to data from the Multi-Spectral Scanner; and

(B) compatible with data and with equipment used to receive and process data from such Scanner.

## CONTRACT FOR DATA AVAILABILITY AND CONTINUITY

Sec. 302. (a) Subject to the availability of appropriations therefor and to the licensing conditions established under title IV, the Secretary shall, after competition, contract with a United States private sector party (as defined by the Secretary pursuant to section 201) for the provision by such party of the capability of generating data of a quality at least equal to the quality of MSS data and of selling and delivering such data to the Federal Government. The capability shall include, at a minimum, the capability to generate and deliver MSS data at the annual volume of Federal usage during fiscal year 1983, as determined by the Secretary. The capability may be provided by the contractor using whatever technologies the contractor may select. In addition, the contractor may make available data of a higher quality or of a different type than MSS data.

(b) The contract authorized by subsection (a)—

(1) shall be entered into as soon as practicable, allowing for the competitive procurement process;

(2) shall, in accordance with criteria determined and published by the Secretary, reasonably assure the provision of the capability described in subsection (a) for a period of six years, beginning as soon as practicable in order to minimize any interruption of data availability;

(3) shall terminate one year after the expiration of the six-year period described in paragraph (2);

(4) may, subject to section 305 of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 255), provide for a payment by the Secretary to cover a portion of the capital cost of providing such capability, which may be paid in installments (A) based on progress prior to the beginning of the six-year period described in paragraph (2), and (B) the sum of which shall be less than the total cost of procuring the system required to assure the capability for six years;

(5) shall provide that sale of digital remote-sensing data shall be in accordance with the provisions of section 303 of this title;

(6) shall not provide for any guaranteed data purchases by the Federal Government; and

(7) may provide that the contractor utilize, on a space-available basis, civilian Government satellites as platforms for a civil remote-sensing satellite system, if—

(A) the contractor immediately reimburses the Government for all related costs incurred with respect to such utilization, including a reasonable and proportionate share of fixed, spacecraft, data transmission, and launch costs; and

(B) such utilization would not interfere with or otherwise in any way compromise the intended civilian Government missions, as determined by the agency responsible for the civilian satellite.

(c) The contract authorized by subsection (a) shall be awarded on the basis of—

(1) the cost to the Government of the payment under subsection (b)(4);

(2) the reliability, technical competence, and financial condition of the contractor;

(3) the contractor's ability to develop the remote-sensing data market;

(4) the contractor's ability to supplement basic capabilities specified in section 302(a) by adding remote-sensing capabilities (at the contractor's expense and consistent with national security concerns) which maintain United States leadership in remote-sensing;

(5) the contractor's ability to meet the conditions for obtaining a license under title IV;

(6) the contractor's ability to provide digital remote-sensing data on a timely and reliable basis;

(7) the contractor's ability to effect a smooth transition with any contractor selected under title II;

(8) the royalty or profit- or revenue-sharing arrangement, or other such financial consideration offered to the Federal Government; and

(9) such other factors as the Secretary deems appropriate.

(d) If, as a result of the competitive process required by subsection (a), the Secretary receives no proposal which he finds acceptable under the conditions of this Act, the Secretary shall so certify and fully report his findings to the Congress. Thirty days after so certifying and reporting, the Secretary may reopen the competition. If no acceptable proposals are received after such subsequent competition, or if the Secretary decides not to reopen the competition, the Secretary shall so certify and fully report his findings to the Congress. Ninety days after so certifying and reporting, the Secretary is authorized to assure MSS data continuity by procurement and operation by the Federal Government of the necessary systems, subject to the availability of appropriations therefor. Such procurement and operation may include generation of data of a higher quality than MSS data.

## SALE OF DATA

Sec. 303. (a) The contractor selected under section 302 shall sell data in accordance with the provisions of sections 601 and 602 of this Act.

(b) Any sale of digital remote-sensing data by the contractor to Federal agencies shall be on a nondiscriminatory basis, with the additional condition that at least 5 per centum of the price of each such sale shall be rebated to the Government (and thereby reduce the total net cost to the Government) as a royalty payment to the United States Treasury. Such royalty payments shall be required during the life of the contract authorized in section 302, or until such time as the cumulative total of such royalty payments equals the value of any payment made to the contractor by the Government under section 302(b)(4), whichever first occurs. Data sales to non-Federal buyers shall not be subject to such a rebate.

(c) After the six-year period described in section 302(b)(2), the contractor may continue to sell data and, if licensed under title

IV of this Act, to operate a civil remote-sensing space system.

## REPORT

Sec. 304. Two years after the date of the commencement of the six-year period described in section 302(b)(2) the Secretary shall report to the President and to the Congress on the progress of the transition to fully private financing, ownership, and operation of remote-sensing space systems, together with any recommendations for actions, including actions necessary to ensure United States leadership in civilian land remote-sensing from space.

## TITLE IV—LICENSING OF PRIVATE REMOTE-SENSING SPACE SYSTEMS

## GENERAL AUTHORITY

Sec. 401. The Secretary is authorized, after consultation with other appropriate Federal agencies, to grant, suspend, modify, or revoke licenses under this title, and to take any other such actions as he deems necessary in order to carry out the provisions of this title.

## CONDITIONS FOR OPERATION

Sec. 402. (a) No private sector party may operate any remote-sensing space system which is subject to the jurisdiction or control of the United States (as determined by the Secretary) without a license pursuant to section 403.

(b) Any license issued pursuant to section 403 shall be subject to the following conditions:

(1) The system shall be operated in such manner as to preserve and promote the national security of the United States and to observe and implement the international obligations of the United States.

(2) Digital remote-sensing data shall be made available to all potential users on a nondiscriminatory basis.

(3) No license issued under this title shall protect the licenseholder from fair competition from other licenseholders.

(4) Any private sector party proposing to be licensed under section 403 shall agree, as a condition for the receipt of such license, that prior to disbanding or terminating operations under the license, the licenseholder will make disposition of any orbiting satellites in a manner satisfactory to the President.

(5) Any private sector party proposing to be licensed under section 403 shall agree, as a condition for the receipt of such license, to provide to the Secretary any data generated under such license which the Secretary may request for the purpose of archiving pursuant to section 602.

(6) For the purposes of ensuring compliance with the provisions of this Act concerning nondiscriminatory access to data, any private sector party proposing to be licensed under section 403 shall agree, as a condition for the receipt of such license—

(A) to notify the Secretary of any "value-added" activities (as defined by the Secretary by regulation) that will be conducted by the licensee or by a subsidiary or affiliate of the licensee; and

(B) to provide the Secretary with a plan for the conduct of such activities which will ensure compliance with such provisions concerning nondiscriminatory access.

## AUTHORITY OF THE SECRETARY

Sec. 403. (a) The Secretary is authorized to license qualified private sector parties to operate civil remote-sensing space systems in accordance with the provisions of this Act.

(b) Any license issued under subsection (a) shall be in effect for such period as the Secretary may specify.

(c) Any private sector party may apply to the Secretary for issuance, transfer, or termination of a license under this title in a form and manner prescribed by the Secretary. Each application under this section shall set forth the activities proposed to be carried out under the license, including measures taken to comply with those operating requirements specified in section 402 of this Act.

(d) No license shall be granted by the Secretary unless he determines in writing that the applicant will comply with the requirements of this Act, the regulations issued pursuant to this Act, and the international obligations and national security concerns of the United States. The Secretary shall review any application and make a determination thereon within one hundred and twenty days of the receipt of an application. If final action has not occurred within such time, the Secretary shall inform the applicant of any pending issues and of actions required to resolve them.

(e) The Secretary may revoke, suspend, or modify a license issued under this title if the Secretary determines and notifies the licensee in writing that the licensee has substantially failed to comply with any provision of this Act, with any regulation issued under this Act, with any terms, conditions, or restrictions of such license, or with any international obligation or national security concern of the United States.

