

DECLASSIFIED
E.O. 13526, Sec. 3.3h

By MW, NARA, Date 11/29/12

CONFIDENTIAL

Commercial
Domestic public

Dr. WHITE HOPD

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S. 100-10-10*

2900-3100	RADIONAVIGATION 367 Radiolocation		2900-3100	G, NG US44	MARITIME RADIONAVIGATION Radiolocation G2	MARITIME RADIONAVIGATION Radiolocation
3100-3300	RADIOLOCATION 354 368 369		3100-3300	G 369 US45 US46	RADIOLOCATION G31	
3300-3400 RADIOLOCATION	3300-3400	RADIOLOCATION Amateur 376	3300-3500	G, NG US61	RADIOLOCATION	Amateur
370 371						
3400-3600 FIXED MOBILE COMMUNICATION- SATELLITE 374A (Satellite-to- earth) Radiolocation	3400-3500	RADIOLOCATION COMMUNICATION-SATELLITE (Satellite-to-earth) 374A Amateur 376				
372 373 374 375	3500-3700 FIXED MOBILE RADIOLOCATION COMMUNICATION- SATELLITE 374A (Satellite-to- earth)	3500-3700 RADIOLOCATION COMMUNICATION- SATELLITE 374A (Satellite-to- earth) Fixed Mobile 377 378	3500-3700	G	RADIOLOCATION .	
3600-4200 FIXED COMMUNICATION- SATELLITE 374A (Satellite-to- earth) Mobile					G2	
	3700-4200	FIXED MOBILE COMMUNICATION-SATELLITE (Satellite-to-earth) 374A	<u>3700-4200</u>	374A <i>shows</i>	COMMUNICATION-SATELLITE (Satellite-to-earth) (US91) FIXED (NG)	
374		379				
4200-4400	AERONAUTICAL RADIONAVIGATION 352A 381 382 383		4200-4400	G, NG 352A US47	AERONAUTICAL RADIONAVIGATION	AERONAUTICAL RADIONAVIGATION

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(REV 9/66)

INTERNATIONAL			UNITED STATES				Remarks
Region 1 Mc/s	Region 2 Mc/s	Region 3 Mc/s	Band Mc/s	National Provisions	Government Allocation	Non-Government Allocation	
<i>Europe Africa</i> 4400-4700	<i>N/So Amer.</i>	<i>Asia/Aust.</i>	4400-4990	G	FIXED MOBILE		5
FIXED MOBILE COMMUNICATION-SATELLITE 392A (Earth-to-satellite)			<i>Note</i>				
4700-4990	FIXED MOBILE 354 365						
4990-5000 FIXED MOBILE RADIO ASTRONOMY 365	4990-5000 RADIO ASTRONOMY 383A	4990-5000 FIXED MOBILE RADIO ASTRONOMY 365	4990-5000	G, NG US74 US100	RADIO ASTRONOMY G45	RADIO ASTRONOMY	
5000-5250	AERONAUTICAL RADIONAVIGATION 352A 352B		5000-5250	G, NG 352A 352B	AERONAUTICAL RADIONAVIGATION G54	AERONAUTICAL RADIONAVIGATION	
5250-5255	RADIOLOCATION Space Research 384		5250-5350	G	RADIOLOCATION		
5255-5350	RADIOLOCATION 384 384A				G2		
5350-5460	AERONAUTICAL RADIONAVIGATION 385 Radiolocation		5350-5460	G, NG 385 US48	AERONAUTICAL RADIONAVIGATION RADIOLOCATION G18	AERONAUTICAL RADIONAVIGATION Radiolocation	
5460-5470	RADIONAVIGATION 385 Radiolocation		5460-5470	G, NG 385 US49 US65	RADIONAVIGATION Radiolocation G18	RADIONAVIGATION Radiolocation	

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5470-5650	MARITIME RADIONAVIGATION Radiolocation		5470-5600	G, NG US50 US65	MARITIME RADIONAVIGATION Radiolocation Q18	MARITIME RADIONAVIGATION Radiolocation
	386 387		5600-5650	G, NG 387 US51 US65	MARITIME RADIONAVIGATION METEOROLOGICAL AIDS Radiolocation Q18	MARITIME RADIONAVIGATION METEOROLOGICAL AIDS Radiolocation
5650-5670	RADIOLOCATION Amateur 388 389		5650-5925	G, NG 391 US52 (ISM 5800 + 75 MHz)	RADIOLOCATION	Amateur
5670-5725	RADIOLOCATION Amateur Space Research (Deep Space) 388 389 389A			US100		
5725-5850 RADIOLOCATION COMMUNICATION- SATELLITE 392A (Earth-to- satellite) Amateur 354 388 390 391	5725-5850 RADIOLOCATION Amateur 389 391					
5850-5925 FIXED MOBILE COMMUNICATION- SATELLITE 392A (Earth-to- satellite) 391	5850-5925 RADIOLOCATION Amateur 391	5850-5925 FIXED MOBILE COMMUNICATION- SATELLITE 392A (Earth-to- satellite) Radiolocation 391				
5925-6425	FIXED MOBILE COMMUNICATION-SATELLITE 392A (Earth-to-satellite)		5925-6425	392A	COMMUNICATION-SATELLITE (Earth-to-satellite) (US91) FIXED (NG)	COMMERCIAL Domestic public

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INTERNATIONAL			UNITED STATES				
Region 1 MHz	Region 2 MHz	Region 3 MHz	Band MHz 1	National Provisions 2	Government Allocation 3	Non-Government Allocation 4	Remarks 5
6425-7250	FIXED MOBILE		6425-6575	NG		MOBILE	
			6575-6875	NG		FIXED	
			6875-7125	NG		FIXED MOBILE	
			7125-7250	G	FIXED MOBILE		
7250-7300	COMMUNICATION-SATELLITE (Satellite-to-earth) 374A 392C 392D 392G		7250-7300	374A 392D US100	COMMUNICATION-SATELLITE (Satellite-to-earth) (US91) G51		} Exclusive
7300-7750	FIXED MOBILE COMMUNICATION-SATELLITE 374A 392D (Satellite-to-earth) 392F		7300-7750	374A 392D	COMMUNICATION-SATELLITE (Satellite-to-earth) (US91) FIXED (G) METEOROLOGICAL-SATELLITE (G/NG) (US92) MOBILE (G)		
7750-7900	FIXED MOBILE		7750-7900	G	FIXED MOBILE		- FAA R-P-11/w
7900-7975	FIXED MOBILE COMMUNICATION-SATELLITE 392A (Earth-to-satellite)		7900-7975	392A	COMMUNICATION-SATELLITE (Earth-to-satellite) (US91) FIXED (G) MOBILE (G)		
7975-8025	COMMUNICATION-SATELLITE (Earth-to-satellite) 392A 392C 392H		7975-8025	392A US100	COMMUNICATION-SATELLITE (Earth-to-satellite) (US91) G51 -		} exclusive

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8025-8400

FIXED
MOBILE
COMMUNICATION-SATELLITE 392A
(Earth-to-satellite)
394 394B

8025-8400

392A

COMMUNICATION-SATELLITE
(Earth-to-satellite) (US91)

FIXED (G)
MOBILE (G)

8400-8500
FIXED
MOBILE
SPACE RESEARCH
394A 394D

8400-8500
SPACE RESEARCH
394C

8400-8500
FIXED
MOBILE
SPACE RESEARCH
394A 394D

8400-8500

G, NG
US62
US100

SPACE RESEARCH

SPACE RESEARCH
Fixed
Mobile

8500-8750

RADIOLOCATION
354 395

8750-8850

RADIOLOCATION
AERONAUTICAL RADIONAVIGATION 396
397

8850-9000

RADIOLOCATION
397 398

8500-9000

G
US53

RADIOLOCATION

G2

8800 MHz Airborne doppler
radar

9000-9200

AERONAUTICAL RADIONAVIGATION 346
Radiolocation
397

9000-9200

G, NG
346
US54
US55

AERONAUTICAL
RADIONAVIGATION
Radiolocation
G18 G19

AERONAUTICAL
RADIONAVIGATION
Radiolocation

9200-9300

RADIOLOCATION
397 398

9200-9300

G
US45

RADIOLOCATION
G18

9300-9500

RADIONAVIGATION
Radiolocation

399

9300-9500

G, NG
US56
US66
US67
US71

RADIONAVIGATION
Meteorological
Aids
Radiolocation
G18

RADIONAVIGATION
Meteorological
Aids
Radiolocation

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(REV 12/67)

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US Footnotes

(These footnotes, each consisting of the letters US followed by one or more digits, denote stipulations applicable to both Government and non-Government stations.)

- US1 Pulsed emissions prohibited.
- US2 The frequency 132.0 MHz may be authorized to non-Government stations only.
- US3 The Government fixed, mobile except aeronautical mobile (R), and radio-location services may be authorized in the band 132.0-136.0 MHz on condition that harmful interference is not caused to the aeronautical mobile (R) service.
- US5 Until January 1, 1970, the frequencies 217.425 through 217.675 MHz and 219.325 through 219.575 MHz, inclusive, may be authorized for use by non-Government telemetering mobile stations aboard aircraft and telemetering land stations for telemetering to and from aircraft in flight, when an engineering study indicates that harmful interference will not be caused to stations operating in accordance with the Table of Frequency Allocations.
- US6 Radio altimeters operating in the band 420-460 MHz under a valid authorization on February 15, 1968, may continue to operate after that date, on the condition that harmful interference is not caused to stations of services operating in accordance with the U.S. Table of Frequency Allocations. Such authorizations may be renewed, but no new authorizations will be granted after February 15, 1968, and all radio altimeter operations in this band shall be discontinued prior to January 1, 1973.
- US7 In the band 420-450 MHz and within the following areas, the DC plate power input to the final stage of a transmitter employed in the amateur service shall not exceed 50 watts, unless expressly authorized by the Commission after mutual agreement, on a case-by-case basis, between the Federal Communications Commission Engineer in Charge at the applicable District Office and the Military Area Frequency Coordinator at the applicable military base:
- (a) Those portions of Texas and New Mexico bounded on the south by latitude 31° 53' North, on the east by longitude 105° 40' West, on the north by latitude 33° 24' North, and on the west by longitude 106° 40' West;
 - (b) The entire State of Florida including the Key West area and the areas enclosed within a 200-mile radius of Patrick Air Force Base, Florida (latitude 28° 21' North, longitude 80° 43' West), and within a 200-mile radius of Eglin Air Force Base, Florida (latitude 30° 30' North, longitude 86° 30' West);
 - (c) The entire State of Arizona;
 - (d) Those portions of California and Nevada south of latitude 37° 10' North, and the areas enclosed within a 200-mile radius of the U.S. Naval Missile Center, Point Mugu, California (latitude 34° 09' North, longitude 119° 11' West).
- US8 The use of the frequencies 170.475, 171.425, 171.575, and 172.275 MHz east of the Mississippi River, and 170.425, 170.575, 171.475, 172.225, and 172.375 MHz west of the Mississippi River may be authorized to fixed, land and mobile stations operated by non-Federal forest fire-fighting agencies. In addition, land stations and mobile stations operated by non-Federal conservation agencies, for mobile relay operation only, may be authorized to use the frequency 172.275 MHz east of the Mississippi River and the frequency 171.475 MHz west of the Mississippi River. The use of any of the foregoing nine frequencies shall be on the condition that no harmful interference will be caused to Government stations.

- US91 The ultimate disposition of this band in the communication-satellite service, as between Government and non-Government, is deferred. In the meanwhile, the non-Government may exploit the 4 and 6 Gc/s bands, and the Government may exploit the 7 and 8 Gc/s bands for communication-satellite service systems intended to become operational. Any modification of this policy will be discussed and agreed in the FCC/DTM(IRAC) mechanism prior to the filing of applications with the IRAC for frequency assignments which are not in accordance with the foregoing.
- US92 In the band 7300-7750 Mc/s, the meteorological-satellite service may use a band up to 100 Mc/s in width. This 100 Mc/s band may also be used for the transmission of tracking and telemetering signals associated with meteorological-satellite space stations operating in the same band.
- US93 In the conterminous United States, the frequency 108.0 Mc/s may be authorized for use by VOR test facilities, the operation of which is not essential for the safety of life or property, subject to the condition that no interference is caused to the reception of FM broadcasting stations operating in the band 88-108 Mc/s. In the event that such interference does occur, the licensee or other agency authorized to operate the facility shall discontinue operation on 108 Mc/s and shall not resume operation until the interference has been eliminated or the complaint otherwise satisfied. VOR test facilities operating on 108 Mc/s will not be protected against interference caused by FM broadcasting stations operating in the band 88-108 Mc/s nor shall the authorization of a VOR test facility on 108 Mc/s preclude the Commission from authorizing additional FM broadcasting stations.
- US94 The bands 30.005-30.015 Mc/s and 39.986-40.020 Mc/s are also allocated on a secondary basis to the space research service for space station to earth station transmission only.
- US95 The band 66-72 Mc/s is not available for television broadcasting at Guam, Mariana Islands. Subject to agreement by the Commission, frequencies within this band may be authorized until July 1, 1970 for use by Government stations in the maritime mobile service in the Mariana Islands and Vicinity.
- US96 In the band 1990-2110 Mc/s, the frequencies 2106.4 Mc/s and 2101.8 Mc/s may be authorized for Government earth station transmission in connection with Project Apollo, until December 31, 1970, at the following sites only:
- | | |
|-----------------------|---------------------------------|
| Cape Kennedy, Florida | (28° 28' 54" N, 80° 34' 35" W) |
| Corpus Christi, Texas | (27° 39' 19" N, 97° 22' 49" W) |
| Goldstone, California | (35° 23' 20" N, 116° 50' 53" W) |
| Guam, Mariana Islands | (13° 18' 34" N, 144° 44' 10" E) |
| Kauai, Hawaii | (22° 07' 31" N, 159° 40' 16" W) |
- Full power operation shall occur only when spacecraft launched as a part of Project Apollo are in actual flight. During such operation, the carrier shall be fully modulated at all times to ensure dispersal of the transmitted power, and transmission shall not occur using antenna elevation angles of less than 3° above the horizontal plane. Operation at all other times shall be confined to laboratory tests or subdued radiation spacecraft tests, subject to the condition that no harmful interference is caused to TV broadcast auxiliary stations.
- US97 The use of the band 1605-1715 kc/s by non-Government stations in the aeronautical radionavigation service is limited to the frequencies 1638 and 1708 kc/s. Stations in the radiolocation service shall not cause harmful interference to stations in the aeronautical radionavigation service operating on 1638 or 1708 kc/s.
- US98 The frequency 243 Mc/s is the frequency in this band for use by Government and non-Government survival craft stations and equipment used for survival purposes.
- US99 In the band 1660-1700 Mc/s, the meteorological aids service (radiosonde) will to the maximum extent practicable confine its operations above the frequency 1670 Mc/s. Whenever it is necessary to operate radiosondes in the band 1660-1670 Mc/s within the United States, the radio astronomers will be notified in a timely manner.

(US Footnotes Continued)

- US100 In the Additional Protocol to the Final Acts of the Space EARC, Geneva, 1963, a declaration on behalf of the USA states that the USA cannot accept any obligation to observe the exception claimed by Cuba in those footnotes to the Table of Frequency Allocations which were adopted by the EARC and which specifically named Cuba.
- US101 In the band 1660-1670 MHz, the radio astronomy service must accept such interference as may be received from the meteorological-satellite service.
- US102 In Alaska only, the frequency 122.1 MHz may also be used for air carrier air traffic control purposes at locations where other frequencies are not available to air carrier aircraft stations for air traffic control.
- US103 Non-Government aeronautical radionavigation stations, intended to provide service for helicopter operations in the New York City area, may be authorized on the following frequencies:

70.8375 kHz	113.340 kHz
84.945 kHz	116.1735 kHz
85.005 kHz	127.5075 kHz
85.065 kHz	

Such authorizations shall be limited to the specific sites, coverage area and period of time in accordance with formal advice from the Federal Aviation Agency to the Federal Communication Commission that the service is required.

- US104 The LORAN radionavigation system has priority in this band in the United States and Possessions.
- US105 On the express condition that harmful interference is not caused to stations operating in accordance with the Table of Frequency Allocations, frequencies in the bands 3230-3240 and 3240-3400 kHz may be assigned to radiolocation systems which are also assigned frequencies in the 1605-1800 kHz band, provided the use of frequencies in the bands 3230-3240 and 3240-3400 kHz is necessary for the proper functioning of the particular radiolocation system.
- US106 The frequency 156.75 MHz is available for assignment to non-Government and Government stations for environmental communications in accordance with an agreed plan.
- US107 The frequency 156.8 MHz is the national distress, safety and calling frequency for the maritime mobile VHF radiotelephone service for use by Government and non-Government ship and coast stations. Guard bands of 156.7625-156.7875 and 156.8125-156.8375 MHz are maintained.

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(Government Footnotes Continued)

- G45 No station will be authorized to transmit in the band 1400-1427 MHz, 2690-2700 MHz, 4990-5000 MHz, 10.68-10.7 GHz, 15.35-15.40 GHz, 19.3-19.4 GHz, 31.3-31.5 GHz or 88-90 GHz.
- G51 In the bands 7250-7300 and 7975-8025 MHz, no assignments are to be made except those that are in accordance with the Government Table of Frequency Allocations and those for experimentation that is consistent with the use for which these bands are allocated. Existing assignments in the fixed service supporting the air traffic control function, which may continue on a secondary basis to the communication-satellite service, will be discontinued as soon as practicable and not later than January 1, 1975.
- G54 Aeronautical mobile (OR) communications which are an integral part of aeronautical radionavigation systems may be satisfied in the bands 1540-1660 MHz, 5000-5250 MHz and 15.4-15.7 GHz.
- G55 Authority to operate a joint-use radar (Air Defense/Air Traffic Control) in the bands 216-225, 420-450, 1215-1300 and 2300-2500 MHz may be issued to the agency responsible for the technical operation and maintenance of that radar. Despite this dual usage, such radars shall be authorized in the radiolocation service. Present and future requirements for air defense needs shall take precedence over any secondary usage for air traffic control purposes.
- G57 Frequencies in the band 25.07-25.11 MHz may be authorized to Government ship stations for telegraphy, on the condition that harmful interference is not caused to non-Government land mobile service uses.

~~CONFIDENTIAL~~

THE SECRETARY OF DEFENSE
WASHINGTON, D. C. 20301

Mr. Whitehead
74B
DEC 24 1969
Pete

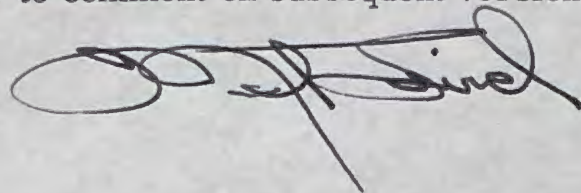
MEMORANDUM FOR MR. PETER M. FLANIGAN
ASSISTANT TO THE PRESIDENT

This is in response to your memorandum of December 6th soliciting comments on a proposed reorganization of Executive Branch telecommunications.

I am in general agreement with the structure and responsibilities described in the attachments to your memorandum, recognizing that final missions, tasks and functions will require clarification prior to implementation. I feel, however, that certain changes would help clarify aspects of the proposal which deal with the relationships and responsibilities of the Office of Telecommunications Policy (OTP), Telecommunications Research and Analysis Center (TRAC), and the National Communications System (NCS). It is also recommended that the new policy organization be vested with well defined statutory authority inasmuch as the responsibilities described for the OTP appear to duplicate certain statutory responsibilities of the General Services Administration and possibly other agencies.

