

103^D CONGRESS
1ST SESSION

S. 1497

To facilitate the development of an integrated, nationwide telecommunications system dedicated to instruction by guaranteeing the acquisition of a communications satellite system used solely for communications among State and local instructional institutions and agencies and instructional resource providers.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 29 (legislative day, SEPTEMBER 27), 1993

Mr. BURNS (for himself and Mr. McCAIN) introduced the following bill; which was read twice and referred to the Committee on Labor and Human Resources

A BILL

To facilitate the development of an integrated, nationwide telecommunications system dedicated to instruction by guaranteeing the acquisition of a communications satellite system used solely for communications among State and local instructional institutions and agencies and instructional resource providers.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. PURPOSE.**

2 It is the purpose of this Act to acquire a dedicated
3 communications satellite system on which instructional
4 programming can be colocated and free from preemption.

5 **SEC. 2. EDUCATIONAL SATELLITE LOAN GUARANTEE PRO-**
6 **GRAM.**

7 (a) PROGRAM AUTHORIZED.—

8 (1) IN GENERAL.—The Secretary of Education
9 is authorized to carry out a program to guarantee
10 any lender against loss of principal or interest on a
11 loan described in paragraph (2) made by such lender
12 to a non-Federal, nonprofit, public corporation—

13 (A) in existence as of January 1, 1992;

14 (B) whose charter is designed for affili-
15 ation with State and local instructional institu-
16 tions and agencies, and other distance learning
17 and instructional resource providers;

18 (C) whose governing board includes mem-
19 bers representing elementary and secondary
20 education, vocational and technical education,
21 community and State colleges, and universities;
22 and

23 (D) whose sole purpose is to acquire and
24 operate a communications satellite system dedi-
25 cated to transmitting instructional program-
26 ming.

1 (2) ELIGIBLE LOANS.—The Secretary of Edu-
2 cation only shall guarantee a loan under this Act
3 if—

4 (A) the non-Federal, nonprofit, public cor-
5 poration described in paragraph (1) has—

6 (i) investigated all practical means to
7 acquire a communications satellite system;

8 (ii) reported to the Secretary the find-
9 ings of such investigation; and

10 (iii) recommended the most cost-effec-
11 tive, high-quality communications satellite
12 system to meet the purpose of this Act.

13 (B) the proceeds of such loan are used
14 solely to acquire and operate a communications
15 satellite system dedicated to transmitting in-
16 structional programming.

17 (3) DEFINITIONS.—For purposes of this sub-
18 section—

19 (A) the term “acquire” includes acquisition
20 through lease, purchase or donation; and

21 (B) the term “communications satellite
22 system” means one or more communications
23 satellites capable of providing service from
24 space, including transponder capacity, on such
25 satellite or satellites.

1 (b) LOAN AMOUNT LIMITATIONS.—The Secretary of
2 Education may not guarantee more than \$40,000,000 in
3 loans described in subsection (a), with respect to the pro-
4 gram assisted under this section, of which—

5 (1) not more than \$35,000,000 shall be for the
6 guarantee of such loans the proceeds of which are
7 used to acquire a communications satellite system;
8 and

9 (2) not more than \$5,000,000 shall be for the
10 guarantee of such loans the proceeds of which are
11 used to pay the costs of not more than 3 years of
12 operating and management expenses associated with
13 providing the communications satellite system serv-
14 ices described in subsection (a).

15 (c) LIQUIDATION OR ASSIGNMENT.—

16 (1) IN GENERAL.—In order for a lender to re-
17 ceive a loan guarantee under this section such lender
18 shall agree to assign to the United States any right
19 or interest in the communications satellite system or
20 communications satellite system services that such
21 lender possesses upon payment by the Secretary of
22 Education on such loan guarantee.

23 (2) DISPOSITION.—The United States may ex-
24 ercise, retain, or dispose of any right or interest ac-
25 quired pursuant to paragraph (1) in any manner the

1 United States deems fit, upon the recommendation
2 of the Secretary of Education.

3 (d) SPECIAL RULE.—Any loan guaranteed under this
4 section shall be guaranteed with full faith and credit of
5 the United States.

6 (e) AUTHORIZATION OF APPROPRIATIONS.—There
7 are authorized to be appropriated such sums as may be
8 necessary for each fiscal year to carry out this section.

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