(f) Any applicant or licensee who makes a timely request for review of a denial of issuance or transfer; revocation; suspension; conditioning; or modification of a license shall be entitled to adjudication by the Secretary on the record after an opportunity for an agency hearing with respect to such denial, revocation, suspension, conditioning, or modification. Any final action by the Secretary under this subsection shall be subject to judicial review under chapter 7 of title 5, United States Code.

#### REGULATORY AUTHORITY OF THE SECRETARY

SEC. 404. (a) The Secretary may issue regulations to carry out the provisions of this title.

(b) Regulations issued by the Secretary under this title shall be promulgated only after public notice and comment in accordance with the provisions of section 553 of title 5, United States Code.

#### ENFORCEMENT AUTHORITY OF THE SECRETARY

SEC. 405. (a) Each license issued by the Secretary shall require the licensee—

(1) to allow the Secretary or his designated officers to inspect any financial or business records associated with remote-sensing or "value-added" activities, and

(2) to allow the Secretary or his designated officers to inspect any space-related or ground segment hardware or software to be utilized by the licensee in remote-sensing activities.

(b) It is unlawful for any person to violate any regulation or provision of any license issued under this Act, to violate any space treaty or law implementing any space treaty, or to prevent or inhibit the monitoring of remote-sensing activities or "value-added" activities by the Secretary or his designated officers.

(c) Any person who after notice and opportunity to be heard in accordance with title 5, United States Code, is found by the Secretary to have committed any act prohibited by subsection (b) shall be liable for a civil penalty of not more than \$10,000 for each violation. Each day of continuing operation in violation shall constitute a separate violation. The Secretary may compromise, modify, or remit any such civil penalty.

(d) For the purpose of conducting any hearing under this section, the Secretary

may issue subpoenas for any materials, documents, or records, or for the attendance and testimony of witnesses.

(e) In carrying out his enforcement responsibilities, the Secretary may—

(1) seize any object, record, or report where it reasonably appears that such was used, is being used, or is likely to be used in violation of this Act; or

(2) make investigations and inquiries and administer to or take from any person an oath affirmation or affidavit concerning any matter relating to the enforcement of this Act.

(f) The Secretary is authorized to terminate any licensed operations on an immediate basis when it reasonably appears that operation in violation of any provision of this Act, or any provision of a license issued under this Act, or of any obligation of the United States under a space treaty, would be detrimental to the national interest.

#### AGENCY ROLES

SEC. 406. (a) A private sector party may apply for a license to operate a remote-sensing space system which utilizes, on a space-available basis, a civilian United States Government satellite or vehicle as a platform for such system.

(b) The Secretary, pursuant to the authorities of this title, may license such system if it meets all conditions of this Act, and if—

(1) the applicant agrees, as a condition for the receipt of such license, to reimburse the Government immediately for all related costs incurred with respect to such utilization, including a reasonable and proportionate share of fixed, spacecraft, data transmission, and launch costs; and

(2) such utilization would not interfere with or otherwise compromise the intended Government missions, as determined by the agency responsible for the satellite or vehicle.

(c) The Secretary may offer assistance to private sector parties in finding appropriate opportunities for such utilization.

(d) Federal agencies are authorized to enter into agreements for such utilization if such agreements are consistent with the agency's mission, statutory authority, and appropriation Acts, and if such remote-sensing space system is licensed by the Secretary.

(e) The provisions of this section do not apply to activities carried out pursuant to title V.

#### TERMINATION

SEC. 407. If, five years after the expiration of the six-year period described in section 302(b)(2), no private sector party has been licensed and continued in operation under the provisions of this title, the authority of this title shall terminate.

### TITLE V—RESEARCH AND DEVELOPMENT

#### PURPOSE AND POLICY

SEC. 501. It is the purpose of this title to provide for a comprehensive civilian program of research, development, and demonstration to enhance the United States capabilities for remote-sensing from space, as well as to enhance the application and utilization of such capabilities.

#### CONTINUED FEDERAL RESEARCH AND DEVELOPMENT

SEC. 502. (a)(1) The Administrator of the National Aeronautics and Space Administration is directed to continue and to enhance such Administration's programs of remote-sensing research and development.

(2) The Administrator is authorized and encouraged to—

(A) conduct experimental space remote-sensing programs (including applications

demonstration programs and basic research at universities);

(B) develop remote-sensing technologies and techniques, including those needed for monitoring the Earth and its environment; and

(C) conduct such research and development in cooperation with other public and private research entities, including private industry, universities, State and local governments, foreign governments, and international organizations, and to enter into arrangements (including joint ventures) which will foster such cooperation.

(b)(1) The Secretary shall conduct a continuing program of—

(A) research in applications of remote-sensing;

(B) monitoring of the Earth and its environment; and

(C) development of technology for such monitoring.

(2) Such program may include support of basic research at universities.

(3) The Secretary is authorized and encouraged to conduct such research, monitoring, and development in cooperation with other public and private research entities, including private industry, universities, State and local governments, foreign governments, and international organizations, and to enter into arrangements (including joint ventures) which will foster such cooperation.

(c) Other Federal agencies are authorized and encouraged to conduct research and development on the use of remote-sensing in fulfillment of their authorized missions, using funds appropriated for such purposes.

(d) The Secretary and the Administrator of the National Aeronautics and Space Administration shall, within one year after the date of enactment of this Act and biennially thereafter, jointly develop and transmit to the Congress a report which includes (1) a unified national plan for remote-sensing research and development applied to the Earth and its atmosphere; (2) a compilation of progress in the relevant ongoing research and development activities of the Federal agencies; and (3) an assessment of the state of our knowledge of the Earth and its atmosphere, the needs for additional research (including research related to operational Federal remote-sensing space programs), and opportunities available for further progress.

#### USE OF EXPERIMENTAL DATA

SEC. 503. Data gathered in Federal experimental space remote-sensing programs may be used in related research and development programs funded by the Federal Government (including applications programs) and cooperative research programs, but not for commercial uses or in competition with private sector activities, except as permitted by section 504.

#### SALE OF EXPERIMENTAL DATA

SEC. 504. Data gathered in Federal experimental space remote-sensing programs may be sold en bloc through a competitive process (consistent with national security interests and international obligations of the United States) to any United States entity which will market the data on a nondiscriminatory basis.

### TITLE VI—GENERAL PROVISIONS

#### NONDISCRIMINATORY DATA AVAILABILITY

SEC. 601. (a) Any digital remote-sensing data generated by any system operator under the provisions of this Act shall be made available to all users on a nondiscriminatory basis in accordance with the requirements of this Act.

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(b) Any system operator shall make publicly available the prices, policies, procedures, and other terms and conditions (but not, in accordance with section 104(S)(C), the names of buyers or their purchases) upon which the operator will sell such data.

## ARCHIVING OF DATA

Sec. 602. (a) It is in the public interest for the United States Government—

(1) to maintain an archive of land remote-sensing satellite data for historical, scientific, and technical purposes, including long-term global environmental monitoring;

(2) to control the content and scope of the archive; and

(3) to assure the quality, integrity, and continuity of the archive.

(b) The Secretary shall provide for long-term storage, maintenance, and upgrading of a basic, global, land remote-sensing data set (hereafter referred to as the "basic data set") and shall follow reasonable archival practices to assure proper storage and preservation of the basic data set and timely access for parties requesting data. The basic data set which the Secretary assembles in the Government archive shall remain distinct from any inventory of data which a system operator may maintain for sales and for other purposes.

(c) In determining the initial content of, or in upgrading, the basic data set, the Secretary shall—

(1) use as a baseline the MSS data currently archived;

(2) take into account future technical and scientific developments and needs;

(3) consult with and seek the advice of users and producers of remote-sensing data and data products, keeping the Congress advised of such contacts;

(4) consider the public's need for data which may be duplicative in terms of geographical coverage but which differ in terms of season, spectral bands, resolution, or other relevant factors;

(5) include, as the Secretary deems appropriate, digital remote-sensing data generated either by the Landsat system, pursuant to title III, or by license holders under title IV; and

(6) include, as he deems appropriate, data collected by foreign ground stations or by foreign remote-sensing space systems.