With reference to the NCS organization, despite the Bureau of the Budget recommendation on the need for a reorganized and strengthened NCS, (cited on page 3 of your discussion paper), both attachments treat the NCS either on a tentative basis or fail to recognize the management and supportive roles that are likely to survive under any constructive reorganization of NCS activities. Such weak treatment would tend to dilute the already tenuous authority being exercised by the Executive Agent and Manager, NCS.

I believe my enclosure suggests some specific changes which, while preserving the integrity of the organizational scheme, provides the clarification which your draft requires in certain areas. I would appreciate having an opportunity to comment on subsequent versions.



Enclosure

COMMENTS

Attachment:

"EXECUTIVE BRANCH ORGANIZATION FOR TELECOMMUNICATIONS"

- o Page 6, second sub-paragraph, insert the following words at the beginning: "Acting as Chairman of the Interdepartment Radio Advisory Committee (IRAC) and...." These words should be added to the present statement since the proposal is silent on this point.
- o For reasons stated in my covering Memorandum, Page 6, last paragraph should be changed to read as follows:

"In performing these functions, the Director, Office of Telecommunications Policy, will be assisted by a small staff, augmented as required by: (1) the resources of the Executive Agent and Manager, NCS, (2) ad hoc, interagency and nongovernment task groups, (3) independent consultants, (4) contract studies, (5) a new Telecommunications Research and Analysis Center, (6) the Interdepartment Radio Advisory Committee and (7) a new Telecommunications Advisory Committee composed of experts from outside of the government." Note added (1) and deleted last sentence. This change is suggested since the NCS has a viable organization and on-going procedures and working relationships with 11 departments and agencies of government. This organization is devoted to Federal telecommunications planning, emergency operations, technical, operational and procedural standards, research and development, performance testing and evaluation and program review. It has and should continue to provide valuable support to the telecommunications policy organization.

- o Page 7, lines 5 and 6, the phrase "...and such other areas as may be required." should be deleted, since this is already a sufficiently broad charter. Page 2, paragraph 2 of this Attachment recognizes that "The Department of Commerce has a telecommunications research capability, but no responsibility or familiarity with telecommunications policy." Therefore, the TRAC should be confined to the functions outlined in the three sub-paragraphs which follow line 6 of Page 7.

- o Page 7, second sub-paragraph. Concur with the establishment of this facility. It should be recognized, however, that there will be a continuing need, within the DoD, for my Electromagnetic Compatibility Analysis Center (ECAC) to perform the necessary research and analysis of direct concern to the military, much of which is highly sensitive.
- o Page 8, last sentence of paragraph. Suggest deletion of all words following "(NCS)", for the reasons addressed in my covering Memorandum.

Attachment:

"RESPONSIBILITIES OF THE OFFICE OF TELECOMMUNICATIONS POLICY"

- o Page 1, sub-paragraph (1) at bottom of page, should be rewritten as follows to recognize the importance of performance standards and compatibility:

"(1) Development of government-wide standards for performance, equipment, and procedures, as required, in the interest of compatibility, economy, or effectiveness."
- o Page 2, following sub-paragraph (4), add new sentence: "He is assisted in the above responsibilities by the resources of the Executive Agent and Manager, NCS." in order to be consistent with the designation in the following paragraph of TRAC to assist him in radio frequency matters.
- o Page 2, end of first full paragraph (ending with OEP), add new sentence: "The Director, Telecommunications Policy will not be responsible for day-to-day operational matters of the White House Communications Agency or the Interagency Communications System unless directed by the President."
- o Pages 2 and 3, with regard to the statement of the Director's qualifications, it appears somewhat surprising to find selection criteria for an individual in an organizational responsibilities charter. Moreover, the stated scope and responsibilities for the new office outlined on Pages 1 and 2 would sufficiently dictate the personal qualifications of the Director.

Bill - from D.L. Solomon

THE SECRETARY OF DEFENSE
WASHINGTON, D. C. 20301

DEC 24 1969

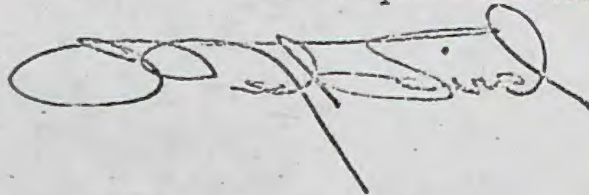
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MEMORANDUM

THE WHITE HOUSE

WASHINGTON

December 19, 1969

MEMORANDUM FOR PETER FLANIGAN

FROM: Henry A. Kissinger **HK**
SUBJECT: Federal Telecommunications Organization

Your plan to establish a new Office of Telecommunications Policy appears sound. There is, as your discussion points out, no form of organization in this area which will be totally acceptable to all of the parties involved. The approach you have taken seems to be a suitable reconciliation of conflicting interests for the present.

The State Department has suggested clarification of certain points bearing on the Department's responsibility for the conduct of international affairs (attached). Their suggestions appear reasonable and I trust that you will incorporate them in future actions on this matter.

I hope that you can move rapidly to get the new machinery established so that the review of the National Communications System can be accomplished soon. Some means is needed to assure that departmental communications systems are responsive to requirements for interagency coordination and overall executive control. The present NCS machinery is now somewhat in limbo. There is a danger that further fragmentation of communications systems and responsibilities will occur unless steps are taken soon to clarify the overall objectives, concepts and organization for government communications.

Attachment



S/S-19010

DEPARTMENT OF STATE

Washington, D.C. 20520

5683

December 17, 1969

MEMORANDUM FOR MR. HENRY A. KISSINGER
THE WHITE HOUSE

Subject: Executive Branch Organization for
Telecommunications, Recommended
Reorganization, Proposed Office of
Telecommunications Policy

In response to Mr. Flanigan's request of December 6 for the Department's comments on two documents transmitted with a memorandum of that date, the following observations are transmitted. While we have limited these comments to consideration of the implications for the Department in the exercise of its foreign policy responsibilities, we welcome in a broad sense these timely proposals for strengthening the policy-making organization of the Executive Branch.

With reference to the recommendations set forth at pages 5 and 6 of the document entitled "Executive Branch Organization for Telecommunications", we have two comments. First, the proposed responsibilities of the Office of Telecommunications Policy would include "economic, technical, and systems analysis of telecommunications policies and opportunities in support of national policy formulation and U.S. participation in international telecommunications activities" (emphasis added). The Department would welcome the contribution such an effort would make to the discharge of its responsibilities in connection with international telecommunication activities.

Second, it would appear desirable to clarify the fourth item listed on page 6, i.e. " -- exercising the functions conferred on the President by the Communications Satellite Act". That Act confers upon the

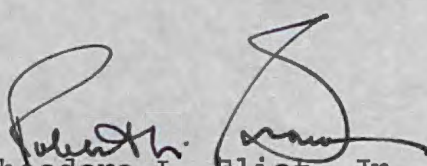
President a variety of functions. Some of these have been delegated to the Director of Telecommunications Management (Executive Order 11191, January 4, 1965). That Order delegates other functions to the Secretary of State, i.e. matters directly relating to or affecting foreign relations and foreign policy. Other functions conferred on the President have been reserved by him. It is our view that those Presidentially-delegated functions now assigned to the Secretary of State must remain thus delegated. Consequently, we suggest the revision of this item to read " -- exercising the functions conferred on the President by the Communications Satellite Act which were formerly delegated to the Director of Telecommunications Management in Executive Order 11191".

Turning to the appended document which describes "Responsibilities of the Office of Telecommunications Policy", we again have two comments. We assume that the intended meaning would not be changed if subparagraph numbered (3) on page 1 were introduced by the phrase "Matters relating to . . ." instead of "The preparation of . . .". As it stands, the language could be misconstrued as meaning that the Office of Telecommunications Policy would in fact prepare the final positions for international communication conferences, conventions and organizations. This function is the responsibility of the Secretary of State as the responsible agent for the conduct of foreign relations.


Our second comment on this document relates to the first unnumbered paragraph on page 2. We would suggest that the third sentence of that paragraph be revised to read "He carries out the delegated responsibilities conferred on the President by the Communications Satellite Act". This clarification relates back to our comments above on this same subject.

In the area of Federal telecommunications operations, we agree that the proposed changes should improve the policy formulation and coordination process. Because of our vital operational requirements the

Department should be given the opportunity to participate in any study to determine the future role and structure of the National Communications System.


Theodore L. Eliot, Jr.

for Executive Secretary



UNITED STATES OF AMERICA
GENERAL SERVICES ADMINISTRATION
WASHINGTON, D.C. 20405



DEC 16 1969

Honorable Peter M. Flanigan
Assistant to the President
The White House
Washington, D.C. 20500

Dear Pete:

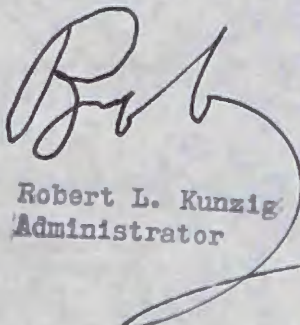
Thank you for your memorandum of December 6, 1969, asking my comments on a discussion of the Executive Branch organization for telecommunications, recommended reorganization, and a description of the responsibilities of a new Office of Telecommunications Policy. Although I have a few reservations, I certainly concur in principle with the content of these documents. Your staff did an outstanding job.

There are several responsibilities being assigned the Office of Telecommunications Policy, such as procurement, representing the Executive Branch in Federal Communications Commission proceedings and others, which I believe should be clarified in view of GSA's responsibilities in these areas.

If you agree, I would appreciate the opportunity for Mr. Robert M. O'Mahoney, Commissioner, Transportation and Communications Service, to discuss these matters with your staff. His telephone number is IDS Code 183, extension 5246.

Thank you for providing me the opportunity to comment on this most important and comprehensive study.

Sincerely,



Robert L. Kunzig
Administrator

UNITED STATES OF AMERICA
GENERAL SERVICES ADMINISTRATION
WASHINGTON, D.C. 20405



DEC 16 1969

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Assistant to the President
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Washington, D.C. 20500

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Administrator

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

December 16, 1969

MEMORANDUM FOR

Peter Flanigan

SUBJECT: Organization for communications

I have reviewed the draft papers forwarded with your memorandum of December 6, which outline a proposal for a new executive branch organization for telecommunications and identify responsibilities for a new Office of Telecommunications Policy.

I agree with the assessment of problem areas that arise in the operation of the present organization for telecommunications affairs and concur in the need for modification in order to deal effectively with major questions of a policy nature. In this context, therefore, the specific proposal for creation of an Office of Telecommunications Policy (OTP) appears to offer the potential for significant improvement in addressing the many complex issues involved in determining telecommunications policy. While I favor the reorganization outlined in the paper, I believe the following additional points should be raised:

1. It will be important for the new OTP to have a well-qualified staff, and therefore appropriate numbers of vacant top-grade positions should be available to the new director. Direct transfer of the existing staff of OTM should be done only on a very selective basis.
2. The placement of the OTP in the Executive Office of the President should be considered as a first step in consolidating executive branch treatment of telecommunications policy matters. Further evolution of executive branch treatment of telecommunications policy affairs should be possible in the future, including establishment of an independent office outside the Executive Office of the President and establishment of a single national spectrum manager.

3. A significant role for the new OTP will be to coordinate formulation of telecommunications policy on an interagency basis. Therefore, I propose that together with the establishment of a new OTP, a new Federal Council for Telecommunications be established, chaired by the director of OTP, with representation at the under secretary level from all appropriate agencies, plus OST and CEA. Such a council would provide a formal mechanism for initiating interagency discussions and agreements on matters of common interest and would be a useful forum for exchanging views about problems or potential problems. This council could be included as item (1) in the last paragraph on page 6, as follows:

"... assisted by a small staff, augmented as required by: (1) A Federal Council for Telecommunications with representation from major telecommunications users within the government, which would be the forum for achieving coordinated policy positions on interagency matters, (2) ad hoc, special interagency and non-governmental task groups, (3) ... (5) a new telecommunications capability within the Department of Commerce for research, analysis and spectrum management support, (6) ..."

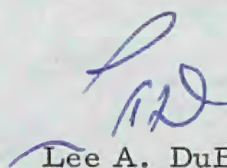
4. The Telecommunications Research and Analysis Center (TRAC) proposed for the Department of Commerce appears to be better suited to incorporation within the National Bureau of Standards (NBS) structure than as a separate entity reporting directly to the Assistant Secretary for Science and Technology. The NBS has the capability of bringing several additional assets into close relationship to the TRAC -- particularly in computer sciences and in systems analysis. Administrative support would be simplified, and the use of funding from outside the Department of Commerce (such as from OTP or other agencies) for specific projects would be facilitated because of the extensive prior NBS experience in this method of operation.

The name, National Bureau of Standards, which has for some time not been adequately descriptive of the broad range of bureau interests, might be changed to Bureau of Applied Science and Technology, or a similar title. The specific organizational structure within the Department of Commerce is probably best left to decision by the Secretary, and therefore I recommend the first sentence on page 7 of the organization paper be modified as follows:

"A telecommunications research, analysis and frequency management capability should be established in the Department of Commerce, presumably in the National Bureau of Standards, and reporting to the Assistant Secretary for Science and Technology. This capability will provide centralized research, engineering, and analysis support for spectrum management activities and such other support as may be required by OTP or other agencies. Specifically, these functions would include: ..."

A similar change would be required on page 2 of the paper describing OTP responsibilities.

On the whole, the proposal for establishment of the OTP is a major step forward toward an executive branch capability for dealing with telecommunications policy matters, a step first recommended a number of years ago by an advisory group of which I was a part. I support this proposal and recommend prompt action to bring this to the President's attention in time to influence F. Y. 1971 budget decisions.


Lee A. DuBridge
Science Adviser

Tuesday 12/16/69

7:00 Dr. Drew left the attached advance copy;
Dr. DuBridge has read and approved and it is being
typed final and will be signed first thing in the morning.

December 16, 1969

MEMORANDUM FOR

Peter Flanigan

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... assisted by a small staff, augmented as needed by (1) a Federal Council for Telecommunications with representation from major telecommunications users within the government, which would be the forum for achieving coordinated policy positions on interagency matters, (2) ad hoc, special interest and non-governmental task groups, (3) ... (4) a new telecommunications capability within the Department of Commerce for research, analysis and spectrum management support, (5) ..."

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Lee A. DuBridge
Science Adviser

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OST file-chron
RCD file-chron
LAD file-chron

THE WHITE HOUSE

WASHINGTON

December 6, 1969

MEMORANDUM FOR

Dr. Lee A. DuBridge
President's Science Adviser

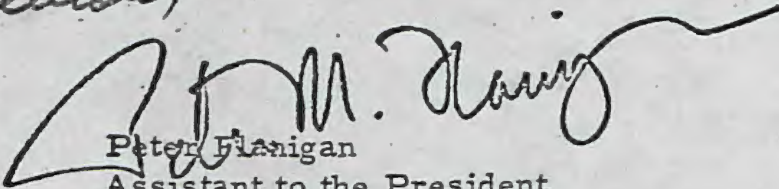
Attached are:

(1) A discussion of the executive branch organization for telecommunications and a recommended reorganization.

(2) A description of the responsibilities of a new Office of Telecommunications Policy.

Both the Bureau of the Budget and the staff of the President's Advisory Council on Executive Organization have assisted in the preparation of this recommendation. We would like to have your comments before submitting a final recommendation to the President. I would appreciate having your comments by December 13.

16 (telecon)


Peter Flanigan
Assistant to the President

Attachments

EXECUTIVE BRANCH ORGANIZATION FOR TELECOMMUNICATIONS

In spite of the rapidly growing importance of telecommunications to the Nation and for the government's own missions, there is no effective policy-making capability for telecommunications in the executive branch. The Administration is therefore largely unable to exert leadership or take initiatives in spite of vulnerability to criticism for FCC policies. Government-wide coordination of its own telecommunications activities has not been adequate. These problems have been manifested in several ways:

1. There is a serious lack of effective machinery for dealing expeditiously with domestic telecommunications issues. The government has been grappling for several years, with only limited success, with such issues as "foreign attachments" to the public telephone network, cable TV and pay TV, the possible uses and industry structure for a domestic satellite communications system, and policies for computer communications. There is a current tendency to resolve such issues by past precedents and by compromises between the FCC and various agencies in the executive branch, but the increasingly rapid rate of technological change and introduction of new services makes policy-by-precedent increasingly less relevant, more restrictive, or counterproductive. Neither the FCC nor the executive branch has a significant capability for systematic economic and technical analysis.

2. Efforts to coordinate the procurement and use of telecommunications facilities and services by the Federal government have had limited success. The current coordination arrangements, embodied in the National Communications System (NCS) structure, have achieved certain desirable interconnections and operating procedures, but have not produced the desired assurances that the government is procuring the services needed in an efficient manner. Although present policies call for a "unified" NCS, there is little agreement on what further unification is needed, or what it would cost or accomplish.

3. The current procedures for spectrum allocation are highly inflexible and are increasingly creating a spectrum shortage crisis. The shortage is especially severe in the land mobile radio allocations, which are becoming increasingly important to local police and fire protection services, among many other claimants.

Current organization for communications policy-making and coordination

The Director of Telecommunications Management (DTM) in the Office of Emergency Preparedness is now charged by Executive Order and Presidential memorandum with the responsibility for coordinating telecommunications activities in the executive branch. The DTM also is designated Special Assistant to the President for Telecommunications. However, the history of the organization reveals that attempts by the DTM to exercise leadership in communications policy have been largely ineffectual. The responsibilities and authority of the DTM are questioned by agencies with operating responsibilities. This situation results from a number of factors including organizational location, inadequate staff, and lack of clear authority.

There is now no office in the executive branch with the responsibility or the capability to review the whole range of national telecommunications policies as expressed in legislation and in FCC policies. The Anti-trust Division of the Department of Justice has occasionally filed briefs on the competitive aspects of decisions before the FCC, but these derive largely from antitrust considerations rather than from familiarity with communications issues. The Department of Commerce has a telecommunications research capability, but no responsibility or familiarity with communications policy. Neither the Council of Economic Advisers nor the Office of Science and Technology are equipped to address the fundamental economic and institutional problems of the communications industry and its regulation by the FCC, or the problems of the government's own telecommunications.

Studies of Federal organization

Since World War II, there have been a number of studies of Federal communications organization and a number of reorganizations and shifts of responsibilities within the executive branch. None has proved particularly satisfactory, and, indeed, there is no ideal solution. This is due in part to the quasi-independence of the FCC from the executive branch and in part to the conflicting individual agency mission responsibilities within the executive branch.

The study of the Federal government communications organization completed in December 1968 by the Bureau of the Budget provides

a good statement of the shortcomings of our current organization. The Bureau of the Budget reported a need for:

- (1) a strengthened organization for policy planning, formulation and direction of Federal communications activities.
- (2) a reorganized and strengthened National Communications System (NCS) within the Department of Defense.
- (3) an improved procurement and technical assistance effort in communications on behalf of those Federal agencies which do not now have adequate resources in this field.
- (4) a unified frequency spectrum management process.
- (5) a coordinated technical assistance program for State and local government in this area.

The recently released report of the Government Accounting Office focused on the government's communications and evaluated the progress toward establishment of a unified National Communications System as directed by the President in 1963. The GAO found a need for stronger coordination of government telecommunications planning, and recommended a single entity be responsible for policy direction and control of the Government's telecommunications systems. The GAO also recommended clarification of what a "unified" NCS is intended to be.

Reorganization issues

The Budget Bureau study of Federal communications organization made a number of major recommendations and was recently distributed to the departments concerned. Agency views on this study have the common themes (1) that stronger coordination from the top is required in establishing Government policy for its own telecommunications requirements, and (2) that the Federal government should take a stronger role in the evolution of national telecommunications to deal with the increasingly rapid rate of technological change and industry growth. There is also agreement that a much stronger analytic capability within the executive branch is needed to achieve these goals.