(d) All original data (or copies thereof) shall, on request, be made promptly available to the Secretary by any system operator in a form suitable for processing for data storage, maintenance, and access. The Secretary is authorized (subject to the availability of appropriations) to pay to such system operator reasonable costs for reproduction and transmittal of any such data.

(e) Any system operator shall have the exclusive right to sell all data that the operator provides to the United States remote-sensing data archive for a period to be determined by the Secretary but not to exceed ten years from the date the data are sensed. In the case of data generated from the Landsat system prior to the implementation of the contract described in section 201(a) of this Act, any contractor selected pursuant to section 201 shall have the exclusive right to market such data on behalf of the United States Government for the duration of such contract. A system operator may relinquish his exclusive right and consent to distribution from the archive before the period of exclusive right has expired by terminating his offer to sell particular data.

(f) After expiration of such exclusive right to sell, or after relinquishment of such right, the data provided to the United States remote-sensing data archive shall be in the public domain and shall be made available to requesting parties by the Secre-

tary at prices reflecting reasonable costs of reproduction and transmittal.

(g) In carrying out the functions of this section, the Secretary may use existing facilities or may contract with a private sector party or parties for the performance of such functions, subject to the availability of appropriations therefor.

## NONREPRODUCTION

Sec. 603. Digital remote-sensing data distributed by any system operator under the provisions of this Act may be sold under the condition that such data will not be reproduced or disseminated by the purchaser.

## REIMBURSEMENT FOR ASSISTANCE; SALE OF EQUIPMENT

Sec. 604. (a) The Administrator of the National Aeronautics and Space Administration, the Secretary of Defense, and the heads of other Federal agencies are authorized to provide assistance to system operators under the provisions of this Act. Substantial assistance, such as launch services, shall be reimbursed by the system operator.

(b) The Secretary may allow a licensee under section 403, or any other private sector party, to buy or otherwise acquire the use of equipment from the Landsat system, when such equipment is no longer needed for the operation of that system or for the sale of data from that system. Officials of other Federal civilian agencies are authorized and encouraged to cooperate with the Secretary in carrying out this subsection.

## RADIO FREQUENCY ALLOCATION

Sec. 605. The Federal Communications Commission and the Secretary are encouraged to allocate to any license holder under title IV of this Act access to Government radio frequencies and other civil radio frequencies appropriate for space remote-sensing systems in a timely manner consistent with international obligations and with the national interest.

## CONSULTATION

Sec. 606. (a) The Secretary shall consult with the Secretary of Defense on all matters under this Act affecting national security. The Secretary of Defense shall be responsible for determining those conditions, consistent with this Act, necessary to meet national security concerns of the United States and for notifying the Secretary promptly of such conditions.

(b)(1) The Secretary shall consult with the Secretary of State on all matters under this Act affecting international obligations. The Secretary of State shall be responsible for determining those conditions, consistent with this Act, necessary to meet international obligations and policies of the United States and for notifying the Secretary promptly of such conditions.

(2) The Secretary of State is authorized and encouraged to provide land remote-sensing data, technology, and training to developing nations as a component of programs of international aid.

(3) The Secretary of State shall promptly report to the Secretary any instances outside the United States of discriminatory distribution of data.

(c) If, as a result of conditions imposed on a system operator on the basis of national security or international obligations or policies, the Secretary (in consultation with the Secretary of Defense or the Secretary of State, as the case may be) determines that additional costs will be incurred by the system operator, or that past development costs (including the cost of capital) will not be recovered by the system operator, the Secretary may require the agency or agencies requesting such conditions to reimburse the system operator for such additional or

development costs, excluding anticipated profits.

## AMENDMENT TO NATIONAL AERONAUTICS AND SPACE ADMINISTRATION AUTHORIZATION, 1983

Sec. 607. Subsection (a) of section 201 of the National Aeronautics and Space Administration Authorization, 1983, is amended to read as follows:

"(a) The Secretary of Commerce is hereby authorized to plan and provide for the management and operation of civil remote-sensing space systems, which may include the Landsat 4 and 5 satellites and associated ground system equipment transferred from the National Aeronautics and Space Administration; to provide for user fees; and to plan for the transfer of the ownership and operation of civil, operational remote-sensing space systems to the private sector when in the national interest."

## RELATION TO OTHER LAWS

Sec. 608. The requirements of this Act are in addition to, and not in lieu of, any other provision of law.

## AUTHORIZATION OF APPROPRIATIONS

Sec. 609. (a) There are authorized to be appropriated to the Secretary \$10,000,000 for fiscal year 1985 for the purpose of carrying out the provisions of section 302, title IV, and section 607 of this Act.

(b) The authorization provided for under subsection (a) shall be in addition to moneys authorized pursuant to title II of the National Aeronautics and Space Administration Authorization Act of 1983 (Public Law 97-824).

## TITLE VII—PROHIBITION OF COMMERCIALIZATION OF WEATHER SATELLITES

## PROHIBITION

Sec. 701. Neither the President nor any other official of the Government shall make any effort to lease, sell, or transfer to the private sector, commercialize, or in any way dismantle any portion of the weather satellite systems operated by the Department of Commerce or any successor agency.

## FUTURE CONSIDERATIONS

Sec. 702. Regardless of any change in circumstances subsequent to the enactment of this Act, even if such change makes it appear to be in the national interest to commercialize weather satellites, neither the President nor any official shall take any action prohibited by section 701 of this Act unless this title has first been repealed.

The SPEAKER pro tempore (Mr. MOAKLEY). Pursuant to the rule, a second is not required on this motion.

The gentleman from Missouri (Mr. VOLKMER) will be recognized for 20 minutes and the gentleman from New Mexico (Mr. LUJAN) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Missouri (Mr. VOLKMER).

Mr. VOLKMER. Mr. Speaker, I yield myself such time as I may consume.

(Mr. VOLKMER asked and was given permission to revise and extend his remarks.)

Mr. VOLKMER. Mr. Speaker, I rise to support H.R. 5155, the Land Remote-Sensing Commercialization Act of 1984 and to urge my colleagues to join me in voting for this legislation.

The committee has held hearings on this general subject matter for several years. Recently our focus has been

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sharpened as a result of several specific commercialization proposals.

The jurisdiction for this matter is shared between my subcommittee and the subcommittee chaired by the gentleman from New York (Mr. SCHEUER). We held hearings beginning in April 1983 and continuing in June and July. In November, we held hearings on draft legislation. In February of this year we introduced H.R. 4836, and had hearings on that bill in March. Based on testimony and comments from industry and agencies, a clean bill, H.R. 5155, was introduced on March 15 and reported by the Committee on Science and Technology on March 27, 1984, without amendment.

Mr. Speaker, I have taken the time to recount this history because the Members should know that this bill has been given careful consideration. We have not lightly dealt with the commercialization of our Nation's space remote-sensing capability.

The committee has always supported the commercialization of space technology when appropriate, while realizing that such commercialization might need statutory policy guidance on a case-by-case basis.

We have always intended for land remote sensing to be commercialized because so many of its applications are commercial. The marketing efforts of a private sector operator will result in wider use of the data and commercial pressures for efficiency will result in more cost-effective technology.

Despite the committee's feeling that this remote-sensing technology should be commercialized, we also realized that there need to be safeguards to protect the public and the national interest. The committee has therefore looked carefully at this commercialization process.

Mr. Speaker, many Members may remember that some of the proposals floating around about this time a year ago were a mockery of commercialization. For example, there were proposals to commercialize the weather satellites. Leaving aside the potential adverse effects on public safety, these proposals would have amounted to establishing a monopoly and then giving it a cost-plus contract. Obviously, this would have resulted in none of the efficiencies we expect from private-sector operation. Of course, H.R. 5155 prohibits commercialization of weather satellites.

There have also been proposals that would allow a private system operator to sell data to some users but not to others. One bad effect of this would be to allow grain speculators to profit at the expense of American farmers. By establishing a firm policy of nondiscriminatory access to data, H.R. 5155 would prevent such abuses.