There are a variety of possible ways in which telecommunications responsibilities could be reshuffled or strengthened. As a starting point, there is widespread agreement that a single office should bear ultimate responsibility for:

- (1) analyses and formulation of overall telecommunications policy for the executive branch.
- (2) policy-level coordination of Federal government procurement and use of telecommunications services and equipment.
- (3) allocation and assignment of spectrum resources to government users.

There are several further issues.

The first is where such a single office should be located. There are two competing sets of considerations. Further expansion of telecommunications activities within the Executive Office of the President would force undesirable growth in the size of the Executive Office of the President, while telecommunications does not require the frequent direct Presidential attention implied by a location within the Executive Office. On the other hand, placing the central office within an executive department (e. g., Commerce or Transportation) raises serious questions about the impartiality of frequency allocation and assignment among government users and assurance of vital national security interests. Both sides of this issue have considerable merit, but from the standpoint of practicality and the need to minimize even temporary disruptions of our policy machinery, the policy functions should for the time being remain in the Executive Office. However, as much of the operational and research responsibilities as possible should be carried out in the departments and agencies.

Another issue is whether the authority to allocate and assign frequency spectrum to nongovernment uses, now vested in the FCC, should be transferred to the central, executive branch policy office.

greater flexibility in assignment policies and eventually, even more efficient spectrum use. However, such a move requires legislation, it raises concerns about political interference in the assignment of frequencies, and it would inundate the new office with a highly routine workload. (The FCC now processes 800,000 applications yearly, compared to 37,000 now handled by the DTM.) For these reasons, immediate consolidation of these responsibilities is not recommended, but planning for eventual consolidation should be started.

A third issue concerns organizational arrangements for management of Federal communications networks to implement policy guidance. This is currently done through the National Communications System (NCS) structure. Both the BOB and GAO studies concluded that changes should be made in the NCS arrangements. However, the issues involved are too detailed and too complex to be settled in the context of reorganization of policy machinery. Therefore, the NCS arrangements should not be changed at this time, but should be studied as a priority matter by the new central policy office as soon as it is established. The study would review the objectives, system concepts, organizational arrangements, and effectiveness of the NCS structure, and should include a thorough examination by the National Security Council of national security objectives for telecommunications. Recommendations should be developed for the President regarding the best objectives and management arrangements for overall coordination of Federal telecommunications activities.

Recommendation

An Office of Telecommunications Policy should be established as an independent entity in the Executive Office of the President. The Director of this office, appointed by the President, would have primary executive branch responsibility for both national telecommunications policies and Federal administrative telecommunication operations. The responsibilities of the Office of Telecommunications Policy would include:

- economic, technical and systems analysis of telecommunications policies and opportunities in support of national policy formulation and U. S. participation in international telecommunications activities.
- developing executive branch policy on telecommunications matters including, but not limited to, industry organization and practices, regulatory policies, and the allocation and use of the electromagnetic spectrum for both government and nongovernment use.

- advocating executive branch policies to the FCC, and through the President to the Congress; and representing the executive branch in FCC proceedings.
- exercising final authority for the assignment of the spectrum to government users, and developing with the FCC a long-range plan for improved management of the total radio spectrum.
- reviewing and evaluating the research and development for, and planning, operation, testing, procurement, and use of all telecommunication systems and services by the Federal government; developing appropriate policies and standards for such systems; and making recommendations to the Bureau of the Budget and responsible departmental officials concerning the scope and funding of competing, overlapping, or inefficient programs.
- exercising the functions conferred on the President by the Communications Satellite Act.
- under the policy guidance of the Director, Office of Emergency Preparedness, coordinating plans and programs for testing of and preparing to the use of telecommunications resources in a state of national emergency.
- test; review, and report to the President, through the National Security Council, on the ability of national communications resources to meet established national security requirements efficiently and responsively.
- coordinating Federal assistance to state and local governments in the telecommunications field.

In performing these functions, the Director, Office of Telecommunications Policy, will be assisted by a small staff, augmented as required by: (1) ad hoc, interagency and nongovernment task groups, (2) independent consultants, (3) contract studies, (4) a new Telecommunications Research and Analysis Center, (5) the Interdepartment Radio Advisory Committee, and (6) a new Telecommunications Advisory Committee composed of experts from outside of the government. So long as the NCS structure is retained, he will also be assisted by the Executive Agent of the NCS.

A Telecommunications Research and Analysis Center (TRAC) should be established in the Department of Commerce, reporting to the Assistant Secretary for Science and Technology. The TRAC would provide a centralized research, engineering, and analysis capability in support of spectrum management and such other areas as may be required. Specific functions of the TRAC would be to:

- conduct research and analysis in the general field of telecommunication sciences in support of other government agencies or in response to specific directives from the Office of Telecommunications Policy, with particular emphasis on radio propagation, radio systems characteristics, and operating techniques leading to improved utilization of the radio resource.
- develop and operate a national electromagnetic compatibility analysis facility under the general policy guidance of the Director, OTP.
- provide the administrative and technical support required by the Interdepartment Radio Advisory Committee. This support will operate in accordance with policies and criteria laid down by the OTP, and will be responsive to OTP requests for information and special frequency assignment actions.

The Office of Telecommunications Policy should be established with an initial strength of up to 30 professionals, including up to 15 at super-grade levels. The position of Director, Office of Telecommunications Policy should be established at executive pay level III. Provision should be made within the budget of the office for adequate consulting fees and contractual support; and for administrative support to, and space for, task groups and personnel on short-term detail.

The Office of Telecommunications Management in the OEP should be abolished. All policy functions of that office not directly related to emergency preparedness should be transferred to the Office of Telecommunications Policy, along with appropriate emergency planning functions, final spectrum management authority, and NCS responsibilities. The major portion of the Frequency Management Directorate of the OTM should be transferred to the Department of Commerce to provide the technical and clerical support functions described above. The position of Special Assistant to the President for Telecommunications should be abolished.

The Office of Telecommunications Policy will exercise the policy functions of the Executive Office of the President with respect to the planning, integration, and emergency use of the telecommunications systems of the executive branch, subject to general policy guidance on appropriate matters from the National Security Council and the Director, OEP. This function will continue to be exercised through the mechanism of the National Communications System (NCS). until such time as changes in that mechanism are suggested by the policy review recommended above and approved by the President.

RESPONSIBILITIES OF THE OFFICE OF TELECOMMUNICATIONS POLICY

The Director of the Office of Telecommunications Policy develops the executive branch position on national telecommunications policy, coordinates the planning and operation of the telecommunications systems of the Federal government, discharges responsibilities assigned to the President in the areas of spectrum management and satellite communications, and performs emergency planning and control functions for telecommunications.

The Director serves as the President's principal advisor on telecommunications policy, including:

- (1) The organization, practices, and regulation of the U. S. domestic and international communications industry.
- (2) The allocation, use, and management of the radio spectrum resource for government use, and preparation of recommendations to the FCC on spectrum allocation for civilian use.
- (3) The preparation of U. S. positions for international communication conferences, conventions, and organizations.
- (4) Federal research and development programs in support of the above.

The Director assures that the executive branch position on telecommunication policy issues is effectively presented to the Congress and to the Federal Communications Commission in the form of legislative proposals, recommendations, and testimony as required.

The Director's responsibilities for the planning and operation of Federal government telecommunications systems include:

- (1) Development of government-wide standards for equipment and procedures, as required in the interest of economy or effectiveness.

- (2) Evaluation of the ability of national communications resources adequately and efficiently to meet established national security and emergency communications requirements.
- (3) Recommendations to the Bureau of the Budget concerning the funding of communications systems and research and development programs.
- (4) Preparation of guidelines for the most economical procurement of Federal telecommunications services.

The Director exercises the authority, delegated by the President, to assign radio frequencies for use by the government. He is assisted in this responsibility by the Telecommunications Research and Analysis Center to be established in the Department of Commerce and the Interdepartmental Radio Advisory Committee. He carries out the responsibilities conferred on the President by the Communications Satellite Act. The Director coordinates the development of plans and programs for the mobilization and use of telecommunications resources in an emergency, and prepares to administer national telecommunications resources in the event of war under the overall policy guidance of the Director, OEP.

The Director coordinates assistance in telecommunications matters provided by the Federal government to State and local governments. He appoints scientists, engineers, and economists from outside government to advise on telecommunications matters.

To carry out these responsibilities, the Director must have the following qualifications:

- (1) A thorough grasp of the social, economic, engineering, and national security factors which must be considered in formulating telecommunications policies and standards.
- (2) Familiarity with telecommunications needs and opportunities of government, industry, and the public, and with the structure of private and governmental telecommunications institutions, both national and international.

- (3) The ability to initiate and coordinate telecommunications policy matters on an interdepartmental basis in cooperation with industry and public interest groups, and to define and analyze those key policy issues requiring Presidential involvement.
- (4) The ability to direct studies utilizing systems analysis, systems engineering, and economics needed for the systematic analysis of telecommunications policies and opportunities, their impact, their effectiveness, and their costs.



THE SECRETARY OF TRANSPORTATION
WASHINGTON, D.C. 20590

December 15, 1969

MEMORANDUM FOR: Peter Flanigan
The White House

We have carefully reviewed the material transmitted by your memorandum of December 6 recommending reorganization of telecommunications policy functions within the executive branch. We find the statement of the problem, as set forth in your paper, both succinct and all inclusive. The resolution of these problems, however, leaves much to be desired.

While the proposal establishes an organizational framework where these problems can be addressed, the same questions which were the source for initiating your study -- centralizing frequency management responsibility, coordination of government communication procurement, strengthening of analytic capability, etc. -- remain unanswered.

We recognize that your recommendation is a compromise among various competing viewpoints. However, it is our view that if your office does not take a strong posture on these questions at this juncture, it will be even more difficult to resolve them at departmental or intra-governmental staff level at a later stage.

You can be assured of this Department's cooperation in implementing whatever reorganization changes are approved.

A handwritten signature in dark ink, appearing to be "J. L. ...", is located at the bottom right of the page. The signature is stylized and cursive.



THE SECRETARY OF COMMERCE
WASHINGTON, D.C. 20230

DEC 15 1969

MEMORANDUM FOR: Honorable Peter M. Flanigan
Assistant to the President
The White House

Subject: Federal Telecommunications Policy Management

This memorandum is in reply to yours dated December 6, 1969, in which you request my comments on a proposed reorganization of Federal Telecommunications policy functions.

The substance of the proposed reorganization includes a new Office of Telecommunications Policy (OTP), a new Telecommunications Research and Analysis Center (TRAC), the Interdepartment Radio Advisory Committee, and a new Telecommunications Advisory Committee. Additionally, the major portion of the Frequency Management Directorate of the Office of Telecommunications Management would be transferred to the Department of Commerce.

I strongly support the proposed reorganization. The combination of an OTP closely supported by a strong analysis center (TRAC) is a definite improvement of the existing Federal organization for telecommunications policy. Such an arrangement will materially assist our Government in dealing with national telecommunications issues, including their socio-economic implications.

As I understand your recommendation, the Telecommunications Research and Analysis Center would be established in the Department of Commerce. The TRAC would provide a centralized research, engineering, and analysis capability to the Office of Telecommunications Policy, to this Department, and to other Government agencies in support of electrospace management and other areas. This organization would also develop a capability to analyze the interaction of telecommunications technology with the social and economic aspects of our society.

2.

Upon approval of ~~this~~ concept, I will establish such a center. I will also initiate talks with the Bureau of the Budget as to its funding at a level compatible with the new OTP.

Maurice H. Stans

Secretary of Commerce



NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

WASHINGTON, D.C. 20546

OFFICE OF THE ADMINISTRATOR

DEC 12 1969

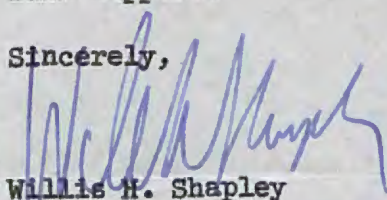
Mr. Peter Flanigan
Assistant to the President
The White House
Washington, D. C. 20500

Dear Mr. Flanigan:

We are fully in accord with the proposed Executive Branch organization for telecommunications transmitted with your memorandum of December 6, 1969, to Dr. Paine. The establishment of the Office of Telecommunications Policy as an independent entity in the Executive Office of the President and the Research and Analysis Center in the Department of Commerce, as described in the memorandum, should go a long way toward providing the leadership and resources necessary to develop and coordinate government policy and operations in this complex field.

You may be assured that should the proposed recommendations be finally adopted, the Director of the Office of Telecommunications Policy and the Assistant Secretary of Commerce for Science and Technology will have our full support.

Sincerely,


Willis H. Shapley
Associate Deputy Administrator



NATIONAL AERONAUTICS AND SPACE ADMINISTRATION
WASHINGTON, D.C. 20546

OFFICE OF THE ADMINISTRATOR

DEC 12 1969

Mr. Peter Flanigan
Assistant to the President
The White House
Washington, D. C. 20500

Dear Mr. Flanigan:

We are fully in accord with the proposed Executive Branch organization for telecommunications transmitted with your memorandum of December 6, 1969, to Dr. Paine. The establishment of the Office of Telecommunications Policy as an independent entity in the Executive Office of the President and the Research and Analysis Center in the Department of Commerce, as described in the memorandum, should go a long way toward providing the leadership and resources necessary to develop and coordinate government policy and operations in this complex field.

You may be assured that should the proposed recommendations be finally adopted, the Director of the Office of Telecommunications Policy and the Assistant Secretary of Commerce for Science and Technology will have our full support.

Sincerely,

(Signed) Willis H. Shapley

Willis H. Shapley
Associate Deputy Administrator

EXECUTIVE OFFICE OF THE PRESIDENT

BUREAU OF THE BUDGET

WASHINGTON, D.C. 20503

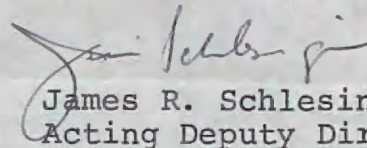
DEC 12 1969

MEMORANDUM FOR MR. PETER M. FLANIGAN

SUBJECT: Executive branch organization for telecommunications

We have reviewed the proposals for telecommunications organization forwarded with your memorandum of December 6 and have no specific comments on their substance beyond those which we have previously discussed with Mr. Whitehead of your staff. In expressing our reservations with respect to the retention of a telecommunications policy role in the Executive Office of the President, we agreed with Mr. Whitehead that the success of the proposal depended on a careful structuring of responsibilities and selection of personnel in the various organizational units involved. To that end we prepared a draft Executive order to implement the proposal and are ready to assist you in any way to carry forward the objectives of the proposal.

We are checking the Executive order approach, since it may be necessary to supplement the order with a bill or reorganization plan. We would further recommend that the telecommunications organization proposal be forwarded to the President for decision as a part of the President's review of OEP's 1971 budget which is scheduled for December 19. We are hopeful that your schedule and communication with the President on this subject can be coordinated on this basis.


James R. Schlesinger
Acting Deputy Director

EXECUTIVE OFFICE OF THE PRESIDENT
BUREAU OF THE BUDGET
WASHINGTON 25, D.C.

DEC 12 1969

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James R. Schlesinger
Acting Deputy Director

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF EMERGENCY PREPAREDNESS
WASHINGTON, D. C. 20504

OFFICE OF THE DIRECTOR

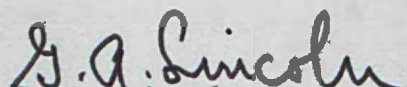
December 12, 1969

MEMORANDUM FOR HONORABLE PETER M. FLANIGAN
ASSISTANT TO THE PRESIDENT

SUBJECT: Proposed Telecommunications Reorganization

Reference your memorandum of December 6 on the above subject, I am in general agreement with the proposal.

There are some open questions and details that have been pointed out to me that need discussion and resolution. I believe most of these could be resolved by an interagency meeting, and suggest that as a next step you arrange for such a meeting.


G. A. Lincoln
Director

12/17/69

DTM Budget
Less Necef

1969

1970

1971
Request~~1971~~

Personnel Compensation

938

1013

1052

Permanent Positions

(835)

(925)

(982)

Other Positions

(91)

(78)

(90)

Other Compensation

(12)

(10)

(10)

Benefits

68

75

82

Travel

21

30

40

Staff travel

(17)

(30)

(30)

Invitational

(4)

(6)

(10)

Transport. of Things

1

2

2

Rent, Commo. & Utilities

62

63

67

Postage

(3)

(3)

(3)

Telephone

(18)

(20)

(22)

ADP

(41)

(40)

(42)

Printing

55

56

58

Other Services (No Year)

494

1091

500

Services of Other Agencies

(91)

29

31

Reim. to Another Agency

(49)

(-)

(-)

Maint. of Facilities

(28)

(2)

(2)

Maint. of Furn. & Equip.

(2)

(3)

(5)

Security Clearances

(7)

(8)

(8)

Employee Training

(3)

(4)

(4)

Other Services

(2)

(12)

(12)

Supplies & Materials

9

13

16

Supplies

(6)

(10)

(13)

Subscriptions

(3)

(3)

(3)

Furniture & Equip.

6

8

10

Total Obligations

1745

2386

1894

Carryover from Prior Years

175

591

-

Unobligated at EOY

591

-

-

~~Budget Authority~~

Transfers

8

Recovery of Prior Obs

6

Budget Authority

2175

1795

1894

Total

	1	2	3	4
	1971	To	To	Additional
	DTM	Commerce	OTP	To OTP
	Budget			
Personnel Compensation	1082	298	784	100
Permanent Positions	(932)	(290)	(692)	(110)
Other Positions	(90)	(-)	(90)	(-)
Other Compensation	(10)	(8)	(2)	(-)
Benefits	82	22	60	8
Travel	46	8	38	-
Staff Travel	(36)	(8)	(28)	(-)
Invitational	(10)	(-)	(10)	(-)
Transport of Things	2	2	-	-
Rent, Commo, & Utilities	67	58	9	-
Postage	(3)	(2)	(1)	(-)
Telephone	(22)	(14)	(8)	(-)
ADP	(42)	(42)	(-)	(-)
Printing	58	52	6	-
Other Services	500	-	500	380
Services of Other Agencies	31	22	9	1
Maint. of facilities	(2)	(1)	(1)	(-)
Maint. of furn. & Equip.	(5)	(3)	(2)	(-)
Security Clearances	(8)	(4)	(4)	(1)
Employee Training	(4)	(2)	(2)	(-)
Other Services	(12)	(12)	(-)	(-)
Supplies & Materials	16	11	5	1
Supplies	(13)	(10)	(3)	(1)
Subscriptions	(3)	(1)	(2)	(-)
Furniture & Equip.	10	5	5	
Total Obligations	<u>1894</u>	<u>478</u>	<u>1416</u>	<u>500</u>
NECAF	906	906		
	<u>2800</u>	<u>1384</u>		

		1971		To		To		Additional	
		DTM		Commerce		OTP		To OTP	
		Prof	Clerk	Prof	Clerk	Prof	Clerk	Prof	Clerk
Director		1	1			1			
Director's Office		6	7	2	2	4	5		
Advanced Systems		3	2	2		1	2		
National Communications		4	2			4	2		
Frequency Management		11	31	7	26	4	5		
NECAF									
Total		25	42	11	28	14	14	12	
		67		39		28		17	
NECAF		40		40					
		107		70				47	
Grades	Level V								
4	GS-18	1(5)	4			1			
4	GS-17	2	2			4		2	16
7	GS-16	1	3			2		4	
5	GS-15	0	8	1		3		1	
4	GS-14		4	1		7		1	
3	GS-13		3	1		3		2	
2	GS-12		-	2		1		1	
2	GS-11		3	3		-			
	GS-10		-						
	GS-9		7	5		2			
	GS-8		-						
	GS-7		13	4		4			
	GS-6		4			4			
	GS-5		8	7		1			
	GS-4		7	7		-			
			67	30		37		10	



DEPARTMENT OF STATE

Washington, D.C. 20520

November 14, 1969

*Revised Comm
Organization*

Dear Tom,

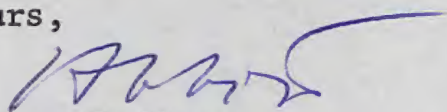
On a first reading of your memorandum on reorganization, I have only one reaction: "Congratulations"!

The paper is cogent and well written -- and it comes out exactly where it ought to, in my view.

Would the Director, OTP, report directly to the President, or indirectly through a Counsellor to the President or an Assistant to the President?

Best of luck with the implementation.

Yours,


Abbott Washburn

P.S. WWS took his copy to Pennsylvania, and will react to you next week.

Dr. Clay T. Whitehead
Executive Office Building
of the White House
Washington, D. C.

EXECUTIVE BRANCH ORGANIZATION FOR TELECOMMUNICATIONS

In spite of the rapidly growing importance of telecommunications to the Nation and for the government's own missions, there is no effective policy-making capability for telecommunications in the executive branch. The Administration is therefore largely unable to exert leadership or take initiatives in spite of vulnerability to criticism for FCC policies. Government-wide coordination of its own telecommunications activities has not been adequate. These problems have been manifested in several ways:

1. There is a serious lack of effective machinery for dealing expeditiously with domestic telecommunications issues. The government has been grappling for several years, with only limited success, with such issues as "foreign attachments" to the public telephone network, cable TV and pay TV, the possible uses and industry structure for a domestic satellite communications system, and policies for computer communications. There is a current tendency to resolve such issues by past precedents and by compromises between the FCC and various agencies in the executive branch, but the increasingly rapid rate of technological change and introduction of new services makes policy-by-precedent increasingly less relevant, more restrictive, or counterproductive. Neither the FCC nor the executive branch has a significant capability for systematic economic and technical analysis.

2. Efforts to coordinate the procurement and use of telecommunications facilities and services by the Federal government have had limited success. The current coordination arrangements, embodied in the National Communications System (NCS) structure, have achieved certain desirable interconnections and operating procedures, but have not produced the desired assurances that the government is procuring the services needed in an efficient manner. Although present policies call for a "unified" NCS, there is little agreement on what further unification is needed, or what it would cost or accomplish.

3. The current procedures for spectrum allocation are highly inflexible and are increasingly creating a spectrum shortage crisis. The shortage is especially severe in the land mobile radio allocations, which are becoming increasingly important to local police and fire protection services, among many other claimants.

Current organization for communications policy-making and coordination

The Director of Telecommunications Management (DTM) in the Office of Emergency Preparedness is now charged by Executive Order and Presidential memorandum with the responsibility for coordinating telecommunications activities in the executive branch. The DTM also is designated Special Assistant to the President for Telecommunications. However, the history of the organization reveals that attempts by the DTM to exercise leadership in communications policy have been largely ineffectual. The responsibilities and authority of the DTM are questioned by agencies with operating responsibilities. This situation results from a number of factors including organizational location, inadequate staff, and lack of clear authority.

There is now no office in the executive branch with the responsibility or the capability to review the whole range of national telecommunications policies as expressed in legislation and in FCC policies. The Anti-trust Division of the Department of Justice has occasionally filed briefs on the competitive aspects of decisions before the FCC, but these derive largely from antitrust considerations rather than from familiarity with communications issues. The Department of Commerce has a telecommunications research capability, but no responsibility or familiarity with communications policy. Neither the Council of Economic Advisers nor the Office of Science and Technology are equipped to address the fundamental economic and institutional problems of the communications industry and its regulation by the FCC, or the problems of the government's own telecommunications.

Studies of Federal organization

Since World War II, there have been a number of studies of Federal communications organization and a number of reorganizations and shifts of responsibilities within the executive branch. None has proved particularly satisfactory, and, indeed, there is no ideal solution. This is due in part to the quasi-independence of the FCC from the executive branch and in part to the conflicting individual agency mission responsibilities within the executive branch.

The study of the Federal government communications organization completed in December 1968 by the Bureau of the Budget provides

a good statement of the shortcomings of our current organization. The Bureau of the Budget reported a need for:

- (1) a strengthened organization for policy planning, formulation and direction of Federal communications activities.
- (2) a reorganized and strengthened National Communications System (NCS) within the Department of Defense.
- (3) an improved procurement and technical assistance effort in communications on behalf of those Federal agencies which do not now have adequate resources in this field.
- (4) a unified frequency spectrum management process.
- (5) a coordinated technical assistance program for State and local government in this area.

The recently released report of the Government Accounting Office focused on the government's communications and evaluated the progress toward establishment of a unified National Communications System as directed by the President in 1963. The GAO found a need for stronger coordination of government telecommunications planning, and recommended a single entity be responsible for policy direction and control of the Government's telecommunications systems. The GAO also recommended clarification of what a "unified" NCS is intended to be.

Reorganization issues

The Budget Bureau study of Federal communications organization made a number of major recommendations and was recently distributed to the departments concerned. Agency views on this study have the common themes (1) that stronger coordination from the top is required in establishing Government policy for its own telecommunications requirements, and (2) that the Federal government should take a stronger role in the evolution of national telecommunications to deal with the increasingly rapid rate of technological change and industry growth. There is also agreement that a much stronger analytic capability within the executive branch is needed to achieve these goals.

There are a variety of possible ways in which telecommunications responsibilities could be reshuffled or strengthened. As a starting point, there is widespread agreement that a single office should bear ultimate responsibility for:

- (1) analyses and formulation of overall telecommunications policy for the executive branch.
- (2) policy-level coordination of Federal government procurement and use of telecommunications services and equipment.
- (3) allocation and assignment of spectrum resources to government users.

There are several further issues.

The first is where such a single office should be located. There are two competing sets of considerations. Further expansion of telecommunications activities within the Executive Office of the President would force undesirable growth in the size of the Executive Office of the President, while telecommunications does not require the frequent direct Presidential attention implied by a location within the Executive Office. On the other hand, placing the central office within an executive department (e. g., Commerce or Transportation) raises serious questions about the impartiality of frequency allocation and assignment among government users and assurance of vital national security interests. Both sides of this issue have considerable merit, but from the standpoint of practicality and the need to minimize even temporary disruptions of our policy machinery, the policy functions should for the time being remain in the Executive Office. However, as much of the operational and research responsibilities as possible should be carried out in the departments and agencies.

Another issue is whether the authority to allocate and assign frequency spectrum to nongovernment uses, now vested in the FCC, should be transferred to the central, executive branch policy office.

-5-

Consolidation of spectrum allocation authority would permit greater flexibility in assignment policies and eventually, even more efficient spectrum use. However, such a move requires legislation, it raises concerns about political interference in the assignment of frequencies, and it would inundate the new office with a highly routine workload. (The FCC now processes 800,000 applications yearly, compared to 37,000 now handled by the DTM.) For these reasons, immediate consolidation of these responsibilities is not recommended, but planning for eventual consolidation should be started.

A third issue concerns organizational arrangements for management of Federal communications networks to implement policy guidance. This is currently done through the National Communications System (NCS) structure. Both the BOB and GAO studies concluded that changes should be made in the NCS arrangements. However, the issues involved are too detailed and too complex to be settled in the context of reorganization of policy machinery. Therefore, the NCS arrangements should not be changed at this time, but should be studied as a priority matter by the new central policy office as soon as it is established. The study would review the objectives, system concepts, organizational arrangements, and effectiveness of the NCS structure, and should include a thorough examination by the National Security Council of national security objectives for telecommunications. Recommendations should be developed for the President regarding the best objectives and management arrangements for overall coordination of Federal telecommunications activities.

Recommendation

An Office of Telecommunications Policy should be established as an independent entity in the Executive Office of the President. The Director of this office, appointed by the President, would have primary executive branch responsibility for both national telecommunications policies and Federal administrative telecommunication operations. The responsibilities of the Office of Telecommunications Policy would include:

- economic, technical and systems analysis of telecommunications policies and opportunities in support of national policy formulation and U. S. participation in international telecommunications activities.
- developing executive branch policy on telecommunications matters including, but not limited to, industry organization and practices, regulatory policies, and the allocation and use of the electromagnetic spectrum for both government and nongovernment use.

- advocating executive branch policies to the FCC, and through the President to the Congress; and representing the executive branch in FCC proceedings.
- exercising final authority for the assignment of the spectrum to government users, and developing with the FCC a long-range plan for improved management of the total radio spectrum.
- reviewing and evaluating the research and development for, and planning, operation, testing, procurement, and use of all telecommunication systems and services by the Federal government; developing appropriate policies and standards for such systems; and making recommendations to the Bureau of the Budget and responsible departmental officials concerning the scope and funding of competing, overlapping, or inefficient programs.
- exercising the functions conferred on the President by the Communications Satellite Act.
- under the policy guidance of the Director, Office of Emergency Preparedness, coordinating plans and programs for testing of and preparing to the use of telecommunications resources in a state of national emergency.
- test, review, and report to the President, through the National Security Council, on the ability of national communications resources to meet established national security requirements efficiently and responsively.
- coordinating Federal assistance to state and local governments in the telecommunications field.

In performing these functions, the Director, Office of Telecommunications Policy, will be assisted by a small staff, augmented as required by: (1) ad hoc, interagency and nongovernment task groups, (2) independent consultants, (3) contract studies, (4) a new Telecommunications Research and Analysis Center, (5) the Interdepartment Radio Advisory Committee, and (6) a new Telecommunications Advisory Committee composed of experts from outside of the government. So long as the NCS structure is retained, he will also be assisted by the Executive Agent of the NCS.

A Telecommunications Research and Analysis Center (TRAC) should be established in the Department of Commerce, reporting to the Assistant Secretary for Science and Technology. The TRAC would provide a centralized research, engineering, and analysis capability in support of spectrum management and such other areas as may be required. Specific functions of the TRAC would be to:

- conduct research and analysis in the general field of telecommunication sciences in support of other government agencies or in response to specific directives from the Office of Telecommunications Policy, with particular emphasis on radio propagation, radio systems characteristics, and operating techniques leading to improved utilization of the radio resource.
- develop and operate a national electromagnetic compatibility analysis facility under the general policy guidance of the Director, OTP.
- provide the administrative and technical support required by the Interdepartment Radio Advisory Committee. This support will operate in accordance with policies and criteria laid down by the OTP, and will be responsive to OTP requests for information and special frequency assignment actions.

The Office of Telecommunications Policy should be established with an initial strength of up to 30 professionals, including up to 15 at super-grade levels. The position of Director, Office of Telecommunications Policy should be established at executive pay level III. Provision should be made within the budget of the office for adequate consulting fees and contractual support; and for administrative support to, and space for, task groups and personnel on short-term detail.

The Office of Telecommunications Management in the OEP should be abolished. All policy functions of that office not directly related to emergency preparedness should be transferred to the Office of Telecommunications Policy, along with appropriate emergency planning functions, final spectrum management authority, and NCS responsibilities. The major portion of the Frequency Management Directorate of the OTM should be transferred to the Department of Commerce to provide the technical and clerical support functions described above. The position of Special Assistant to the President for Telecommunications should be abolished.

The Office of Telecommunications Policy will exercise the policy functions of the Executive Office of the President with respect to the planning, integration, and emergency use of the telecommunications systems of the executive branch, subject to general policy guidance on appropriate matters from the National Security Council and the Director, OEP. This function will continue to be exercised through the mechanism of the National Communications System (NCS), until such time as changes in that mechanism are suggested by the policy review recommended above and approved by the President.

RESPONSIBILITIES OF THE OFFICE OF TELECOMMUNICATIONS POLICY

The Director of the Office of Telecommunications Policy develops the executive branch position on national telecommunications policy, coordinates the planning and operation of the telecommunications systems of the Federal government, discharges responsibilities assigned to the President in the areas of spectrum management and satellite communications, and performs emergency planning and control functions for telecommunications.

The Director serves as the President's principal advisor on telecommunications policy, including:

- (1) The organization, practices, and regulation of the U. S. domestic and international communications industry.
- (2) The allocation, use, and management of the radio spectrum resource for government use, and preparation of recommendations to the FCC on spectrum allocation for civilian use.
- (3) The preparation of U. S. positions for international communication conferences, conventions, and organizations.
- (4) Federal research and development programs in support of the above.

The Director assures that the executive branch position on telecommunication policy issues is effectively presented to the Congress and to the Federal Communications Commission in the form of legislative proposals, recommendations, and testimony as required.

The Director's responsibilities for the planning and operation of Federal government telecommunications systems include:

- (1) Development of government-wide standards for equipment and procedures, as required in the interest of economy or effectiveness.

- (2) Evaluation of the ability of national communications resources adequately and efficiently to meet established national security and emergency communications requirements.
- (3) Recommendations to the Bureau of the Budget concerning the funding of communications systems and research and development programs.
- (4) Preparation of guidelines for the most economical procurement of Federal telecommunications services.

The Director exercises the authority, delegated by the President, to assign radio frequencies for use by the government. He is assisted in this responsibility by the Telecommunications Research and Analysis Center to be established in the Department of Commerce and the Interdepartmental Radio Advisory Committee. He carries out the responsibilities conferred on the President by the Communications Satellite Act. The Director coordinates the development of plans and programs for the mobilization and use of telecommunications resources in an emergency, and prepares to administer national telecommunications resources in the event of war under the overall policy guidance of the Director, OEP.

The Director coordinates assistance in telecommunications matters provided by the Federal government to State and local governments. He appoints scientists, engineers, and economists from outside government to advise on telecommunications matters.

To carry out these responsibilities, the Director must have the following qualifications:

- (1) A thorough grasp of the social, economic, engineering, and national security factors which must be considered in formulating telecommunications policies and standards.
- (2) Familiarity with telecommunications needs and opportunities of government, industry, and the public, and with the structure of private and governmental telecommunications institutions, both national and international.

- (3) The ability to initiate and coordinate telecommunications policy matters on an interdepartmental basis in cooperation with industry and public interest groups, and to define and analyze those key policy issues requiring Presidential involvement.
- (4) The ability to direct studies utilizing systems analysis, systems engineering, and economics needed for the systematic analysis of telecommunications policies and opportunities, their impact, their effectiveness, and their costs.

Telecommunications

November 12, 1969

To: Charles Joyce

From: Tom Whitehead

Could I have your comments
tomorrow before sending
this out.

Attachment

DRAFT MEMO RE TELECOMMUNICATIONS

SHARON, PIERSON AND SEMMES

1100 SEVENTEENTH STREET, N.W.

WASHINGTON, D. C. 20036

November 7, 1969

Mr. Clay T. Whitehead
Staff Assistant
The White House
Washington, D.C. 20500

Dear Tom:

I certainly enjoyed the lunch and the chance to visit with you on these areas of common interest. I wish you well on the communication project and will look forward to your announcements with great interest.

Let me know if I can be helpful in any way and I look forward to seeing you soon.

Best regards and thanks for the hospitality.

Sincerely,

A handwritten signature in dark ink, appearing to read "DeVier", with a stylized, flowing script.

W. DeVier Pierson

Wednesday 11/5/69

mtg
11/7
12 noon

5:20 Mr. Whitehead will have lunch with DeVler Pierson
at the White House Mess Friday 11/7 at 12 o'clock.

THE WHITE HOUSE

WASHINGTON

November 7, 1969

MEMORANDUM FOR TOM WHITEHEAD

FROM: Charlie Joyce

Charlie Joyce

Attached is a revised version of the recommendation. It includes:

- a consolidated list of functions
- a new name for the Commerce Department activity
- some new wording on emergency planning functions.

I have marked the principal changes on the top copy.

Attachments

DTM

November 7, 1969

To: Mr. Greenstone

From: Tom Whitehead

Attached are copies of the
papers I mentioned to you
in our meeting yesterday.

Attachments

Recommendation

An Office of Telecommunications Policy should be established as an independent entity in the Executive Office of the President. The Director of this office, appointed by the President, would be the primary Executive Branch spokesman on both national communications policies and federal administrative telecommunication operations. The responsibilities of the Office of Telecommunications Policy would include:

- economic, technical, and systems analysis of national telecommunications policies, activities, and opportunities.
- evaluation of telecommunications industry organization, practices, and regulatory policies, with specific attention to their impact on communications development and service to industry and the public.
- an active role in advocating policy to the FCC and through the President to Congress, to include specific recommendations on spectrum management for non-government uses.
- establishing guidelines governing the allocation, assignment, and use of the radio spectrum resource by government agencies and exercising final authority for the assignment of the spectrum to government users.
- developing with the FCC a comprehensive long-range plan for improved management of the total radio spectrum resource, with allocation and assignment criteria geared to quantifiable measures of resource use and socio-economic value.
- establishing a coherent, continuing program of analysis and research to guide U.S. participation in international telecommunication conferences, conventions, and operating organizations.
- developing and promulgating procurement guidelines and government-wide standards for telecommunications services, equipment and procedures, as required in the interest of economy or effectiveness.

- reviewing the existing and planned telecommunications systems, both governmental and private, to determine whether national security and emergency requirements are being met adequately and efficiently, and reporting the results of this review and any remedial actions recommended. *to the President through the National Security Council.*
- reviewing telecommunications research, development, and system improvement and expansion programs of Federal agencies to identify competing, overlapping, or inefficient programs; and making recommendations to the Bureau of the Budget and responsible departmental officers concerning the scope and funding for these programs.
- exercising the functions conferred on the President under the Communication Satellite Act.
- coordinating the development of policy, plans and programs for the mobilization and use of telecommunications resources in an emergency, *under the overall policy direction of the Director, OEP.*
- preparing to administer the use of telecommunications resources if directed to do so in the event of war.
- coordinating Federal assistance to state and local governments in the telecommunications area.

In performing these functions, the Director, Office of Telecommunications Policy will be assisted by a small staff, augmented as required by: (1) ad hoc, inter-agency and non-governmental task groups, (2) independent consultants, (3) contract studies, (4) a new Electrospace Research & Engineering Agency in Commerce and the Interdepartment Radio Advisory Committee, and (5) a new Telecommunications Advisory Committee composed of experts from outside government.

An Electrospace Research and Engineering Agency (EREA) should be established in the Department of Commerce, reporting to the Assistant Secretary for Science and Technology. This agency would serve as the centralized research and engineering authority for the coordination of Federal frequency uses and assignments. It would also be responsible for research and engineering dealing with radio wave propagation and radio systems design and performance to identify and promote more effective and efficient use of the radio source. It would incorporate the telecommunications research programs of ESSA, other Commerce

telecommunications activities as appropriate, and the Interdepartment Radio Advisory Committee (IRAC) secretariat.

The EREA would operate under general spectrum management guidelines and criteria laid down by the Office of Telecommunications Policy (OTP), which would retain ultimate authority for the allocation and assignment of radio frequencies to government agencies. Specific functions of the EREA would be to:

- develop and operate a national electromagnetic compatibility analysis facility.
- conduct research and analysis on radio propagation, radio systems characteristics, and operating techniques leading to improved utilization of the radio resource.
- conduct research and analysis in the general field of telecommunication sciences in support of other government agencies or in response to specific directives from the Office of Telecommunications Policy.

The Office of Telecommunications Policy should be established with an initial strength of up to 30 professionals, including up to 15 at super-grade levels. The position of Director, Office of Telecommunications Policy should be established at executive pay level III. Provision should be made within the budget of the office for adequate consulting fees and contractual support; and for administrative support to, and space for, task groups and personnel on detail.