I hope these examples have made it clear that we have brought to the floor a bill that every Member can support.

Mr. Speaker, let me now briefly outline the provisions of the bill.

Title I contains findings, purposes, policies, and definitions. An important policy established here would call for nondiscriminatory data access.

Title II provides for the first phase of commercialization which would be marketing of data from the existing Landsat system. Title to the system would remain with the Government.

Title III provides for the next phase of commercialization by authorizing limited Federal assistance for a private system to follow Landsat. This assistance would be awarded after a competitive process.

Title IV contains procedures for a simple licensing of private system operators.

Title V is very important because it authorizes and directs a vigorous Federal R&D program to insure that the United States maintains its preeminence in this field.

Title VI contains general provisions, the most important of which is the statutory establishment of a data archive.

Title VII contains a simple prohibition of commercialization of weather satellites.

Mr. Speaker, at this point I would like to explain the provisions of the bill. H.R. 5155 is written in seven titles. There are three progressive phases of commercialization of land remote sensing established in titles II, III, and IV of the bill. The other titles provide a favorable context for the commercialization process.

Title I contains findings, purposes, policies, and definitions. Section 103(c) of the bill establishes as policy of the United States that civilian digital remote-sensing data shall be made available to all potential users on a nondiscriminatory basis. Also, section 104 of the act spells out the definition of this term—on a nondiscriminatory basis—so as to allow as much commercial flexibility as possible without favoring one buyer or class of buyers over another.

Title II provides for the first phase of commercialization. A contractor would be selected to market all new and archived data from the existing Landsat system and would also be permitted if he desired, to contract for operating that system. The Secretary would continue to own this system while the private sector contractor develops a market and makes data available to users. This will preserve data continuity while the private sector builds the follow-on land remote-sensing space system provided for by title III.

Title III provides for a 6-year transition period as the next phase of commercialization with the 6-year period defined in terms of assurance of data continuity. The Secretary of Commerce is authorized to pay some of the capital costs of a private sector operator who will provide the system capability necessary to assure data continuity for the 6-year period. This capital payment is, in effect, a subsidy to help

the private-sector party build and launch the necessary system. The Secretary would be required to go through a competitive selection process and one criterion for selection of the private-sector operator would be the amount of subsidy required.

The committee believes that the 6-year period will be an adequate amount of time to determine whether or not the land remote-sensing business will be commercially viable. If such a business cannot be sustained by sale of data, then we will be faced with a decision as to whether we want to continue with Federal support or simply to take this Nation out of land remote-sensing altogether.

The provisions of H.R. 5155 give the Secretary some latitude in how to proceed with the commercialization process. For example, nothing in the bill would prohibit the Secretary from combining the procurements called for in title II and title III into one action. However, if such an action did not result in accomplishing the objectives of both titles II and III, the Secretary would be required to proceed with separate procurement actions.

Title IV provides a procedure for licensing all private system operators including the operator receiving the subsidy under title III. The constraints that would be placed on license holders are few, but would include nondiscriminatory data access and foreign policy and national security limitations. This title also establishes administrative procedures and regulatory and enforcement authorities for the Secretary of Commerce.

Title V authorizes and encourages continued Federal research and development in civil space remote sensing. Our committee strongly believes that the transfer of operational responsibility to the private sector does not relieve the Federal Government of its obligation to conduct long-term, high-risk research in remote sensing. This title therefore spells out research mandates for both NOAA and NASA and encourages agencies using remote-sensing data to carry out applications research. In addition, sections 503 and 504 taken together provide that data generated in experimental remote-sensing purposes can be used for research purposes without limitation but can be used for commercial purposes only in a way that will not undercut any private-sector operator. This is achieved by requiring that such experimental data be sold en bloc on a commercial, that is competitive, basis.

Title VI contains several general provisions, perhaps the most important of which is the requirement that the Secretary of Commerce establish an archive of land remote-sensing data for historical, scientific, and technical purposes, including long-term global environmental monitoring. This provision will insure that many of the public benefits of land remote sensing are indeed preserved once the commer-

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cialization process is underway. Section 609 authorizes the appropriation of \$10 million for fiscal year 1985 for carrying out the provisions of section 302, title IV, and section 602 of the bill. Section 302 contains the language providing for the payment of capital costs of a follow-on system to assure data continuity for 6 years. The \$10 million authorized here will not be sufficient to pay for that system. We expect that the requirement for building the follow-on system will be several times the amount authorized, but it will certainly be less than present Government costs to procure and operate a land remote-sensing system.

Title VII would prohibit the commercialization of weather satellites at this time. The language of this title amounts to a rather strict prohibition of any effort to commercialize those systems and provides that no such effort may be made by the President or any official until title VII has been repealed.

Mr. Speaker, I believe that from this description it is clear that we have worked hard on this bill and have dealt with all of the problems that have existed in earlier commercialization proposals. I urge my colleagues to support H.R. 5155.

Mr. DASCHLE. Mr. Speaker, will the gentleman yield?

Mr. VOLKMER. I yield to the gentleman from South Dakota.

(Mr. DASCHLE asked and was given permission to revise and extend his remarks.)

Mr. DASCHLE. Mr. Speaker, I rise, not so much in opposition to H.R. 5155, a bill setting forth guidelines and parameters for the possible commercialization of the Landsat system, as I do to express some very serious concerns on my part as to the necessity and the ultimate wisdom of the entire idea of commercialization. As a set of guidelines, I compliment the committee on its product as reflected in this bill. As far as possible, it does produce guidelines that will assure continued access to data at the least possible cost to the Government under commercialization.

On the other hand, as I have indicated, I wonder if, in fact, the commercialization of this function is indeed in the national interest. The information gathered by the Landsat system does provide manifold benefits in the national interest. The argument for commercialization, as is exhibited in the committee report on this legislation, is that commercialization of the system will provide greater data markets, and that the Federal Government can contract for the data it desires with the private interests running the system. However, in testimony before the Subcommittee on Science and Applications on June 21, 1983, Dr. John W. Townsend, president of Fairchild Space Co., said the following:

This statement will probably be viewed as heresy by my industrial colleagues, but the real forcing function for increasing industri-

al productivity and efficiency is competition. In a sole source situation, the only management motivation is to increase profits as far as possible until checked through regulation or negotiation.

This statement, I think, calls into real question the proposed savings that commercialization will bring to the Federal Government. We only have to look at sole source contractors for the Pentagon to see how well this system works.

On the other hand, given the administration's fervor for commercialization, and the fact that it has already involved itself in RFP's on this matter, the likelihood of the administration expanding the Landsat system to fill existing and future needs is doubtful. Two months ago, we launched Landsat 5, the last planned satellite in the Landsat system. There are obviously no further plans by the administration to launch any further Landsat satellites, or to upgrade our present facilities. Without this administration support, it is unlikely that Congress, on its own, will provide either the authorizations or further funding for these desirable expansions. So, by default, however distasteful, it appears that this commercialization may be the only way we can continue to expand the data we need.

I am disappointed that the administration has been so short-sighted on this issue. I am further disturbed that the committee bill before us today does not, to my understanding, provide for congressional approval of any specific contract the Secretary of Commerce may enter into relative to this issue. Given the administration's propensity for privatization, no matter what the ultimate cost to the citizens of this country, I am afraid that this approach will indeed leave the fox guarding the chicken coop.

It does appear, however, that, given the administration's refusal to support updating of the system, commercialization may be the only way to go. I do, however, have some specific questions that I would like to address to the manager of the bill, relative to title VI of the bill, dealing with archiving, and the role the EROS Data Center may play in that function.

In the last analysis, I feel that this commercialization is premature and may wind up costing us more than it saves, while at the same time it may well be denying us access to the data we need. The administration's single minded pursuit of privatization, combined with its stubborn refusal to update the present Landsat system, may be forcing us into a very foolish mistake.