The Office of Telecommunications Management in the OEP should be abolished ^{and its} ~~all policy and emergency planning functions, of this office,~~ including final spectrum management authority, ~~should be~~ transferred to the Office of Telecommunications Policy. The Frequency Management Directorate of the OTM (including ^{the} IRAC ~~and its~~ secretariat) should be transferred to the Department of Commerce. The position of Special Assistant to the President for Telecommunications should be abolished. *Overall policy direction for emergency preparedness will be the responsibility of the Director, OEP.* The Office of Telecommunications Policy will exercise the policy functions of the Executive Office of the President with respect to the planning, integration and emergency use of the telecommunications systems of the Executive Branch. Currently, this function is exercised through the mechanism of the National Communications System (NCS). An ad hoc group within the Executive Office of the President should be established to review this mechanism. This group should develop recommendations for the President concerning the need for the NCS and the proper objectives, configuration and management arrangements for the overall coordination of executive branch telecommunications.

RESPONSIBILITIES OF THE OFFICE OF
TELECOMMUNICATIONS POLICY

The Director of the Office of Telecommunications Policy develops the executive branch position on national telecommunications policy, coordinates the planning and operation of the telecommunications systems of the Federal government, and discharges the responsibilities assigned to the President in the areas of spectrum management and satellite communications.

The Director serves as the President's principal advisor on telecommunications policy, including:

- (1) The organization, practices, and regulation of the U. S. domestic and international communications industry.
- (2) The allocation, use, and management of the radio spectrum resource for both government and commercial uses.
- (3) The preparation of U. S. positions for international communication conferences, conventions, and organizations.
- (4) Federal research and development programs in support of the above.

The Director assures that the executive branch position on telecommunication policy issues is effectively presented to the Congress and to the Federal Communication Commission in the form of legislative proposals, recommendations, and testimony as required.

The Director's responsibilities for the planning and operation of Federal government telecommunications systems include:

- (1) Development of government-wide standards for equipment and procedures, as required in the interest of economy or effectiveness.

- (2) Recommendations to the Bureau of the Budget concerning the funding of communications systems and research and development programs.
- (3) Preparation of guidelines for the most economical procurement of Federal telecommunications services.

The Director exercises the authority, delegated by the President, to assign radio frequencies for use by the government. He is assisted in this responsibility by the Radio Resources Management Agency in the Department of Commerce and the Interdepartment Radio Advisory Committee. He carries out the responsibilities conferred on the President by the Communications Satellite Act. He coordinates assistance in telecommunications matters provided by the Federal government to state and local governments. He appoints a Telecommunications Advisory Committee composed of expert scientists, engineers, and economists from outside government to advise on telecommunications matters.

To carry out these responsibilities, the Director must have the following qualifications:

- (1) A thorough grasp of the social, economic, and engineering factors which must be considered in formulating telecommunications policies and standards.
- (2) Familiarity with telecommunications needs and opportunities of government, industry, and the public, and with the structure of private and governmental telecommunications institutions, both national and international.
- (3) The ability to initiate and coordinate telecommunications policy matters on an interdepartmental basis in cooperation with industry and public interest groups, and to define and analyze those key policy issues requiring Presidential involvement.
- (4) The ability to direct studies utilizing systems analysis, systems engineering, and economics needed for the systematic analysis of telecommunications policies and opportunities, their impact, their effectiveness, and their costs.

RESPONSIBILITIES OF THE OFFICE OF
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- (4) The ability to direct studies utilizing systems analysis, systems engineering, and economics needed for the systematic analysis of telecommunications policies and opportunities, their impact, their effectiveness, and their costs.

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

November 5, 1969

MEMORANDUM FOR MR. WHITEHEAD

FROM: Charlie Joyce

SUBJECT: Comments on Mr. O'Connell's Comments
of October 23

1. As I mentioned to you on the phone, the title, "Radio Resources Management Agency," appears to suggest to Mr. O'Connell that the whole frequency management job would be put in the Department of Commerce. That is not what we intended, and I again suggest some such name as Electrospace Research and Engineering Agency.
2. The current capabilities of the Commerce Department to do the frequency management job are not relevant because the proposal is to move ODTM personnel to the Commerce Department as a nucleus for this function.
3. We propose to deal with the NCS by an appropriate study. O'Connell does not seem to have noted this.
4. The O'Connell paper talks about emergency responsibilities as if they were the basis for all of the President's influence over telecommunications. It should be noted that the President's authority to assign spectrum to government users is not based on any emergency power concept. The paper's third sentence comes closest to the truth: "... this war emergency problem ... is really the basis for his authorities ... in time of war or emergency."
5. Attached is a discussion of the emergency preparedness area. I would appreciate it if you would keep it for your use only right now. I am going to try to do a couple more papers like this in other functional areas.

Also attached is a revision of the Recommendations and Responsibilities papers to include national security and emergency preparedness factors.

Attachments

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Attachments

Emergency Preparedness for Telecommunications

Emergency preparedness responsibilities are generally vested in the Office of Emergency Preparedness. In many areas (e. g., labor, transportation), planning and program responsibilities have been redelegated to a Cabinet Department. In telecommunications, the planning and program responsibilities have been assigned to the DTM within OEP, though certain functions have been delegated by the President to the FCC and the GSA by Executive Order.

The current philosophy of emergency preparedness for telecommunications is that:

- a) adequate communications must survive and function throughout any emergency including all out nuclear attack, and
- b) the surviving resources must be capable of being allocated by central authority to meet the highest priority needs after an attack, including governmental needs at all levels as well as private needs.

The principal means taken to achieve these objectives have been:

1. To encourage the telephone company to harden the telephone system, bury facilities, route facilities around cities, and install a complex of operations control centers, to make the telephone network resistant to nuclear attack.
2. To attempt the integration of all national communications facilities, public and private, into a single system to maximize the resources available to the government for use in an emergency.
3. To set up systems for the restoration of service and allocation of facilities in accordance with national priorities.

The principal problems in this area are:

1. It is not at all clear that terrestrial communications facilities can be made to survive a nuclear attack at any reasonable cost.
2. Problem 1 notwithstanding, at least 175 million dollars has been spent in the last 10 years to increase the survivability of national communications resources.
3. The costs of this survivability are largely hidden from view -- to a great extent they are passed on to the customers of the telephone companies.
4. The agency which defines the measures to be taken does not have to budget for or justify the costs of the program.
5. The objective of survivability has dominated the concern of agencies responsible for national telecommunications planning and coordination for almost ten years, and has provided an excuse for a degree of centralization which seems otherwise unnecessary and undesirable.

This background raises the following questions:

1. How can telecommunications preparedness postures be evaluated in terms of their relative effectiveness and costs, so that a reasonable preparedness objective can be established?
2. If a new Office of Telecommunication Policy is established in the Executive Office of the President, but outside of the Office of Emergency Preparedness, where should the responsibilities for telecommunications preparedness be placed?
3. What impact would a change in preparedness objectives or policies have on the need for, or objectives of, the National Communications System?

There is ample precedent for delegating preparedness responsibilities to agencies other than OEP, provided OEP retains overall policy direction and a few people to monitor the area. Further, the technical studies and industry liaison involved can best be done by the

organization with the substantive charter. The only possible reason for not giving the emergency preparedness responsibility to the new policy office would be to discourage the continuation of past policies and to reduce the likelihood that the new office would be unduly influenced by considerations of survivability. However, Presidential guidance to the new office, coupled with the effect of moving it out of OEP, should go a long way toward putting preparedness considerations in proper perspective. The proposed study of the NCS would provide another opportunity to adjust priorities.

A review of alternative preparedness postures might well indicate that:

- a) further steps to increase the survivability of domestic facilities are not warranted, and
- b) the common-user telephone networks of the federal government provide an adequate means of organizing and using surviving communications facilities to meet executive branch needs.

If these conclusions were validated, there would be little need for a high degree of centralization of all executive branch telecommunications facilities. This situation would clearly affect the objectives and organization of the NCS.

Conclusions

1. A new Office of Telecommunications Policy should be responsible for telecommunications emergency preparedness, subject to overall policy guidance from the Director, OEP. The OEP would require a few people within its own staff to provide an interface and monitoring capability.

2. The proposed review of the NCS should include an analysis of feasible alternative telecommunications preparedness postures and an evaluation of the impact of each posture on NCS objectives, structure and organization.

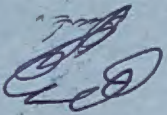
Monday 11/24/69

11:40 Mr. Flanigan called. He said you and he didn't finish your discussion of the memorandum on telecommunications.

He was on the Speaker Phone and wasn't coming through too clearly.

Didn't tell me what page he was looking at but mentioned "exercising the functions of the President". Thought it should be functions of the Executive Office of the President -- or functions of the Office of the President.

On page 8, said the mention of the ad hoc group idea here is pretty vague. Why, here in the end, do we pull together this information?



Page 1 of "Responsibilities" -- discharges responsibilities assigned to the President -- maybe Presidential responsibilities???

In item 2 -- allocation, use, and management of the radio spectrum, etc. -- you had discussed the same item at an earlier point in the memo and said "continuing appropriations function of the FCC" would be proper so he doesn't think you mean it that way in the "Responsibilities". Felt these were places you intended to clean up anyway but just wanted to mention them.

If you agree, it's O.K. to go ahead and send it -- or call him if you have any question.

Cover memo
Ask
BOB
okh

EXECUTIVE BRANCH ORGANIZATION
FOR TELECOMMUNICATIONS

In spite of the rapidly growing importance of telecommunications to the Nation and for the government's own missions, there is no effective policy-making capability for telecommunications in the executive branch. The Administration is therefore largely unable to exert leadership or take initiatives in spite of vulnerability to criticism for FCC policies. Government-wide coordination of its own telecommunications activities has not been adequate. These problems have been manifested in several ways:

1. There is a serious lack of effective machinery for dealing expeditiously with domestic telecommunications issues. The government has been grappling for several years, with only limited success, with such issues as "foreign attachments" to the public telephone network, cable TV and pay TV, the possible uses and industry structure for a domestic satellite communications system, and policies for computer communications. There is a current tendency to resolve such issues by past precedents and by compromises between the FCC and various agencies in the executive branch, but the increasingly rapid rate of technological change and introduction of new services makes policy-by-precedent increasingly less relevant, more restrictive, or counterproductive. Neither the FCC nor the executive branch has a significant capability for systematic, economic and technical analysis.

2. Efforts to coordinate the procurement and use of telecommunications facilities and services by the Federal government have not been very successful. The current coordination arrangements, embodied in the National Communications System (NCS) structure, have achieved certain desirable interconnections and operating procedures, but have not produced the desired assurances that the government is procuring the services needed in an efficient manner. Although present policies call for a "unified" NCS, there is little agreement on what further unification is needed, or what it would cost or accomplish.

3. The current procedures for spectrum allocation are highly inflexible and are increasingly creating a spectrum shortage crisis. The shortage is especially severe in the land mobile radio allocations, which are becoming increasingly important to local police and fire protection services, among many other claimants.

Current organization for communications policy-making and coordination

The Director of Telecommunications Management (DTM) in the Office of Emergency Preparedness is now charged by Executive Order and Presidential memorandum with the responsibility for coordinating telecommunications activities in the executive branch. The DTM also is designated Special Assistant to the President for Telecommunications. However, the history of the organization reveals that attempts by the DTM to exercise leadership in communications policy have been largely ineffectual. The responsibilities and authority of the DTM are questioned by agencies with operating responsibilities. This situation results from a number of factors including organizational location, inadequate staff, and lack of clear authority.

There is now no office in the executive branch with the responsibility or the capability to review the whole range of national telecommunications policies as expressed in legislation and in FCC policies. The Anti-trust Division of the Department of Justice has occasionally filed briefs on the competitive aspects of decisions before the FCC, but these derive largely from antitrust considerations rather than from familiarity with communications issues. The Department of Commerce has a telecommunications research capability, but no responsibility or familiarity with communications policy. Neither the Council of Economic Advisers nor the Office of Science and Technology are equipped to address the fundamental economic and institutional problems of the communications industry and its regulation by the FCC, or the problems of the government's own telecommunications.

Studies of Federal organization

Since World War II, there have been a number of studies of Federal communications organization and a number of reorganizations and shifts of responsibilities within the executive branch. None has proved particularly satisfactory, and, indeed, there is no ideal solution. This is due in part to the quasi-independence of the FCC from the executive branch and in part to the conflicting requirements for executive branch coordination, individual agency mission responsibilities, and Federal regulatory responsibilities.

The study of the Federal government communications organization completed in December 1968 by the Bureau of the Budget provides

a good statement of the shortcomings of our current organization. The Bureau of the Budget reported a need for:

- (1) a strengthened organization for policy planning, formulation and direction of Federal communications activities.
- (2) a reorganized and strengthened National Communications System (NCS) within the Department of Defense.
- (3) an improved procurement and technical assistance effort in communications on behalf of those Federal agencies which do not now have adequate resources in this field.
- (4) a unified frequency spectrum management process.
- (5) a coordinated technical assistance program for State and local government in this area.

The recently released report of the Government Accounting Office focused on the government's communications and evaluated the progress toward establishment of a unified National Communications System as directed by the President in 1963. The GAO found a need for stronger coordination of government telecommunications planning, and recommended a single entity be responsible for policy direction and control of the Government's telecommunications systems. The GAO also recommended clarification of what a "unified" NCS is intended to be.

Reorganization issues

The Budget Bureau study of Federal communications organization made a number of major recommendations and was recently distributed to the departments concerned. Agency views on this study have the common themes (1) that stronger coordination from the top is required in establishing Government policy for its own telecommunications requirements, and (2) that the Federal government should take a stronger role in the evolution of national telecommunications to deal with the increasingly rapid rate of technological change and industry growth. There is also agreement that a much stronger analytic capability within the executive branch is needed to achieve these goals.

There are a variety of possible ways in which telecommunications responsibilities could be reshuffled or strengthened. As a starting point, there is widespread agreement that a single office should bear ultimate responsibility for:

- (1) analyses and formulation of overall telecommunications policy for the executive branch.
- (2) policy-level coordination of Federal government procurement and use of telecommunications services and equipment.
- (3) allocation and assignment of spectrum resources to government users.

There are several further issues.

The first is where such a single office should be located. There are two competing sets of considerations. Further expansion of telecommunications activities within the Executive Office of the President would force undesirable growth in the size of the Executive Office of the President, while telecommunications does not require the frequent direct Presidential attention implied by a location within the Executive Office. On the other hand, placing the central office within an executive department (e.g., Commerce or Transportation) raises serious questions about the impartiality of frequency allocation and assignment among government users and assurance of vital national security interests. Both sides of this issue have considerable merit, but from the standpoint of practicality and the need to minimize even temporary disruptions of our policy machinery, the policy functions should for the time being remain in the Executive Office. However, as much of the operational and research responsibilities as possible should be carried out in the departments and agencies.

Another issue is whether the authority to allocate and ~~assign~~ frequency spectrum to nongovernment users, now vested in the FCC, should be transferred to the central, executive branch policy office.

Consolidation of spectrum allocation authority would permit greater flexibility in assignment policies and eventually, even more efficient spectrum use. However, such a move requires legislation, it raises concerns about political interference in the assignment of frequencies, and it would inundate the new office with a highly routine workload. (The FCC now processes 800,000 applications yearly, compared to 37,000 now handled by the DTM.) For these reasons, immediate consolidation of these responsibilities is not recommended, but planning for eventual consolidation should be started.

A third issue arises concerning the National Communications System. It is not clear that the NCS needs to be continued in its present form. The operational problems which prompted establishment of the NCS in 1963 have been largely overcome. There are a variety of possible arrangements under which the present level of coordination could be retained. The objectives, system concepts, and organizational arrangements for the NCS should be reviewed by an appropriate task group as soon as the location of the central policy office is settled. The NCS question is too complex to be settled in the reorganization of policy machinery.

Recommendation

An Office of Telecommunications Policy should be established as an independent entity in the Executive Office of the President. The Director of this office, appointed by the President, would have primary executive branch responsibility for both national telecommunications policies and Federal administrative telecommunication operations. The responsibilities of the Office of Telecommunications Policy would include:

- economic, technical and systems analysis of telecommunications policies and opportunities in support of national policy formulation and U. S. participation in international telecommunications activities.
- developing executive branch policy on telecommunications matters including, but not limited to, industry organization and practices, regulatory policies, and the allocation and use of the electromagnetic spectrum for both government and nongovernment use.

- advocating executive branch policies to the FCC, and through the President to the Congress.
- exercising final authority for the assignment of the spectrum to government users, and developing with the FCC a long-range plan for improved management of the total radio spectrum.
- reviewing the research and development for, and the procurement and use of, telecommunication systems and services by the Federal government; developing appropriate policies and standards for such systems; and making recommendations to the Bureau of the Budget and responsible departmental officials concerning the scope and funding of competing, overlapping or inefficient programs.
- exercising the functions conferred on the President under the Communications Satellite Act.
- under the policy guidance of the Director, Office of Emergency Preparedness, coordinating plans and programs for testing of and preparing to administer the use of telecommunications resources in a state of national emergency.
- test, review, and report to the President, through the National Security Council, on the ability of national communications resources to meet established national security requirements efficiently and responsively.
- coordinating Federal assistance to state and local governments in the telecommunications field.

In performing these functions, the Director, Office of Telecommunications Policy, will be assisted by a small staff, augmented as required by: (1) ad hoc, interagency and nongovernment task groups, (2) independent consultants, (3) contract studies, (4) a new Telecommunications Research and Analysis Center, (5) the Interdepartment Radio Advisory Committee, and (6) a new Telecommunications Advisory Committee composed of experts from outside of the government.

A Telecommunications Research and Analysis Center (TRAC) should be established in the Department of Commerce, reporting to the Assistant Secretary for Science and Technology. The TRAC would provide a centralized research, engineering, and analysis capability in support of spectrum management and such other areas as may be required. Specific functions of the TRAC would be to:

- conduct research and analysis in the general field of telecommunication sciences in support of other government agencies or in response to specific directives from the Office of Telecommunications Policy, with particular emphasis on radio propagation, radio systems characteristics, and operating techniques leading to improved utilization of the radio resource.
- develop and operate a national electromagnetic compatibility analysis facility under the general policy guidance of the Director, OTP.
- provide the administrative and technical support required by the Interdepartment Radio Advisory Committee. This support will operate in accordance with policies and criteria laid down by the OTP, and will be responsive to OTP requests for information and special frequency assignment actions.

The Office of Telecommunications Policy should be established with an initial strength of up to 30 professionals, including up to 15 at super-grade levels. The position of Director, Office of Telecommunications Policy should be established at executive pay level III. Provision should be made within the budget of the office for adequate consulting fees and contractual support; and for administrative support to, and space for, task groups and personnel on detail.

The Office of Telecommunications Management in the OEP should be abolished. All policy functions of that office, appropriate emergency planning functions, and final spectrum management authority should be transferred to the Office of Telecommunications Policy. The major portion of the Frequency Management Directorate of the OTM should be transferred to the Department of Commerce to provide the technical and clerical support functions described above. The position of Special Assistant to the President for Telecommunications should be abolished.

The Office of Telecommunications Policy will exercise the policy functions of the Executive Office of the President with respect to the planning, integration, and emergency use of the telecommunications systems of the executive branch, subject to general policy guidance on appropriate matters from the National Security Council and the Director, OEP. Currently, this function is exercised through the mechanism of the National Communications System (NCS). An ad hoc group within the Executive Office of the President should be established to review this mechanism. This group should develop recommendations for the President concerning the need for the NCS and the proper objectives, configuration and management arrangements for the overall coordination of executive branch telecommunications.

RESPONSIBILITIES OF THE OFFICE OF TELECOMMUNICATIONS POLICY

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- (1) The organization, practices, and regulation of the U. S. domestic and international communications industry.
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- (1) Development of government-wide standards for equipment and procedures, as required in the interest of economy or effectiveness.

- (2) Evaluation of the ability of national communications resources adequately and efficiently to meet established national security and emergency communications requirements.
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MEMORANDUM
OF CALL

TO:

☐ YOU WERE CALLED BY—

☐ YOU WERE VISITED BY—

OF (Organization)

☐ PLEASE CALL —→

PHONE NO.
CODE/EXT.

☐ WILL CALL AGAIN

☐ IS WAITING TO SEE YOU

☐ RETURNED YOUR CALL

☐ WISHES AN APPOINTMENT

MESSAGE

RECEIVED BY

DATE

TIME

STANDARD FORM 63

REVISED AUGUST 1967

GSA FPMR (41 CFR) 101-11.6

GPO : 1969-o48-16-80341-1 332-389

63-108

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

11/29 - 1:15 pm

Tom:

Have checked with Young, Schaar/Greenstone, and Schlesinger. You can put down in Flanigan memo that "BOB agrees in principle" with proposal. As you know, we have a few detailed problems like Executive Level III matter.

Also, please have Eva go over material to see that all references to GAO are to the "General Accounting Office" not the Government Accounting office.

I'll be in my office today.

Bill Merrill

THE WHITE HOUSE

WASHINGTON

December 6, 1969

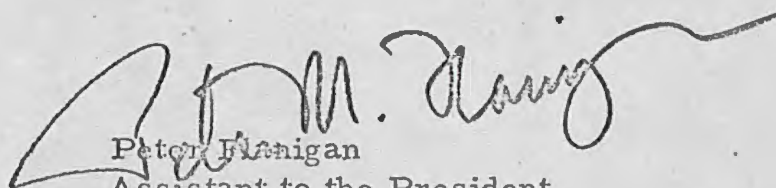
MEMORANDUM FOR

Attached are:

(1) A discussion of the executive branch organization for telecommunications and a recommended reorganization.

(2) A description of the responsibilities of a new Office of Telecommunications Policy.

Both the Bureau of the Budget and the staff of the President's Advisory Council on Executive Organization have assisted in the preparation of this recommendation. We would like to have your comments before submitting a final recommendation to the President. I would appreciate having your comments by December 13.



Peter Flanigan
Assistant to the President

Attachments

EXECUTIVE BRANCH ORGANIZATION FOR TELECOMMUNICATIONS

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1. There is a serious lack of effective machinery for dealing expeditiously with domestic telecommunications issues. The government has been grappling for several years, with only limited success, with such issues as "foreign attachments" to the public telephone network, cable TV and pay TV, the possible uses and industry structure for a domestic satellite communications system, and policies for computer communications. There is a current tendency to resolve such issues by past precedents and by compromises between the FCC and various agencies in the executive branch, but the increasingly rapid rate of technological change and introduction of new services makes policy-by-precedent increasingly less relevant, more restrictive, or counterproductive. Neither the FCC nor the executive branch has a significant capability for systematic economic and technical analysis.

2. Efforts to coordinate the procurement and use of telecommunications facilities and services by the Federal government have had limited success. The current coordination arrangements, embodied in the National Communications System (NCS) structure, have achieved certain desirable interconnections and operating procedures, but have not produced the desired assurances that the government is procuring the services needed in an efficient manner. Although present policies call for a "unified" NCS, there is little agreement on what further unification is needed, or what it would cost or accomplish.

3. The current procedures for spectrum allocation are highly inflexible and are increasingly creating a spectrum shortage crisis. The shortage is especially severe in the land mobile radio allocations, which are becoming increasingly important to local police and fire protection services, among many other claimants.

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There is now no office in the executive branch with the responsibility or the capability to review the whole range of national telecommunications policies as expressed in legislation and in FCC policies. The Anti-trust Division of the Department of Justice has occasionally filed briefs on the competitive aspects of decisions before the FCC, but these derive largely from antitrust considerations rather than from familiarity with communications issues. The Department of Commerce has a telecommunications research capability, but no responsibility or familiarity with communications policy. Neither the Council of Economic Advisers nor the Office of Science and Technology are equipped to address the fundamental economic and institutional problems of the communications industry and its regulation by the FCC, or the problems of the government's own telecommunications.

Studies of Federal organization

Since World War II, there have been a number of studies of Federal communications organization and a number of reorganizations and shifts of responsibilities within the executive branch. None has proved particularly satisfactory, and, indeed, there is no ideal solution. This is due in part to the quasi-independence of the FCC from the executive branch and in part to the conflicting individual agency mission responsibilities within the executive branch.

The study of the Federal government communications organization completed in December 1968 by the Bureau of the Budget provides

a good statement of the shortcomings of our current organization. The Bureau of the Budget reported a need for:

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- (2) a reorganized and strengthened National Communications System (NCS) within the Department of Defense.
- (3) an improved procurement and technical assistance effort in communications on behalf of those Federal agencies which do not now have adequate resources in this field.
- (4) a unified frequency spectrum management process.
- (5) a coordinated technical assistance program for State and local government in this area.

The recently released report of the Government Accounting Office focused on the government's communications and evaluated the progress toward establishment of a unified National Communications System as directed by the President in 1963. The GAO found a need for stronger coordination of government telecommunications planning, and recommended a single entity be responsible for policy direction and control of the Government's telecommunications systems. The GAO also recommended clarification of what a "unified" NCS is intended to be.

Reorganization issues

The Budget Bureau study of Federal communications organization made a number of major recommendations and was recently distributed to the departments concerned. Agency views on this study have the common themes (1) that stronger coordination from the top is required in establishing Government policy for its own telecommunications requirements, and (2) that the Federal government should take a stronger role in the evolution of national telecommunications to deal with the increasingly rapid rate of technological change and industry growth. There is also agreement that a much stronger analytic capability within the executive branch is needed to achieve these goals.

There are a variety of possible ways in which telecommunications responsibilities could be reshuffled or strengthened. As a starting point, there is widespread agreement that a single office should bear ultimate responsibility for:

- (1) analyses and formulation of overall telecommunications policy for the executive branch.
- (2) policy-level coordination of Federal government procurement and use of telecommunications services and equipment.
- (3) allocation and assignment of spectrum resources to government users.

There are several further issues.

The first is where such a single office should be located. There are two competing sets of considerations. Further expansion of telecommunications activities within the Executive Office of the President would force undesirable growth in the size of the Executive Office of the President, while telecommunications does not require the frequent direct Presidential attention implied by a location within the Executive Office. On the other hand, placing the central office within an executive department (e.g., Commerce or Transportation) raises serious questions about the impartiality of frequency allocation and assignment among government users and assurance of vital national security interests. Both sides of this issue have considerable merit, but from the standpoint of practicality and the need to minimize even temporary disruptions of our policy machinery, the policy functions should for the time being remain in the Executive Office. However, as much of the operational and research responsibilities as possible should be carried out in the departments and agencies.

Another issue is whether the authority to allocate and assign frequency spectrum to nongovernment uses, now vested in the FCC, should be transferred to the central, executive branch policy office.

Consolidation of spectrum allocation authority would permit greater flexibility in assignment policies and eventually, even more efficient spectrum use. However, such a move requires legislation, it raises concerns about political interference in the assignment of frequencies, and it would inundate the new office with a highly routine workload. (The FCC now processes 800,000 applications yearly, compared to 37,000 now handled by the DTM.) For these reasons, immediate consolidation of these responsibilities is not recommended, but planning for eventual consolidation should be started.

A third issue concerns organizational arrangements for management of Federal communications networks to implement policy guidance. This is currently done through the National Communications System (NCS) structure. Both the BOB and GAO studies concluded that changes should be made in the NCS arrangements. However, the issues involved are too detailed and too complex to be settled in the context of reorganization of policy machinery. Therefore, the NCS arrangements should not be changed at this time, but should be studied as a priority matter by the new central policy office as soon as it is established. The study would review the objectives, system concepts, organizational arrangements, and effectiveness of the NCS structure, and should include a thorough examination by the National Security Council of national security objectives for telecommunications. Recommendations should be developed for the President regarding the best objectives and management arrangements for overall coordination of Federal telecommunications activities.

Recommendation

An Office of Telecommunications Policy should be established as an independent entity in the Executive Office of the President. The Director of this office, appointed by the President, would have primary executive branch responsibility for both national telecommunications policies and Federal administrative telecommunication operations. The responsibilities of the Office of Telecommunications Policy would include:

- economic, technical and systems analysis of telecommunications policies and opportunities in support of national policy formulation and U. S. participation in international telecommunications activities.
- developing executive branch policy on telecommunications matters including, but not limited to, industry organization and practices, regulatory policies, and the allocation and use of the electromagnetic spectrum for both government and nongovernment use.

- advocating executive branch policies to the FCC, and through the President to the Congress; and representing the executive branch in FCC proceedings.
- exercising final authority for the assignment of the spectrum to government users, and developing with the FCC a long-range plan for improved management of the total radio spectrum.
- reviewing and evaluating the research and development for, and planning, operation, testing, procurement, and use of all telecommunication systems and services by the Federal government; developing appropriate policies and standards for such systems; and making recommendations to the Bureau of the Budget and responsible departmental officials concerning the scope and funding of competing, overlapping, or inefficient programs.
- exercising the functions conferred on the President by the Communications Satellite Act.
- under the policy guidance of the Director, Office of Emergency Preparedness, coordinating plans and programs for testing of and preparing to the use of telecommunications resources in a state of national emergency.
- test, review, and report to the President, through the National Security Council, on the ability of national communications resources to meet established national security requirements efficiently and responsively.
- coordinating Federal assistance to state and local governments in the telecommunications field.

In performing these functions, the Director, Office of Telecommunications Policy, will be assisted by a small staff, augmented as required by: (1) ad hoc, interagency and nongovernment task groups, (2) independent consultants, (3) contract studies, (4) a new Telecommunications Research and Analysis Center, (5) the Interdepartment Radio Advisory Committee, and (6) a new Telecommunications Advisory Committee composed of experts from outside of the government. So long as the NCS structure is retained, he will also be assisted by the Executive Agent of the NCS.

A Telecommunications Research and Analysis Center (TRAC) should be established in the Department of Commerce, reporting to the Assistant Secretary for Science and Technology. The TRAC would provide a centralized research, engineering, and analysis capability in support of spectrum management and such other areas as may be required. Specific functions of the TRAC would be to:

- conduct research and analysis in the general field of telecommunication sciences in support of other government agencies or in response to specific directives from the Office of Telecommunications Policy, with particular emphasis on radio propagation, radio systems characteristics, and operating techniques leading to improved utilization of the radio resource.
- develop and operate a national electromagnetic compatibility analysis facility under the general policy guidance of the Director, OTP.
- provide the administrative and technical support required by the Interdepartment Radio Advisory Committee. This support will operate in accordance with policies and criteria laid down by the OTP, and will be responsive to OTP requests for information and special frequency assignment actions.

The Office of Telecommunications Policy should be established with an initial strength of up to 30 professionals, including up to 15 at super-grade levels. The position of Director, Office of Telecommunications Policy should be established at executive pay level III. Provision should be made within the budget of the office for adequate consulting fees and contractual support; and for administrative support to, and space for, task groups and personnel on short-term detail.

The Office of Telecommunications Management in the OEP should be abolished. All policy functions of that office not directly related to emergency preparedness should be transferred to the Office of Telecommunications Policy, along with appropriate emergency planning functions, final spectrum management authority, and NCS responsibilities. The major portion of the Frequency Management Directorate of the OTM should be transferred to the Department of Commerce to provide the technical and clerical support functions described above. The position of Special Assistant to the President for Telecommunications should be abolished.

The Office of Telecommunications Policy will exercise the policy functions of the Executive Office of the President with respect to the planning, integration, and emergency use of the telecommunications systems of the executive branch, subject to general policy guidance on appropriate matters from the National Security Council and the Director, OEP. This function will continue to be exercised through the mechanism of the National Communications System (NCS), until such time as changes in that mechanism are suggested by the policy review recommended above and approved by the President.

RESPONSIBILITIES OF THE OFFICE OF TELECOMMUNICATIONS POLICY

The Director of the Office of Telecommunications Policy develops the executive branch position on national telecommunications policy, coordinates the planning and operation of the telecommunications systems of the Federal government, discharges responsibilities assigned to the President in the areas of spectrum management and satellite communications, and performs emergency planning and control functions for telecommunications.

The Director serves as the President's principal advisor on telecommunications policy, including:

- (1) The organization, practices, and regulation of the U. S. domestic and international communications industry.
- (2) The allocation, use, and management of the radio spectrum resource for government use, and preparation of recommendations to the FCC on spectrum allocation for civilian use.
- (3) The preparation of U. S. positions for international communication conferences, conventions, and organizations.
- (4) Federal research and development programs in support of the above.

The Director assures that the executive branch position on telecommunication policy issues is effectively presented to the Congress and to the Federal Communications Commission in the form of legislative proposals, recommendations, and testimony as required.

The Director's responsibilities for the planning and operation of Federal government telecommunications systems include:

- (1) Development of government-wide standards for equipment and procedures, as required in the interest of economy or effectiveness.

- (2) Evaluation of the ability of national communications resources adequately and efficiently to meet established national security and emergency communications requirements.
- (3) Recommendations to the Bureau of the Budget concerning the funding of communications systems and research and development programs.
- (4) Preparation of guidelines for the most economical procurement of Federal telecommunications services.

The Director exercises the authority, delegated by the President, to assign radio frequencies for use by the government. He is assisted in this responsibility by the Telecommunications Research and Analysis Center to be established in the Department of Commerce and the Interdepartmental Radio Advisory Committee. He carries out the responsibilities conferred on the President by the Communications Satellite Act. The Director coordinates the development of plans and programs for the mobilization and use of telecommunications resources in an emergency, and prepares to administer national telecommunications resources in the event of war under the overall policy guidance of the Director, OEP.

The Director coordinates assistance in telecommunications matters provided by the Federal government to State and local governments. He appoints scientists, engineers, and economists from outside government to advise on telecommunications matters.

To carry out these responsibilities, the Director must have the following qualifications:

- (1) A thorough grasp of the social, economic, engineering, and national security factors which must be considered in formulating telecommunications policies and standards.
- (2) Familiarity with telecommunications needs and opportunities of government, industry, and the public, and with the structure of private and governmental telecommunications institutions, both national and international.

- (3) The ability to initiate and coordinate telecommunications policy matters on an interdepartmental basis in cooperation with industry and public interest groups, and to define and analyze those key policy issues requiring Presidential involvement.
- (4) The ability to direct studies utilizing systems analysis, systems engineering, and economics needed for the systematic analysis of telecommunications policies and opportunities, their impact, their effectiveness, and their costs.



THE ASSISTANT SECRETARY OF COMMERCE
WASHINGTON, D.C. 20230

Telecommunications
Federal
Communications
Org.

MEMORANDUM FOR MR. CLAY T. WHITEHEAD
STAFF ASSISTANT
THE WHITE HOUSE

SUBJECT: Telecommunications

It would be very helpful to us in our planning to assume greater responsibility in Telecommunications if you would establish communications for us with appropriate personnel in the Department of Defense.

Dr. Richardson of my staff is beginning to survey statutes, prepare departmental orders and plan specific organizations. I want him to confer with DoD representatives to insure that we properly take their needs into account. Will you please assist us?

A brief memo from you to me confirming your intentions would also be helpful. I must prepare budget justifications. I would also like to discuss the matter with Mr. Rooney, the chairman of our appropriations committee.

Myron Tribus
Myron Tribus

Thursday 12/4/69

4:05 Bill Morrill would appreciate a call when you have a chance.

Said they are giving General Lincoln his mark tomorrow morning at 9 a.m. and if the paper on reorganization will be going out before that time, he'd appreciate knowing that.

Wont go out
for a while

Salomon minus Kern

December 3, 1969

MEMORANDUM FOR MR. FLANIGAN

I agree that a statement on communications should be included in the State of the Union Message. The first two paragraphs of Burch's proposal could stand some rewriting but are roughly appropriate.

However, I think we should not include any statement about the FCC, particularly in the detail Burch suggests. Since our reorganization presumably will be announced by that time, I think a paragraph on that would be appropriate. I will prepare a statement along these lines for future inclusion.

Clay T. Whitehead
Staff Assistant

cc: Mr. Whitehead ✓
Central Files

CTWhitehead:ed

THE WHITE HOUSE

WASHINGTON

12/3/69

TO: DARRELL TRENT
TOM WHITEHEAD ✓
DAN HOFGREN
WILL KRIEGSMAN
ROGER FREEMAN
JON ROSE

FROM: PETER FLANIGAN

For your comments, if any, regarding
the attached suggested for inclusion in the
State of the Union Message.

This should be done immediately, as
our comments are to be sent to Ehrlichman by
5 P.M. today.

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

December 2, 1969

MEMORANDUM FOR

The Honorable John D. Ehrlichman
The White House

In response to the President's request for State of the Union Message material, I enclose a proposed statement on communications.

This has been prepared very rapidly because I and the rest of the Commissioners were testifying all day yesterday in the Senate. If you are interested in this material, I would be happy to redraft the statement or provide you with whatever information you might desire.


Dean Burch

PROPOSED STATEMENT ON COMMUNICATIONS FOR INCLUSION
IN
PRESIDENT'S STATE OF THE UNION MESSAGE

The field of communications is one of the most vital elements in our national life, since it affects every aspect of the national economy and welfare and has a day-to-day impact on the lives of all our people. One of our great natural resources in this regard is the radio frequency spectrum, utilized for all forms of communication, ranging from local radio broadcasts and transcontinental telephone calls to global communications satellites; and even to the delivery of television signals from the surface of the moon to homes all over the world.

I believe that we must move ahead in government programs for improvement in the utilization of our communications resources to expedite the realization of our goals in urban and rural development, education, and welfare, and in commerce and industry.

Accordingly, I am requesting funds from the Congress for the inauguration of a program of improved radio frequency spectrum management to be initiated by the Federal Communications Commission. The means to this end is decentralized management. Crowding of the air waves will be reduced. More adequate two-way communications will become available to our state and local governments, thereby contributing to improved public safety and public service. Business and industry also will benefit.

This program would be consistent with a major objective of this Administration, which is to decentralize government activities wherever it

is feasible and productive to do so. In this way, government programs can become more effective by being more responsive to the needs of our citizens across the nation. (We also plan that the program eventually will become self-sustaining through the collection of fair and reasonable fees, and will not thereby become yet another burden on the general taxpayer)..

Telecommunications

December 2, 1969

*(copy of
filing on
Domest -
outside
interests)*

To: Mr. John Sodolski
Electronic Industries Association

From: Eva Daughtrey
Secretary to Clay T. Whitehead

Mr. Whitehead has asked me to thank
you for sending a copy of the filing on
FCC Docket 18397. It was indeed
thoughtful of you to send it.

EDAughtrey

ELECTRONIC INDUSTRIES ASSOCIATION



WASHINGTON, D. C. 20006
EYE STREET, N. W.

659-2200

September 14, 1969

Mr. Clay T. Whitehead
Staff Assistant
The White House
Washington, D. C.