I am particularly concerned over the role that the EROS data center in South Dakota will have in the future of any commercialized Landsat data collection and dissemination system. As you are aware, the EROS data center currently is actively involved in archiving data of the type we are talking about here and is, to my knowl-

edge, the only facility currently doing so. Is it your perception of the thrust of H.R. 5155 that there is a role for the continuation of this archiving function at EROS, and, even more importantly, an expanded role for such a function?

Mr. VOLKMER. Mr. Speaker, I thank the gentleman for his question. Indeed, I am aware of the valuable role played by the EROS data center in archiving this and many other kinds of data. I am further aware that the current RFP process underway in the Department of Commerce does not mandate that a government archive would be maintained. Further, the administration position in the decision memorandum announced on March 8, 1983, was either to commercialize land remote sensing or to drop it entirely.

H.R. 5155 both provides for continued Federal support for land remote sensing until it can be commercialized successfully, and also in section 602 mandates that the Secretary of Commerce maintain a data archive. And as you have suggested H.R. 5155 calls for a "global" data set which would expand the role of the EROS data center.

Mr. DASCHLE. If the gentleman will yield further, again, just for a point of clarification. This bill does not, of course, mandate the commercialization of any Landsat facilities. It is correct to say that this legislation leaves to the discretion of the administration, within the guidelines outlined here, the final decision as to the overall question of commercialization, and to the acceptance of a specific contract?

Mr. VOLKMER. The gentleman is correct. Section 201(c)(1) prohibits the transfer to the private sector of any part or all of the Landsat system. Further, section 201(d) gives the Secretary of Commerce authority to continue operating the Landsat system if no acceptable contract can be reached. There is similar language in section 302(d) regarding a follow-on system. For example, we would not want the Secretary to accept a proposal that would cost the Government more money or that would preclude the archiving function. Our intent is to pursue commercialization while protecting the public interest.

Mr. DASCHLE. Mr. Speaker, if the gentleman will further yield, I want to thank the gentleman for this information.

Mr. BATEMAN. Mr. Speaker, will the chairman of the subcommittee, the gentleman from Missouri (Mr. VOLKMER), yield for the purpose of a question?

Mr. VOLKMER. I yield to the gentleman from Virginia.

Mr. BATEMAN. Mr. Speaker, I would like to pose a question to the chairman, in the hope that we might clarify the committee's intent with reference to a part of the language that is in the committee report.

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On page 30 of the committee report, there is a paragraph relating to title VII of the bill that I believe might lead to an unfortunate and unintended interpretation of the committee's intent. That paragraph states:

The committee further notes that title VII does not in any way prohibit the Secretary from carrying out his responsibility to operate the weather satellites by means of contracts with private sector operators.

Would the chairman agree that the transfer of the functions of the Wallops Command and Data Acquisition Station to a private sector operator by contract is prohibited by title VII?

Mr. VOLKMER. Yes, I agree with the gentleman from Virginia. The Secretary must continue to operate the weather satellites and such a transfer would certainly constitute a commercialization that would be a clear violation of title VII, and the committee did not intend to leave any other impression. The purpose of the paragraph the gentleman refers to was to indicate that NOAA's current practice of contracting for certain limited functions would continue to be acceptable practice. For example, I understand certain maintenance functions are now contracted to the original equipment manufacturers. If cost effective, this could continue.

Mr. BATEMAN. Mr. Speaker, I thank the gentleman for his clarifying remarks.

Mr. VOLKMER. Mr. Speaker, I reserve the balance of my time.

Mr. LUJAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the bill. Over the past 11 years, more than 20 bills were introduced dealing with remote-sensing issues. Although land remote sensing has had strong support from Congress throughout its history, there has been a long series of reports, studies, recommendations, and hearings on the issues.

Last year, the President announced his policy to have the Department of Commerce consider the feasibility of transferring the remote-sensing system to the private sector. Since then, there has been a lot of confusion about the President's proposal. The President did not decide to sell the weather satellites, but rather asked the Department of Commerce to determine if it was feasible. Since the transfer of the weather satellites is not considered to be appropriate now, this bill prohibits commercialization of weather satellites.

In contrast, the transfer of the land remote-sensing system to the private sector is not only feasible, but very appropriate. It is the Government's role to do the basic research and development and then transfer the technology to the private sector. From the beginning of the Landsat program, it has been assumed that the technology would eventually be commercialized.

Unfortunately, up until now, no definite plan was ever developed for commercialization. This bill provides an

excellent, well-thought-out approach to allow Landsat to evolve into a profitable private sector enterprise. The Committee on Science and Technology and the Congress as a whole have supported commercialization of space technology over the years. This bill is a continuation of that philosophy.

Furthermore, the bill is consistent with the administration's position, and in fact is intended to be completely complementary to the process being followed by the Department of Commerce.

For these reasons, I urge my colleagues to join me in support of this bill.

● Mr. SCHEUER. Mr. Speaker, I rise in support of H.R. 5155, the Land Remote-Sensing Commercialization Act of 1984.

As the gentleman from Missouri (Mr. VOLKMER) indicated, the issues which underlie this legislation have been carefully considered during the course of nine joint hearings that our two subcommittees have held over the year. As a result of this careful consideration and of the efforts that we have made to meet Members' concerns, H.R. 5155 enjoys strong bipartisan support on the Committee on Science and Technology. In addition, on the basis of testimony that we received in March of this year from the Director of the Source Evaluation Board for Civil Remote-Sensing, the bill is, in the main, strongly endorsed by the administration.

The level of cooperation between the Congress and the administration on this issue is remarkable in light of the intractable impasse which existed not 1 year ago. There are two reasons why we have come such a long way since then. First, during the fall of last year, the Congress passed concurrent resolutions and ultimately an appropriations bill which finally laid to rest the administration's ill-conceived proposal to sell the Nation's weather satellites. Second, there has been a growing consensus that it is now timely and in the public interest to begin the orderly transition toward commercial operation of civil remote-sensing from space. H.R. 5155 is responsive to this need; it constitutes a sound approach to establishing a market-based commercial system, without compromising our national security, public safety, or international interests.

I have been greatly encouraged over the past several months that the administration, under the leadership of the Department of Commerce, has modified its policies to the point that they are nearly aligned with the policies embodied in the legislation that we are considering today. This movement by the administration has been a very positive step, signaling to me that we can reach agreement quickly on the issue of land remote-sensing commercialization. Consensus and quick legislative action are absolutely essential if the United States is to avoid handing over to foreign competitors a

technology that is ripe for commercialization.

Mr. Speaker, I would like to expand on what the gentleman from Missouri (Mr. VOLKMER) has said and provide some further detail on a few of the major issues that arose during the consideration of the legislation. First, the committee was aware that Public Law 98-166 prohibited the expenditure of funds in fiscal year 1984 on any proposal to transfer the Nation's civil weather satellites to the private sector. In adopting title VII of H.R. 5155, the committee has taken this prohibition one step further: Any future actions leading toward commercialization of weather satellites would not be permitted until such time as title VII is repealed.

We have taken this strong position because all of the evidence that the committee has heard indicates that sale of the weather satellites would be a terrible deal for the U.S. taxpayer. Sale of the satellites would not lead toward a truly competitive and commercial situation, but rather toward a monopoly in which the only customer—the U.S. Government—would be dependent upon both the technical competence and the good will of a single company operating under the security of a long-term, cost-plus contract. In all likelihood, this monopoly would end up costing the Government more than it presently expends for government operation of weather satellites.

Economics aside, the sale would have extremely serious implications for both national security and public safety. Selling the weather satellites would necessitate significant, and perhaps unwieldy, oversight and regulation by the Department of Defense, which relies on civil weather satellite data both in its routine operations and in emergencies. The threat to public services arises because a private operator with a secure, long-term contract would have little motivation to improve his services. As a result, technology would stagnate, which would hurt everyone who relies on weather information: the farmer, the pilot, the citizen dependent on Federal tornado and hurricane warnings.

In placing restrictions on commercialization of weather satellites, we wanted to avoid a repetition of the events of late 1983, when American industry was asked to expend millions of dollars in responding to an RFP which, because of its inclusion of weather satellites, had very little chance of success.

A second issue of great concern to the committee was the necessity, while effecting the transition of land remote sensing to the private sector, of preserving legitimate national security concerns and international commitments of the United States. These issues have been very thoughtfully raised by the gentleman from Texas (Mr. BROOKS) and thoroughly dis-



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discussed in recent publications by the General Accounting Office and the Office of Technology Assessment.

The international and national security aspects of remote sensing are precisely the areas which necessitate continuing Government oversight and control of private space ventures. In the area of national security, it would clearly be inappropriate for the U.S. Government to permit its citizens to engage in activities that amount to intelligence gathering as a commercial enterprise. In the area of international relations, the Landsat program has served as a valuable foreign policy tool for over a decade, in a number of direct and indirect ways. We have provided data, services, and training in land remote sensing as a form of foreign aid to over 40 nations worldwide. By the same token, these exchanges have helped to open lines of communication between U.S. political and business interests and the governmental and technical infrastructure of these nations.

Further, by providing land remote-sensing data without prejudice or favored access, the U.S. civil remote-sensing program has been free from charges of military surveillance or economic exploitation. By maintaining this high ground, we have been able to argue credibly in international fora that any nation should have a right to observe any other country from space—the so-called open skies policy which has served our national interests well since its first articulation by President Eisenhower.

We have worked closely with the national security agencies, the Department of State, and other congressional committees to insure that H.R. 5155 protects and preserves these vital interests. The legislation does so by designating the Secretary of Defense and the Secretary of State as responsible for identifying those national security and international concerns which must be met by any private operator. The Secretary of Commerce would ultimately be responsible for implementing these provisions and for monitoring their compliance through a licensing procedure. I am confident that these provisions will protect our national interests without unduly hampering a commercial operator.

Another issue which surfaced in the consideration of this legislation was the need for a continuing Federal role in the monitoring of the global environment from space. Land remote-sensing technology provides the opportunity for observing at regular intervals small-scale and large-scale changes in the features of the Earth. For example, it is possible to use this technology to observe changes in the health and extent of the world's forests and crops; to record land-use changes; and to monitor the gradual impacts of air-borne and water-borne pollutants on our natural resources.

Long-term monitoring of this sort is a wise investment. It is because of

such long-term observations that we now know that the Earth is slowly warming as a result of the gradual buildup of carbon dioxide in the atmosphere—the "greenhouse effect." It is because we did not have adequate monitoring in the past that we are now groping for answers to the acid rain problem.

We cannot expect a private operator to maintain an extensive inventory of data for the purpose of long-term environmental monitoring. Environmental monitoring is a legitimate Government function, not a commercial activity. The bill recognizes this and, in section 602, directs the Secretary of Commerce to create such an inventory and to maintain it in such a way as to guarantee the quality and usefulness of the data for purposes of global environmental monitoring.

Finally, let me touch on what I consider to be the most important policy issue in this debate—the issue of "non-discriminatory data access." What I mean by this term is, very simply, that any private remote-sensing operator would have to make his data available to everyone on the same public terms—he could not choose his customers to favor one over another. I have already indicated one reason why nondiscriminatory access is so important—it preserves the "high ground" for the U.S. Government during debates in international fora over the "open skies" policy.

But there are other, equally compelling reasons for this policy. It would encourage any operator to sell data very broadly and to structure his marketing efforts to reach as many customers as possible. It protects the so-called "value-added" firms, the real developers of the market, from unfair practices by the system operator. And it is likely to serve U.S. business and political interests by facilitating sales of both data and services provided by U.S. firms.

I believe that it would be shortsighted and unwise to allow any U.S. company to sell remote-sensing data in a proprietary manner. To do so would be to risk both broad application of the technology and our national goodwill in the interests of short-term and very marginal commercial gains.

Mr. Speaker, the United States, through the National Aeronautics and Space Administration, developed the land remote-sensing technology and brought it to where it stands today—at the brink of commercial exploitation. Last month's responses to the administration's RFP indicate that U.S. industry is ready and able to enter the competitive international marketplace in this field. This legislation will enable our aerospace companies to compete effectively. They support the legislation, as does the administration and a bipartisan coalition on the committee. This is a good bill, and I urge all Members to lend their strong support. ●

● Mr. McGRATH. Mr. Speaker, I rise in support of H.R. 5155.

The commercialization of remote-sensing satellite systems has been an issue we have been debating in the Science Committee for almost 4 years. I am extremely pleased that we finally have a piece of legislation that seems to address nearly all of the concerns that have been expressed, and which has broad bipartisan support. The distinguished chairman of the Science Committee, DON FUQUA, is to be commended for his leadership in bringing this important legislation to the floor.

H.R. 5155 effects a gradual transition from Government to fully private ownership and operation of civilian land remote-sensing satellites. It also complements the RFP process, which is in its final stages at the Department of Commerce.

Two major concerns which Members expressed regarding the proposed commercialization were that our national security not be jeopardized and that our international obligations be met. H.R. 5155 contains a framework for insuring that these concerns are addressed, and also insures that any private entrepreneur continues the current U.S. policy of nondiscriminatory access to land remote-sensing data.

A concern that I have expressed several times is that commercialization of this system be a good deal for the American taxpayer. It calls for a definite end to the involvement of the Federal Government in the operational aspect of land remote sensing after 6 years, if the Secretary has gone forward with the process spelled out in the bill. The one exception is that if none of the bids received turn out to be attractive, the Secretary is authorized to continue to operate the system.

Perhaps most important of all, H.R. 5155 provides for a market-driven system. The private sector is encouraged to make many of the critical decisions, and the technology above a minimum baseline is not dictated, thus allowing the system to be driven by user needs.

I urge my colleagues to support this important legislation. ●

● Mr. ANDREWS of Texas. Mr. Speaker, it is with distinct pleasure that I rise today to speak on behalf of the Land Remote Sensing Commercialization Act of 1984, the final product of a truly pioneering, cooperative, and innovative effort on the part of HAROLD VOLKMER, chairman of the House Science and Technology Subcommittee on Space, JAMES SCHEUER, chairman of the Subcommittee on Natural Resources, Agricultural Research and the Environment, and their talented staffs. The purpose of this bill, Mr. Speaker, is to provide for the phased transfer of our civil land remote sensing capability to the private sector in a way that opens up this exciting field to private industry while guaranteeing continued availability of data, protecting national security interests, and maintaining international obligations and policies.

The Federal Government's land remote sensing program has been a Government-supported experimental research program since 1972. The last in a series of five satellites, Landsat-5, is currently orbiting the Earth at an altitude of about 570 miles, gathering data in both the visible and infrared spectrum pertaining to features of the Earth. That data can be processed into highly desirable commercial information in a growing variety of applications, including mineral and oil exploration, predictions of agricultural yield and crop health, agricultural classification, land-use mapping, forest management, hydrology, cartography, and environmental monitoring. That is the beginning of what promises to become a longer list.

The data provided by land remote sensing satellites has tremendous commercial potential, particularly if that data is efficiently obtained, affordable, and tailored to the specific needs of its users. Even though the market for this data has been suppressed by uncertainty, studies project its dramatic expansion. Passage of this bill will facilitate expansion of the land remote sensing data market by sending a positive and strong signal to investors that Congress is willing not only to release its hold on this potential new industry, but lay out the ground rules for its development and follow them.

H.R. 5155 will encourage a vigorous private sector role in civilian land remote sensing by creating a limited duration, Government industry partnership during a transition period preceding a fully private financing and operation of remote sensing. The Commerce Secretary would be authorized to accept bids from private sector firms to market data from the current Landsat system. After the demise of that system, the Secretary would select and could partially finance a private sector firm to build and operate a land-sensing system geared to the needs of the marketplace. The involvement of the Federal Government would end after 6 years.