Dear Mr. Whitehead:

Enclosed is a copy of a
pared by the Industrial
In view of the important
you are currently engage
copy of this filing in c
of the forward thinking
from this industry.

g on FCC Docket 18397, Part V pre-
ronics Division of this association.
communications-related work in which
seems appropriate to send you a
that you might have available some
represents a consensus of experts

We will welcome any com
to answer any questions
terest.

you might have, and will attempt
may develop. Thank you for your in-

Sincerely,

John Sodolski
Staff Vice President
Industrial Electronics

JS/gr

Enclosure

THE IED/EIA RESPONSE

To

the Federal Communications Commission Docket 3397, Part V

The Future of Broadband Communications

submitted to the FCC on October 29, 1969



This submission was prepared by an Ad
Hoc Committee of The Industrial Electronics Division

INDUSTRIAL ELECTRONICS DIVISION
ELECTRONIC INDUSTRIES ASSOCIATION

2001 Eye Street, N.W.
Washington, D.C. 20006

DTM

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF EMERGENCY PREPAREDNESS
WASHINGTON, D.C. 20504

November 17, 1969

OFFICE OF THE DIRECTOR

MEMORANDUM FOR DR. CLAY T. WHITEHEAD, STAFF ASSISTANT,
THE WHITE HOUSE

The Director of OEP asked me to send you a chart of the recently restructured OTM. This will become "official" as soon as an OEP order can be issued.


Meanwhile, an OEP bulletin explaining the changes and their reasons is being prepared. We shall send a copy to you shortly.

D. J. Carbone

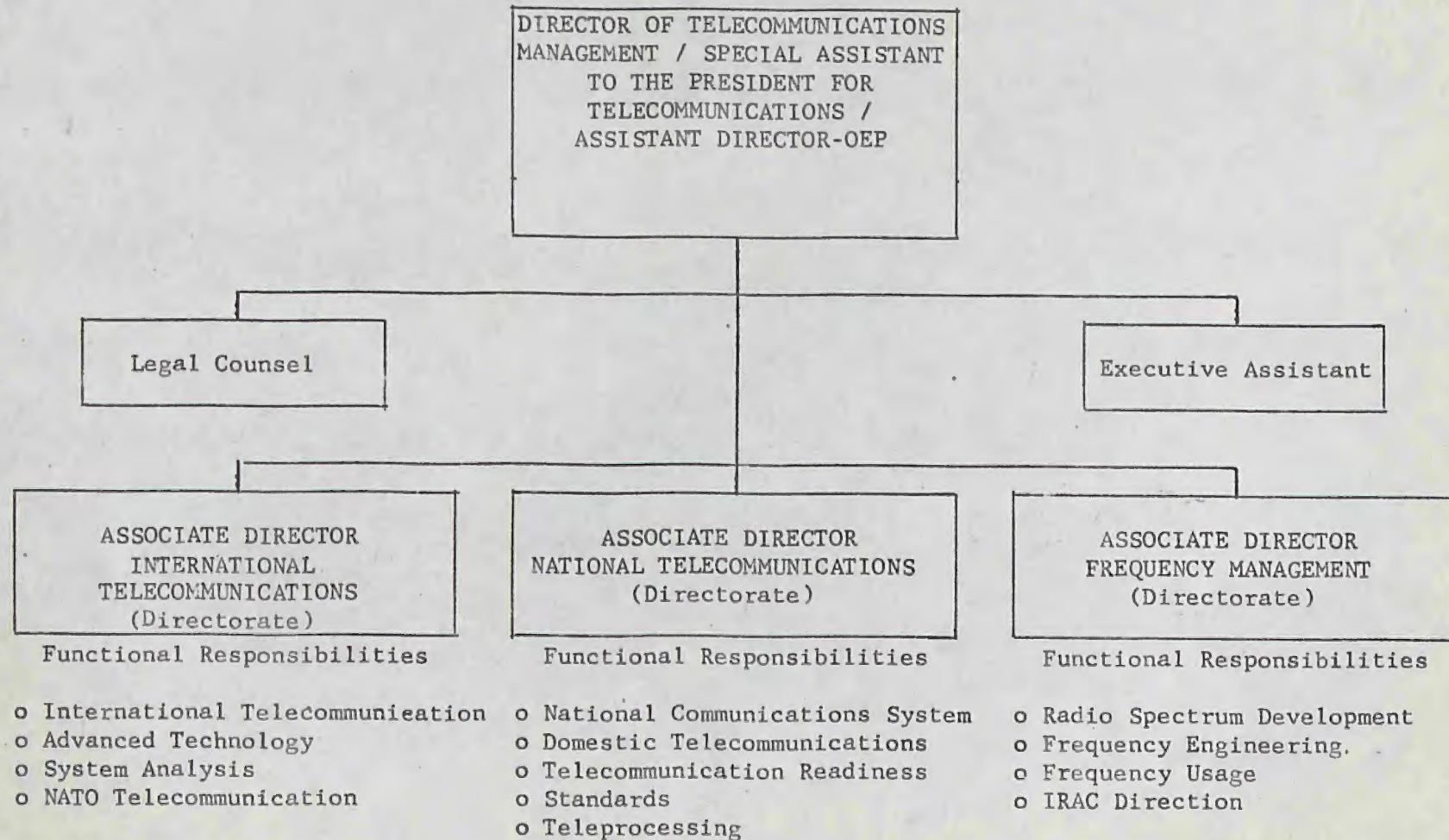
D. J. Carbone
Acting Executive Assistant

Attachment

*Copy to Flaming
FYI*



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF EMERGENCY PREPAREDNESS



October 30, 1969

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

November 21, 1969

MEMORANDUM FOR MR. WHITEHEAD

SUBJECT: Proposed Telecommunications Policy Organization

1. Based on our discussions on the subject on 13 November, Colonel Redman and I have reviewed the papers you left with me, and my suggested changes are shown in the attachment. The recommended deletions are struck out with a hyphen, while the recommended additions are underlined.
2. The rationale for the suggested changes is as follows:
 - a. An important function that should be carried out by the new OTP is that of establishing operational performance criteria for the Federal telecommunications networks and managing the testing and evaluation of these networks in the light of these criteria.
 - b. The National Communications System is a viable reality. The Executive Agent, NCS and Manager, NCS are performing responsibilities involving planning, design, and operations of the NCS on a daily basis. Accordingly, the proposed paper should recognize the continuing role played by both the NCS system and its management organization until such time as suitable alternatives are identified and approved.
 - c. The NCS was born in, and its objectives were set by, the National Security Council in an atmosphere of international crisis. Accordingly, the future of the NCS should be considered by the NSC, rather than an ad hoc committee, as suggested in the paper.
 - d. Certain sensitive Federal telecommunications networks already under the purview of an office at the Executive Office of the President level, such as those networks of the White House Communications Agency, should be excluded from the purview of the OTP.

COLONEL JAMES D. HUGHES

DRAFT 11/17/69

MEMORANDUM FOR

In spite of the rapidly growing importance of telecommunications to the Nation and for the government's own missions, there is no effective policy-making capability for telecommunications in the executive branch. Government-wide coordination of its own telecommunications activities has not been adequate. The Administration is therefore largely unable to exert leadership or take initiatives in spite of vulnerability to criticism for FCC policies.

1. There is a serious lack of effective machinery for dealing expeditiously with domestic telecommunications issues. The government has been grappling for several years, with only limited success, with such issues as "foreign attachments" to the public telephone network, cable TV and pay TV, the possible uses and industry structure for a domestic satellite communications system, and policies for computer communications. There is a current tendency to resolve such issues by past precedents and by compromises between the FCC and various agencies in the executive branch. The increasingly rapid rate of technological change and introduction of new services makes policy-by-precedent increasingly less relevant, more restrictive, or counter-productive. Neither the FCC nor the executive branch have

a significant capability for systematic, economic and technical analysis.

2. ~~Efforts-to-coordinate-the-procurement-and-use-of telecommunications-facilities-and-services-by-the-Federal government-have-not-been-very-successful.--The-current coordination-arrangements,-embodied-in-the-National-Communications-System-(NCS)-structure,-have-achieved-certain desirable-interconnections-and-operating-procedures,-but have-not-produced-the-desired-assurances-that-the-government-is-procuring-the-services-needed-in-an-efficient manner.--No-one-seems-to-know-whether-a-"unified"-NCS-is desirable,-what-it-means,-would-cost,-or-would-accomplish.~~

2. Efforts to coordinate the procurement and use of telecommunications facilities and services by the Federal Government have been reasonably successful, however, greater benefits still can be obtained. The current coordination arrangements embodied in the National Communications System (NCS) structure have achieved an enhancement in emergency and interagency communications capability, but only limited progress toward more effective procurement and use is possible within the current authority and resources of the NCS structure.

3. The current procedures for allocation of the frequency spectrum are highly inflexible and are increasingly creating a spectrum shortage crisis. The shortage is especially severe in the land mobile radio allocations, which are becoming

increasingly important to local police and fire protection services, among many other claimants.

Current organization for ~~communications~~ policy-making and coordination: The Director of Telecommunications Management (DTM) in the Office of Emergency Preparedness is now charged by Executive Order and Presidential memorandum with the responsibility for coordinating telecommunications activities in the executive branch. The DTM also is designated Special Assistant to the President for Telecommunications. However, the history of the organization reveals that attempts by the DTM to exercise leadership in communications policy have been largely ineffectual. This situation results from a number of factors such as organizational location, inadequate staff, and fragmentation of policy authority among half a dozen agencies with no one having overall responsibility. In view of its claimed responsibilities, the credibility of the DTM is questioned by agencies with operating responsibilities.

There is now no office in the executive branch with the responsibility or the capability to review national telecommunications policies as expressed in legislation and in FCC policies. The antitrust division of Justice has occasionally filed briefs on competitive aspects of decisions before the FCC, but these derive largely from

antitrust considerations rather than from familiarity with communications issues. The Council of Economic Advisers has shown almost no capability or interest in telecommunications, and OST is certainly not equipped for addressing the fundamental economic and institutional problems of the industry and its regulation by the FCC.

Federal organization weaknesses:

Since World War II, there have been a number of studies of Federal communications organization and a number of reorganizations and shifts of responsibilities within the executive branch. None has proved particularly satisfactory, and, indeed, there does not seem to be any neat solution to this problem. The lack of a good solution apparently is due in part to the quasi-independence of the FCC from the executive branch and in part to the conflicting requirements of Executive Office telecommunications coordination and individual agency mission responsibilities.

The study of the Federal government communications organization completed in December 1968 by the Bureau of the Budget provides a good statement of the shortcomings of our current organization. The Bureau of the Budget reported a need for:

(1) a strengthened organization for policy planning, formulation and direction of Federal communications activities.

(2) a reorganized and strengthened National Communications System (NCS) within the Department of Defense.

(3) an improved procurement and technical assistance effort in communications on behalf of those Federal agencies which do not now have adequate resources in this field.

(4) unified frequency spectrum management process.

(5) a coordinated technical assistance program for State and local government in this area.

The recently released GAO report focused on the government's communications and particularly the progress toward establishment of unified National Communications System directed by the President in 1963. The GAO also found a need for stronger coordination of government telecommunications planning, and recommended a single entity responsible for both planning and operation of the Government's telecommunications activities. GAO also recommended clarification of what the unified NCS is intended to be.

Issues in reorganization:

The Budget Bureau study of Federal communications organization made a number of major recommendations and was recently distributed to the concerned departments. Agency views on this study have the common theme that (1) stronger coordination from the top is required in establishing Government policy for its own telecommunications requirements and that (2) the Federal Government should take a stronger role in the evolution of national

telecommunications to deal with the increasingly rapid rate of technological change and industry growth. There is also agreement that a much stronger analytic capability within the executive branch is needed to achieve these goals.

There are a variety of possible ways in which telecommunications responsibilities could be reshuffled or strengthened. As a starting point, there is widespread agreement that a single office should bear ultimate responsibility for:

- (1) analyses and formulation of overall telecommunications policy for the executive branch.

- (2) policy-level coordination of Federal Government procurement and use of telecommunications services and equipment.

- (3) allocation and assignment of spectrum resources to government users.

There are two competing sets of considerations about where such a central office should be located. Further expansion of telecommunications activities within the Executive Office of the President is undesirable because:

- (1) it forces growth in the Executive Office of the President, and
- (2) it is not felt that telecommunications warrants the degree of direct Presidential attention implied by a location within the Executive Office. On the other hand, placing the central office within an executive department (e.g., Commerce or Transportation) raises questions about: (1) the

impartiality of frequency allocation and assignment among government users, and (2) the protection of vital national security interests.

Another issue is whether the authority to allocate and assign frequency spectrum to nongovernment users, now vested in the FCC, should be transferred to the central, executive branch policy office. Consideration of spectrum allocation authority would permit greater flexibility in assignment policies and eventually, even more efficient spectrum use. However, such a move requires legislation, it raises concerns about political interference in the assignment of frequencies, and it would inundate the new office with a high routine workload. (The FCC now processes 800,000 applications yearly, compared to 37,000 now handled by the OTM.) For these reasons, immediate consolidation of these responsibilities is not recommended, but planning for eventual consolidation should be started.

~~A third issue arises concerning the National Communications System. It is not clear that the NCS needs to be continued in its present form. The operational problems which prompted establishment of the NCS in 1963 have been largely overcome. There are a variety of possible arrangements under which the present level of coordination could be retained. The objectives, system concepts and organizational arrangements for the NCS should be reviewed by an~~

Another question arises concerning the National Communications System. This question really divides into two parts, the first dealing with the objectives of the NCS toward which it is to evolve and secondly, the organizational arrangement necessary to effect coordination of Federal telecommunications programs to achieve the desired goals. Both the BoB and GAO studies concluded that changes are desirable in the NCS arrangements, but such changes raise too many complex questions to be settled in the reorganization of policy machinery. Accordingly, the NCS arrangements should not be changed at this time, but should be studied as a matter of priority by the reorganized central policy office when it is established. Such study should include a reexamination of the objectives of the NCS by the National Security Council inasmuch as the establishment of the NCS was the direct result of action by the National Security Council. It should also include an evaluation of the effectiveness of the present NCS organization as a coordination mechanism for Federal telecommunications programs.

Recommendation:

In view of all the considerations set forth above, it appears preferable to retain telecommunications policy function in the Executive Office of the President. However, it is not desirable to expand the size of the Executive Offices, nor is it desirable to make the detailed coordination,

planning, research and analysis that is required dependent on funding limitations facing Executive Office agencies.

Attached are a recommended organizational change and a description of the responsibilities of a new Office of Telecommunications Policy. May I have your comments by November 24, prior to submitting the recommendation to the President.

Attachments.

RESPONSIBILITIES OF THE OFFICE OF TELECOMMUNICATIONS POLICY

The Director of the Office of Telecommunications Policy develops the executive branch position on national telecommunications policy, coordinates the planning, testing, and operation of the telecommunications systems of the Federal government, discharges responsibilities assigned to the President in the areas of spectrum management and satellite communications, and performs emergency planning, testing, and control functions for telecommunications.

The Director serves as the President's principal advisor on telecommunications policy, including:

- (1) The organization, practices, and regulation of the U.S. domestic and international communications industry.
- (2) The allocation, use, and management of the radio spectrum resource for both government and commercial uses.
- (3) The preparation of U.S. positions for international communication conferences, conventions, and organizations.
- (4) Federal research and development programs in support of the above.

The Director assures that the executive branch position on telecommunication policy issues is effectively presented to the Congress and to the Federal Communication Commission in the form of legislative proposals, recommendations, and testimony as required.

The Director's responsibilities for the planning, testing, and operation of Federal government telecommunications systems include:

- (1) Development of government-wide standards for equipment, operational performance, and procedures, as required in the interest of compatibility, economy or effectiveness.

- (2) Testing and evaluation of the ability of national communications resources to adequately and efficiently ~~to meet~~ respond to established national security and emergency communications requirements.
- (3) Recommendations to the Bureau of the Budget concerning the funding of communications systems and research and development programs.
- (4) Preparation of guidelines for the most economical procurement of Federal telecommunications services.

He is assisted in fulfilling the above responsibilities by the Executive Agent, National Communications System and the Manager, National Communications System.

With regard to the above, the Director will not be responsible for the day-to-day operational matters of the White House Communications Agency, ~~or the Interagency Communications System.~~

The Director exercises the authority, delegated by the President, to assign radio frequencies for use by the government. He is assisted in this responsibility by the Electrospace Research and Engineering Agency in the Department of Commerce and the Interdepartmental Radio Advisory Committee. He carries out the responsibilities conferred on the President by the Communications Satellite Act.

(new para) The Director coordinates the development of plans and programs for the mobilization and use of telecommunications resources in an emergency, and prepares to ~~administer~~ manage national telecommunications resources in the event of war under the overall policy guidance of the Director, OEP. He is assisted in fulfilling this responsibility as it applies to Federally owned or controlled telecommunications resources by the Executive Agent, NCS, and the Manager, NCS.

To carry out these responsibilities, the Director must have the following qualifications:

- (1) The ability to plan, organize, staff, direct, measure and control the resources necessary to achieve effective Federal policy formulation and execution in matters affecting national telecommunications.

- ~~(1)~~ (2) A thorough grasp of the national security, social, economic, and engineering factors which must be considered in formulating telecommunications policies and standards.
- ~~(2)~~ (3) Familiarity with telecommunications needs and opportunities of government, industry, and the public, and with the structure of private and governmental telecommunications institutions, both national and international.
- ~~(3)~~ (4) The ability to initiate and coordinate telecommunications policy matters on an interdepartmental basis in cooperation with industry and public interest groups, and to define and analyze those key policy issues requiring Presidential involvement.
- ~~(4)~~ (5) The ability to direct and evaluate studies utilizing systems operations analysis, systems engineering, management engineering, and economics needed for the systematic analysis of telecommunications operation, design, policies and opportunities, their impact, their effectiveness, and their costs.
- (6) The ability to effect evaluation and interagency coordination of planning and operational matters affecting the acquisition and use of the Federal telecommunications resources.

Recommendation

An Office of Telecommunications Policy should be established as independent entity in the Executive Office of the President. The Director of this office, appointed by the President, would have primary executive branch responsibility for both national telecommunications policies and Federal administrative telecommunication operations. The responsibilities of the Office of Telecommunications Policy would include:

- economic, technical and systems analysis of telecommunications policies and opportunities in support of national policy formulation and U.S. participation in international telecommunications activities.
- developing executive branch policy on telecommunications matters including, but not limited to, industry organization and practices, regulatory policies, and the allocation and use of the electromagnetic spectrum for both government and nongovernment use.
- advocating executive branch policies to the FCC, and through the President to the Congress.
- exercising final authority for the assignment of the spectrum to government users, and developing with the FCC a long-range plan for improved management of the total radio spectrum.
- reviewing and evaluating the research and development for, and the planning, procurement, operation, testing, and use of, telecommunication systems and services by the Federal government; developing appropriate policies and standards for such system; and making recommendations to the Bureau of the Budget and responsible departmental officials concerning the scope and funding of competing, overlapping or inefficient programs.
- exercising the functions conferred on the President under the Communications Satellite Act.
- under the general policy guidance of the Director, Office of Emergency Preparedness, coordinating policy, plans and programs for, and preparing to administer, manage the use of telecommunications resources in a state of national emergency.

- review and report to the President, through the National Security Council, on the ability of national communications resources to meet established national security requirements efficiently and responsively.
- coordinating Federal assistance to state and local governments in the telecommunications field.

In ~~performing these functions~~, carrying out these responsibilities, the Director, Office of Telecommunications Policy, will be assisted by a small staff, augmented as required by: (1) The Executive Agent, National Communications System, ~~(1)~~ (2) ad hoc, interagency and nongovernment task groups, ~~(2)~~ (3) independent consultants, ~~(3)~~ (4) contact studies, ~~(4)~~ (5) a new Telecommunications Research and Analysis Center, ~~(5)~~ (6) the Interdepartment Radio Advisory Committee, and ~~(6)~~ (7) a new Telecommunications Advisory Committee composed of experts from outside of the government.