Mr. Speaker, I want to assure you and other Members of the House that this bill in no way sanctions the privatization of weather satellites. In fact, title VII of the bill states the committee's intention to prohibit future actions leading toward commercialization of weather satellites. And, as you recall, last November, I sponsored and the Congress approved House Concurrent Resolution 168 which expresses the sense of the Congress that the commercialization of weather satellites is not appropriate. Not only are there very limited commercial prospects for weather information—the Federal Government would be the only customers—but weather satellites are critical to national security. Besides, the United States obtains from other nations a great deal of information critical to our military operations in return for our weather satellite data. Moreover, testimony before our

committee overwhelmingly demonstrates the importance of the National Weather Service to public safety, particularly in hurricane situations.

But it is not my purpose, Mr. Speaker, to argue against weather satellites. Rather, I want to urge my colleagues to support the Land Remote Sensing Commercialization Act and congratulate Chairmen VOLKMER and SCHEUER for a job truly well done.●

● Mr. NELSON of Florida. Mr. Speaker, I rise in support of the commercialization of land remote-sensing satellites commonly known as the Landsat system.

The Science and Technology Committee has supported commercialization of research and development projects over the past few years when such commercialization has been appropriate. Presently, recognizing the need for the Federal Government to insure the continuity and availability of accurate land remote-sensing data, this legislation is now appropriate.

Landsat 5, launched March 1, 1984, is the last of the planned land remote-sensing satellites. In the fiscal year 1982 budget request, plans for funding 6 and 7 were dropped with the expectation of the private sector to carry on the program. Mr. Speaker, without this legislation, those plans cannot be ventured.

Further, in accomplishing commercialization purposes, this legislation takes into account the concerns of the public by addressing national security considerations, international obligations, and program continuity. This legislation is well thought out and has taken into account the concerns of the American people.

I would encourage my colleagues to recognize the need for this bill and to give it favorable consideration.●

● Mr. BROOKS. Mr. Speaker, last session Congress sent a very clear message to the President that it had no intention of allowing our Nation's weather satellites to be sold to the private sector. This bill gives us another opportunity to transmit that same message to the President to insure that this proposal will not surface again.

While it appears that the future of the weather satellites has been settled, the future of our Nation's land remote-sensing satellite, known as Landsat, has remained uncertain.

Last September, the Committee on Government Operations held a hearing to examine the foreign implications of the commercialization of Landsat. The committee learned that Landsat has been a significant maker of international friends for the United States over the years. It also found that many of the nations around the world have come to rely heavily on Landsat data and are deeply concerned that this information might become either temporarily or permanently unavailable because of the commercialization effort. It became clear that our friends abroad need some as-

surance that Landsat data will be available continuously whether or not the system was commercialized. In addition, they need to know that data from Landsat would not be made available on a discriminatory basis.

For 25 years, the United States has fought for the open skies policy which allows all of our Nation's satellites to fly without restrictions over every nation in the world. Maintenance of this policy hinges directly on the fact that this country has made the information acquired from civilian remote sensing satellites freely available to all nations of the world. Despite the importance of this policy, the administration has offered to renege on our Nation's commitment to it if so doing will facilitate the commercialization of Landsat.

The bill before us mandates continuation of the nondiscriminatory data distribution regardless of whether Landsat is run by the Federal Government or a private operator. In addition, it maximizes the chances of assuring a continuous flow of data from Landsat by establishing a clear timetable and framework for commercialization. I believe that it is very important that we take the steps necessary to assure the continuation of Landsat and that we not deviate from our commitment to the nondiscriminatory distribution of data.

For these reasons, I support this bill and urge you to do the same.●

● Mr. FUQUA. Mr. Speaker, I rise in support of H.R. 5155, the Landsat Remote-Sensing Commercialization Act of 1984. I want to congratulate my colleagues Congressman VOLKMER, chairman of the Subcommittee on Space Science and Applications, and Congressman SCHEUER, chairman of the Subcommittee on Natural Resources Agriculture Research and Environment for their efforts and diligence in perfecting this legislation.

This legislation reflects the continuing interest and concern of the committee that an effective commercial land remote sensing system develop from the highly successful NASA Landsat experimental program.

As a result of man's rapidly increasing population, his rapidly rising standard of living, his need for increasing energy supplies, and his need for ever increasing amounts of food, information on Earth resources becomes more important to our daily lives. Today, more than ever, man recognizes that the capability of the Earth to support life has limits and that to survive he must seek more efficient ways to manage his limited resources. As supplies become more scarce, we need more timely and accurate information. Resource data requirements extend to whole regions of the country and with the highly interactive world society in which we live, many activities involved with food, mineral resources, and environmental effects require information on a global scale.

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This broad information base can best be achieved through the use of data gathered by satellites. In terms of global coverage, this data can be updated rapidly and frequently, can be relatively easily understood, and can be integrated into common formats for general use. Data gathered by satellites on Earth resources makes use of a rapidly expanding technology often referred to as remote sensing.

Without minimizing the technological problems, there is good reason and evidence to be confident about the health and prospects of the technology of remote sensing and its use. The potential has been demonstrated in geology, oceanography, meteorology, land management crop prediction, and a host of other disciplines.

The Committee on Science and Technology has held numerous hearings on how to institutionalize an operational land remote sensing system beginning in 1977.

In October 1978 President Carter called for a plan of action on how to encourage private sector direct participation in the establishment and operation of civil remote sensing systems. In November 1979 President Carter assigned to the Department of Commerce the management responsibility for civil operational land remote sensing activities and further provided for the development of a time-phased transition plan for transfer of the system first to the Department of Commerce and ultimately to the private sector. In June 1980, a "transition plan for civil operational land remote sensing from space" was published by the Department of Commerce which identified the actions required for implementing a fully operational land remote-sensing system from space, with the eventual goal of private sector ownership and operation of the system.

In early 1981 President Reagan deleted funding for additional Landsat satellites with the following justification: "The present NASA investment in Landsat is sufficient to permit evaluation of operational uses of Landsat data and, if these uses are cost-effective, to attract a private sector owner/operator." Since this time, deliberations have continued in the administration by the Cabinet Council on Commerce and Trade and the Department of Commerce.

As my colleagues are aware, the administration at one time proposed to transfer both weather satellites and land satellites to the private sector. I want to assure my colleagues that today we are dealing only with the transfer of land remote sensing systems and that a prohibition to the transfer of weather satellites is included in title VII of the bill before this body.

Mr. Speaker, this is an important piece of legislation. This legislation establishes a policy framework whereby the United States will continue to be a world leader in land remote-sensing

technology. This data is used by several Federal departments, by State and local governments, by foreign governments including developing countries. The data is also used by universities and by many different industries. I urge my colleagues to support H.R. 5155.●

Mr. LUJAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

## GENERAL LEAVE

Mr. VOLKMER. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on H.R. 5155.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. VOLKMER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Missouri (Mr. VOLKMER) that the House suspend the rules and pass the bill, H.R. 5155.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

## WHITE HOUSE CONFERENCE ON SMALL BUSINESS

Mr. MITCHELL. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5298) to provide for a White House Conference on Small Business, as amended.

The Clerk read as follows:

H.R. 5298

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "White House Conference of Small Business Authorization Act".*

## AUTHORIZATION OF CONFERENCE

SEC. 2. (a) The President shall call and conduct a National White House Conference on Small Business (hereinafter referred to as the "Conference") not earlier than January 1, 1985, and not later than September 1, 1986, to carry out the purposes described in section 3 of this Act. The Conference shall be preceded by State and regional conferences with at least one such conference being held in each State.

(b) Participants in the Conference and other interested individuals and organizations, are authorized to conduct conferences and other activities at the State and regional levels prior to the date of the Conference, subject to the approval of the Administrator of the Small Business Administration, and shall direct such conferences and activities toward the consideration of the purposes of the Conference described in section 3 of this Act in order to prepare for the National Conference.

## PURPOSE OF CONFERENCE

SEC. 3. The purpose of the Conference shall be to increase public awareness of the essential contribution of small business; to identify the problems of small business; to

examine the status of minorities and women as small business owners; to assist small business in carrying out its role as the Nation's job creator; to assemble small businesses to develop such specific and comprehensive recommendations for executive and legislative action as may be appropriate for maintaining and encouraging the economic viability of small business and, thereby, the Nation; and to review the status of recommendations adopted at the 1980 White House Conference on Small Business.

## CONFERENCE PARTICIPANTS

SEC. 4. (a) In order to carry out the purposes specified in section 3 of this Act, the Conference shall bring together individuals concerned with issues relating to small business: *Provided*, That no small business concern representative may be denied admission to any State or regional conference, nor may any fee or charge be imposed on any small business concern representative except an amount to cover the cost of any meal provided to such representative plus a registration fee of not to exceed \$10.

(b) Delegates, including alternates, to the National Conference shall be elected by participants at the State and regional conferences: *Provided*, That each Governor and each chief executive official of the political subdivisions enumerated in section 4(a) of the Small Business Act may appoint one delegate and one alternate: *Provided further*, That each Member of the United States House of Representatives, including each Delegate, and each Member of the United States Senate may appoint one delegate and one alternate: *And Provided further*, that the President may appoint one hundred delegates and alternates. Only individuals from small businesses shall be eligible for appointment pursuant to this subsection.

## PLANNING AND ADMINISTRATION OF CONFERENCE

SEC. 5. (a) All Federal departments, agencies, and instrumentalities are authorized and directed to provide such support and assistance as may be necessary to facilitate the planning and administration of the Conference.

(b) In carrying out the provisions of this Act, the Administrator of the Small Business Administration—

(1) shall provide such assistance as may be necessary of the organization and conduct of conferences at the State and regional level as authorized under section 2(b) of this Act; and

(2) is authorized to enter into contracts with public agencies, private organizations, and academic institutions to carry out the provisions of this Act.

(c) The Chief Counsel for Advocacy shall assist in carrying out the provisions of this Act by preparing and providing background materials for use by participants in the Conference, as well as by participants in State and regional conferences; and

(d) Each participant in the Conference shall be responsible for his or her expenses related to attending the Conference and shall not be reimbursed either from funds appropriated pursuant to this Act or the Small Business Act.

(e)(1) The President is authorized to appoint and compensate an executive director and such other directors and personnel for the Conference as he may deem advisable, without regard to the provisions of title, 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

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(2) Upon request by the executive director, the heads of the executive and military departments are authorized to detail employees to work with the executive director in planning and administering the Conference without regard to the provisions of section 3341 of title 5, United States Code.

## REPORTS REQUIRED

SEC. 6. Not more than six months from the date on which the National Conference is convened, a final report of the Conference shall be submitted to the President and the Congress. The report shall include the findings and recommendations of the Conference as well as proposals for any legislative action necessary to implement the recommendations of the Conference. The final report of the Conference shall be available to the public.

## FOLLOWUP ACTIONS

SEC. 7. The Small Business Administration shall report to the Congress annually during the three-year period following the submission of the final report of the Conference on the status and implementation of the findings and recommendations of the Conference.

## AVAILABILITY OF FUNDS

SEC. 8. (a) There are hereby authorized to be appropriate such sums as may be necessary to carry out the provisions of this Act, and they shall remain available until expended. New spending authority or authority to enter contracts as provided in this Act shall be effective only to such extent and in such amounts as are provided in advance in appropriation Acts.

(b) No funds appropriated to the Small Business Administration shall be made available to carry out the provisions of this Act other than funds appropriated specifically for the purpose of conducting the Conference. Any funds remaining unexpended at the termination of the Conference, including submission of the report pursuant to section 6, shall be returned to the Treasury of the United States and credited as miscellaneous receipts.

SEC. 9. This Act shall become effective October 1, 1984.

The SPEAKER pro tempore. Is a second demanded?

Mr. DAUB. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Maryland (Mr. MITCHELL) will be recognized for 20 minutes and the gentleman from Nebraska (Mr. DAUB) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Maryland (Mr. MITCHELL).

(Mr. MITCHELL asked and was given permission to revise and extend his remarks.)

## GENERAL LEAVE

Mr. MITCHELL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. MITCHELL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in January of 1980, some 1,700 delegates assembled to hold a National Conference on Small Business in Washington. These delegates had been elected by the 25,000 fellow small businesses who previously attended 57 local conferences or had been appointed by elected officials.

After a weeklong conference, these delegates approved 60 recommendations. Of this number, the top 15 involved taxation, inflation, and regulation and were given top priority status by the conference.

The Small Business Committee promptly considered legislation, where necessary, to implement the recommendations. I am proud to report that subsequently enacted legislation included the Regulatory Flexibility Act, the Small Business Innovation Development Act, the Prompt Payment Act, and several procurement initiatives, as well as the inclusion of some of the tax recommendation in the Economic Recovery Tax Act.

I am also pleased to report that these measures are being used as models and legislation is being enacted in many States to deal with these subjects.

Mr. Speaker, next January, 5 years will have elapsed since the prior conference. I believe that after the election this year, it is time to convene another conference. Much was accomplished last time, but much more can be done. As a result, I introduced H.R. 5298, and I was joined by more than 50 other Members as cosponsors, including my ranking minority members, JOE MCDAADE.

Very simple, this bill authorizes the President to hold a Small Business Conference between January 1, 1985, and September 1, 1986. This action would be preceded by State and regional conferences to elect delegates who would be joined in Washington by delegates appointed by the President, Members of Congress, and Governors. At the conclusion of the conference, a report with findings and recommendations would be made to the President and the Congress.

Mr. Speaker, this bill unanimously was endorsed by small business associations. It was approved on a bipartisan basis by the members of the Small Business Committee and I want to thank all of the committee members for their cooperation in facilitating expeditious consideration of this bill. I know of no opposition and I urge speedy passage of this measure.

Mr. DAUB. Mr. Speaker, I yield myself such time as I may consume.

(Mr. DAUB asked and was given permission to extend his remarks.)

Mr. DAUB. Mr. Speaker, I rise in support of H.R. 5298 establishing a White House Conference on Small Business to be convened by the President sometime between January 1, 1985, and September 1, 1986.

I want to commend the chairman of our Small Business Committee, the gentleman from Maryland (Mr.

MITCHELL) for the work that he has put into creating a very important piece of legislation that I think deserves and merits the support of all of our colleagues in the House.

Having attended the 1980 White House Conference on Small Business, I believe that it was indeed a great success. It called the attention of the President and the Congress to the special problems faced by small business owners in the areas of capital formation, minority business enterprise, innovation and technology, procurement, tax and Federal regulatory policies—just to name a few.

In the 4 years since that conference, as the chairman has just indicated, a number of pieces of legislation have come to fruition as a result of the recommendations of that conference. We have, as a matter of fact, accepted 11 of the 15 priority areas and ranked those issues accordingly. Those were the choices made by the delegates to that particular conference.

The conference was also important because it focused on the vital role played by the small business sector in the well-being of our American economy, and it particularly talked about ideas such as innovation, jobs creation, and generally regulated tax issues.

It is time to reassess the status of small business. This bill sets in motion the mechanism whereby small business owners across this country can meet at State and regional levels to discuss and offer solutions to problems which concern them. These grassroots proposals will be brought by elected delegates to this White House Conference where an agenda for possible legislative action will again be developed.

The passage of this legislation will provide a tremendous service to the small business community, and will underscore our commitment to its success. I urge my colleagues to support H.R. 5298.

Mr. Speaker, I yield back the balance of my time.

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Mr. MITCHELL. Mr. Speaker, I yield 5 minutes to our distinguished colleague, the gentleman from Arizona (Mr. McNULTY).

(Mr. McNULTY asked and was given permission to revise and extend his remarks.)

Mr. McNULTY. I thank the gentleman for yielding this time to me.

Mr. Speaker, small business is the infantry of American capitalism, and that is the place where any recovery that deeply affects the future well-being of this country is going first to occur. That is the place where the new jobs will be generated, that is the place where a breakthrough will be announced that the matters that have been troubling our economy in past years are no longer with us.

Our economy is changing, though, and it is becoming increasingly complex, which means that small business-