A Telecommunications Research and Analysis Center (TRAC) should be established in the Department of Commerce, reporting to the Assistant Secretary for Science and Technology. The TRAC would provide a centralized research, engineering, and analysis capability in support of spectrum management ~~and such other areas as may be required~~. Specific functions of the TRAC would be to:

- conduct research and analysis in the general field of telecommunication sciences in support of other government agencies or in response to specific directives from the Office of Telecommunications Policy, ~~with particular emphasis~~ on radio propagation, radio systems characteristics, and operating techniques leading to improved utilization of the radio resource.
- develop and operate a national electromagnetic compatibility analysis facility under the general policy guidance of the Director, OTP.
- provide the administrative and technical support required by the Interdepartment Radio Advisory Committee. This support will operate in accordance with policies and criteria laid down by the OTP, and will be responsive to OTP requests for information and special frequency assignment actions.

The Director, Office of Telecommunications Policy will be vested with the authority to assign radio frequencies to government users. He will be assisted in this responsibility by the IRAC, which will receive technical and clerical support from the TRAC.

The Office of Telecommunications Policy should be established with an initial strength of up to 30 professionals, including up to 15 at supergrade levels. The position of Director, Office of Telecommunications Policy should be established at executive pay level III. Provision should be made within the budget of the office for adequate consulting fees and contractual support; and for administrative support to, and space for, task groups and personnel on detail.

The Office of Telecommunications Management in the OEP should be abolished. All policy functions of that office, appropriate emergency planning functions, and final spectrum management authority should be transferred to the Office of Telecommunications Policy. The major portion of the Frequency Management Directorate of the OTM should be transferred to the Department of Commerce to provide the technical and clerical support functions described above. The position of Special Assistant to the President for Telecommunications should be abolished and his NCS responsibilities assigned to the Director of Telecommunications Policy.

The Office of Telecommunications Policy will exercise the policy functions of the Executive Office of the President with respect to the planning, integration, and emergency use of the telecommunications systems of the executive branch, subject to general policy guidance on appropriate matters from the National Security Council and the Director, OEP. Currently, this function is exercised through the mechanism of the National Communications System (NCS). ~~An ad-hoc-group-within-the-Executive-Office-of-the-President should-be-established-to-review-this-mechanism.--This-group~~ The objectives, system concepts, and organizational arrangements for the NCS should be reexamined by the National Security Council, which recommended its establishment, and by the new Office of Telecommunications Policy. These organizations should develop recommendations for the President concerning the need for the NCS and the proper objectives, configuration and management arrangements for the overall coordination of executive branch telecommunications.

The Office of Telecommunications Policy would not exercise responsibility for the operation of telecommunications networks of the White House Communications Agency, and the Interagency Communications System.

Friday 11/21/69

6:55 On page 6 - third line from the bottom -
(5) "Interdepartment Radio Advisory Committee"

On page 2 of the Responsibilities - first full paragraph,
fifth line - it says "Interdepartmental Radio Advisory
Committee.

Attached is a list of those you want it sent to.
Should Justice, FCC and CEA be included also?

No

Administrator, NASA
Administrator, GSA
Secretary of State
Director, BOB
Science Adviser
Assistant to the President for National Security Affairs
Secretary of Defense
Secretary of Commerce
Secretary of Transportation
Director, OEP
Director, CIA

November 21, 1969

Fed
Comm
Org.

To: Mr. Flanigan

From: Tom Whitehead

I think this is ready to go.
Let me know if you want to discuss
it before it goes out.

Memoranda for _____
attaching material re
executive branch organization
proposals for reorganization and
a recommended reorganization,
as well as a description of the
responsibilities of a new Office
of Telecommunications Policy.

THE WHITE HOUSE
WASHINGTON

November 21, 1969

MEMORANDUM FOR

Attached are:

(1) A discussion of the executive branch organization for telecommunications and issues connected with recent proposals for reorganization and a recommended reorganization.

(2) A description of the responsibilities of a new Office of Telecommunications Policy.

I would like to have your comments by November 28, prior to submitting a recommendation to the President.

Peter Flanigan
Assistant to the President

Attachments

EXECUTIVE BRANCH ORGANIZATION FOR TELECOMMUNICATIONS

In spite of the rapidly growing importance of telecommunications to the Nation and for the government's own missions, there is no effective policy-making capability for telecommunications in the executive branch. The Administration is therefore largely unable to exert leadership or take initiatives in spite of vulnerability to criticism for FCC policies. Government-wide coordination of its own telecommunications activities has not been adequate. These problems have been manifested in several ways:

1. There is a serious lack of effective machinery for dealing expeditiously with domestic telecommunications issues. The government has been grappling for several years, with only limited success, with such issues as "foreign attachments" to the public telephone network, cable TV and pay TV, the possible uses and industry structure for a domestic satellite communications system, and policies for computer communications. There is a current tendency to resolve such issues by past precedents and by compromises between the FCC and various agencies in the executive branch, but the increasingly rapid rate of technological change and introduction of new services makes policy-by-precedent increasingly less relevant, more restrictive, or counterproductive. Neither the FCC nor the executive branch has a significant capability for systematic, economic and technical analysis.

2. Efforts to coordinate the procurement and use of telecommunications facilities and services by the Federal government have not been very successful. The current coordination arrangements, embodied in the National Communications System (NCS) structure, have achieved certain desirable interconnections and operating procedures, but have not produced the desired assurances that the government is procuring the services needed in an efficient manner. Although present policies call for a "unified" NCS, there is little agreement on what further unification is needed, or what it would cost or accomplish.

3. The current procedures for spectrum allocation are highly inflexible and are increasingly creating a spectrum shortage crisis. The shortage is especially severe in the land mobile radio allocations, which are becoming increasingly important to local police and fire protection services, among many other claimants.

Current organization for communications policy-making and coordination

The Director of Telecommunications Management (DTM) in the Office of Emergency Preparedness is now charged by Executive Order and Presidential memorandum with the responsibility for coordinating telecommunications activities in the executive branch. The DTM also is designated Special Assistant to the President for Telecommunications. However, the history of the organization reveals that attempts by the DTM to exercise leadership in communications policy have been largely ineffectual. The responsibilities and authority of the DTM are questioned by agencies with operating responsibilities. This situation results from a number of factors including organizational location, inadequate staff, and lack of clear authority.

There is now no office in the executive branch with the responsibility or the capability to review the whole range of national telecommunications policies as expressed in legislation and in FCC policies. The Anti-trust Division of the Department of Justice has occasionally filed briefs on the competitive aspects of decisions before the FCC, but these derive largely from antitrust considerations rather than from familiarity with communications issues. The Department of Commerce has a telecommunications research capability, but no responsibility or familiarity with communications policy. Neither the Council of Economic Advisers nor the Office of Science and Technology are equipped to address the fundamental economic and institutional problems of the communications industry and its regulation by the FCC, or the problems of the government's own telecommunications.

Studies of Federal organization

Since World War II, there have been a number of studies of Federal communications organization and a number of reorganizations and shifts of responsibilities within the executive branch. None has proved particularly satisfactory, and, indeed, there is no ideal solution. This is due in part to the quasi-independence of the FCC from the executive branch and in part to the conflicting requirements for executive branch coordination, individual agency mission responsibilities, and Federal regulatory responsibilities.

The study of the Federal government communications organization completed in December 1968 by the Bureau of the Budget provides

a good statement of the shortcomings of our current organization. The Bureau of the Budget reported a need for:

- (1) a strengthened organization for policy planning, formulation and direction of Federal communications activities.
- (2) a reorganized and strengthened National Communications System (NCS) within the Department of Defense.
- (3) an improved procurement and technical assistance effort in communications on behalf of those Federal agencies which do not now have adequate resources in this field.
- (4) a unified frequency spectrum management process.
- (5) a coordinated technical assistance program for State and local government in this area.

The recently released report of the Government Accounting Office focused on the government's communications and evaluated the progress toward establishment of a unified National Communications System as directed by the President in 1963. The GAO found a need for stronger coordination of government telecommunications planning, and recommended a single entity be responsible for policy direction and control of the Government's telecommunications systems. The GAO also recommended clarification of what a "unified" NCS is intended to be.

Reorganization issues

The Budget Bureau study of Federal communications organization made a number of major recommendations and was recently distributed to the departments concerned. Agency views on this study have the common themes (1) that stronger coordination from the top is required in establishing Government policy for its own telecommunications requirements, and (2) that the Federal government should take a stronger role in the evolution of national telecommunications to deal with the increasingly rapid rate of technological change and industry growth. There is also agreement that a much stronger analytic capability within the executive branch is needed to achieve these goals.

There are a variety of possible ways in which telecommunications responsibilities could be reshuffled or strengthened. As a starting point, there is widespread agreement that a single office should bear ultimate responsibility for:

- (1) analyses and formulation of overall telecommunications policy for the executive branch.
- (2) policy-level coordination of Federal government procurement and use of telecommunications services and equipment.
- (3) allocation and assignment of spectrum resources to government users.

There are several further issues.

The first is where such a single office should be located. There are two competing sets of considerations. Further expansion of telecommunications activities within the Executive Office of the President would force undesirable growth in the size of the Executive Office of the President, while telecommunications does not require the frequent direct Presidential attention implied by a location within the Executive Office. On the other hand, placing the central office within an executive department (e.g., Commerce or Transportation) raises serious questions about the impartiality of frequency allocation and assignment among government users and assurance of vital national security interests. Both sides of this issue have considerable merit, but from the standpoint of practicality and the need to minimize even temporary disruptions of our policy machinery, the policy functions should for the time being remain in the Executive Office. However, as much of the operational and research responsibilities as possible should be carried out in the departments and agencies.

Another issue is whether the authority to allocate and assign frequency spectrum to nongovernment users, now vested in the FCC, should be transferred to the central, executive branch policy office.

Consolidation of spectrum allocation authority would permit greater flexibility in assignment policies and eventually, even more efficient spectrum use. However, such a move requires legislation, it raises concerns about political interference in the assignment of frequencies, and it would inundate the new office with a highly routine workload. (The FCC now processes 800,000 applications yearly, compared to 37,000 now handled by the DTM.) For these reasons, immediate consolidation of these responsibilities is not recommended, but planning for eventual consolidation should be started.

A third issue arises concerning the National Communications System. It is not clear that the NCS needs to be continued in its present form. The operational problems which prompted establishment of the NCS in 1963 have been largely overcome. There are a variety of possible arrangements under which the present level of coordination could be retained. The objectives, system concepts, and organizational arrangements for the NCS should be reviewed by an appropriate task group as soon as the location of the central policy office is settled. The NCS question is too complex to be settled in the reorganization of policy machinery.

Recommendation

An Office of Telecommunications Policy should be established as an independent entity in the Executive Office of the President. The Director of this office, appointed by the President, would have primary executive branch responsibility for both national telecommunications policies and Federal administrative telecommunication operations. The responsibilities of the Office of Telecommunications Policy would include:

- economic, technical and systems analysis of telecommunications policies and opportunities in support of national policy formulation and U. S. participation in international telecommunications activities.
- developing executive branch policy on telecommunications matters including, but not limited to, industry organization and practices, regulatory policies, and the allocation and use of the electromagnetic spectrum for both government and nongovernment use.

- advocating executive branch policies to the FCC, and through the President to the Congress.
- exercising final authority for the assignment of the spectrum to government users, and developing with the FCC a long-range plan for improved management of the total radio spectrum.
- reviewing the research and development for, and the procurement and use of, telecommunication systems and services by the Federal government; developing appropriate policies and standards for such systems; and making recommendations to the Bureau of the Budget and responsible departmental officials concerning the scope and funding of competing, overlapping or inefficient programs.
- exercising the functions conferred on the President under the Communications Satellite Act.
- under the policy guidance of the Director, Office of Emergency Preparedness, coordinating plans and programs for testing of and preparing to administer the use of telecommunications resources in a state of national emergency.
- test, review, and report to the President, through the National Security Council, on the ability of national communications resources to meet established national security requirements efficiently and responsively.
- coordinating Federal assistance to state and local governments in the telecommunications field.

In performing these functions, the Director, Office of Telecommunications Policy, will be assisted by a small staff, augmented as required by: (1) ad hoc, interagency and nongovernment task groups, (2) independent consultants, (3) contract studies, (4) a new Telecommunications Research and Analysis Center, (5) the Interdepartment Radio Advisory Committee, and (6) a new Telecommunications Advisory Committee composed of experts from outside of the government.

A Telecommunications Research and Analysis Center (TRAC) should be established in the Department of Commerce, reporting to the Assistant Secretary for Science and Technology. The TRAC would provide a centralized research, engineering and analysis capability in support of spectrum management and such other areas as may be required. Specific functions of the TRAC would be to:

- conduct research and analysis in the general field of telecommunication sciences in support of other government agencies or in response to specific directives from the Office of Telecommunications Policy, with particular emphasis on radio propagation, radio systems characteristics, and operating techniques leading to improved utilization of the radio resource.
- develop and operate a national electromagnetic compatibility analysis facility under the general policy guidance of the Director, OTP.
- provide the administrative and technical support required by the Interdepartment Radio Advisory Committee. This support will operate in accordance with policies and criteria laid down by the OTP, and will be responsive to OTP requests for information and special frequency assignment actions.

The Office of Telecommunications Policy should be established with an initial strength of up to 30 professionals, including up to 15 at super-grade levels. The position of Director, Office of Telecommunications Policy should be established at executive pay level III. Provision should be made within the budget of the office for adequate consulting fees and contractual support; and for administrative support to, and space for, task groups and personnel on detail.

The Office of Telecommunications Management in the OEP should be abolished. All policy functions of that office, appropriate emergency planning functions, and final spectrum management authority should be transferred to the Office of Telecommunications Policy. The major portion of the Frequency Management Directorate of the OTM should be transferred to the Department of Commerce to provide the technical and clerical support functions described above. The position of Special Assistant to the President for Telecommunications should be abolished.

The Office of Telecommunications Policy will exercise the policy functions of the Executive Office of the President with respect to the planning, integration, and emergency use of the telecommunications systems of the executive branch, subject to general policy guidance on appropriate matters from the National Security Council and the Director, OEP. Currently, this function is exercised through the mechanism of the National Communications System (NCS). An ad hoc group within the Executive Office of the President should be established to review this mechanism. This group should develop recommendations for the President concerning the need for the NCS and the proper objectives, configuration and management arrangements for the overall coordination of executive branch telecommunications.

RESPONSIBILITIES OF THE OFFICE OF TELECOMMUNICATIONS POLICY

The Director of the Office of Telecommunications Policy develops the executive branch position on national telecommunications policy, coordinates the planning and operation of the telecommunications systems of the Federal government, discharges responsibilities assigned to the President in the areas of spectrum management and satellite communications, and performs emergency planning and control functions for telecommunications.

The Director serves as the President's principal advisor on telecommunications policy, including:

- (1) The organization, practices, and regulation of the U. S. domestic and international communications industry.
- (2) The allocation, use, and management of the radio spectrum resource for both government and commercial uses.
- (3) The preparation of U. S. positions for international communication conferences, conventions, and organizations.
- (4) Federal research and development programs in support of the above.

The Director assures that the executive branch position on telecommunication policy issues is effectively presented to the Congress and to the Federal Communications Commission in the form of legislative proposals, recommendations, and testimony as required.

The Director's responsibilities for the planning and operation of Federal government telecommunications systems include:

- (1) Development of government-wide standards for equipment and procedures, as required in the interest of economy or effectiveness.

- (2) Evaluation of the ability of national communications resources adequately and efficiently to meet established national security and emergency communications requirements.
- (3) Recommendations to the Bureau of the Budget concerning the funding of communications systems and research and development programs.
- (4) Preparation of guidelines for the most economical procurement of Federal telecommunications services.

The Director exercises the authority, delegated by the President, to assign radio frequencies for use by the government. He is assisted in this responsibility by the Telecommunications Research and Analysis Center to be established in the Department of Commerce and the Interdepartmental Radio Advisory Committee. He carries out the responsibilities conferred on the President by the Communications Satellite Act. The Director coordinates the development of plans and programs for the mobilization and use of telecommunications resources in an emergency, and prepares to administer national telecommunications resources in the event of war under the overall policy guidance of the Director, OEP.

The Director coordinates assistance in telecommunications matters provided by the Federal government to State and local governments. He appoints scientists, engineers, and economists from outside government to advise on telecommunications matters.

To carry out these responsibilities, the Director must have the following qualifications:

- (1) A thorough grasp of the social, economic, engineering, and national security factors which must be considered in formulating telecommunications policies and standards.
- (2) Familiarity with telecommunications needs and opportunities of government, industry, and the public, and with the structure of private and governmental telecommunications institutions, both national and international.

- (3) The ability to initiate and coordinate telecommunications policy matters on an interdepartmental basis in cooperation with industry and public interest groups, and to define and analyze those key policy issues requiring Presidential involvement.
- (4) The ability to direct studies utilizing systems analysis, systems engineering, and economics needed for the systematic analysis of telecommunications policies and opportunities, their impact, their effectiveness, and their costs.

THE WHITE HOUSE

WASHINGTON

December 6, 1969

MEMORANDUM FOR

Attached are:

(1) A discussion of the executive branch organization for telecommunications and a recommended reorganization.

(2) A description of the responsibilities of a new Office of Telecommunications Policy.

Both the Bureau of the Budget and the staff of the President's Advisory Council on Executive Organization have assisted in the preparation of this recommendation. We would like to have your comments before submitting a final recommendation to the President. I would appreciate having your comments by December 13.

PETER M. FLANIGAN (Signed)

Peter Flanigan
Assistant to the President

Attachments

EXECUTIVE BRANCH ORGANIZATION
FOR TELECOMMUNICATIONS

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1. There is a serious lack of effective machinery for dealing expeditiously with domestic telecommunications issues. The government has been grappling for several years, with only limited success, with such issues as "foreign attachments" to the public telephone network, cable TV and pay TV, the possible uses and industry structure for a domestic satellite communications system, and policies for computer communications. There is a current tendency to resolve such issues by past precedents and by compromises between the FCC and various agencies in the executive branch, but the increasingly rapid rate of technological change and introduction of new services makes policy-by-precedent increasingly less relevant, more restrictive, or counterproductive. Neither the FCC nor the executive branch has a significant capability for systematic economic and technical analysis.

2. Efforts to coordinate the procurement and use of telecommunications facilities and services by the Federal government have had limited success. The current coordination arrangements, embodied in the National Communications System (NCS) structure, have achieved certain desirable interconnections and operating procedures, but have not produced the desired assurances that the government is procuring the services needed in an efficient manner. Although present policies call for a "unified" NCS, there is little agreement on what further unification is needed, or what it would cost or accomplish.

3. The current procedures for spectrum allocation are highly inflexible and are increasingly creating a spectrum shortage crisis. The shortage is especially severe in the land mobile radio allocations, which are becoming increasingly important to local police and fire protection services, among many other claimants.

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Current organization for communications policy-making and coordination

The Director of Telecommunications Management (DTM) in the Office of Emergency Preparedness is now charged by Executive Order and Presidential memorandum with the responsibility for coordinating telecommunications activities in the executive branch. The DTM also is designated Special Assistant to the President for Telecommunications. However, the history of the organization reveals that attempts by the DTM to exercise leadership in communications policy have ~~been largely ineffectual~~. The responsibilities and authority of the DTM ~~are~~ questioned by agencies with operating responsibilities. This situation results from a number of factors including organizational location, ~~inadequate~~ ^{INSUFFICIENT} staff, and lack of clear authority.

There is now no office in the executive branch with the responsibility or the capability to review the whole range of national telecommunication policies as expressed in legislation and in FCC policies. The Antitrust Division of the Department of Justice has occasionally filed briefs on the competitive aspects of decisions before the FCC, but these derive largely from antitrust considerations rather than from familiarity with communications issues. The Department of Commerce has a telecommunications research capability, but no responsibility or familiarity with communications policy. Neither the Council of Economic Advisers nor the Office of Science and Technology are equipped to address the fundamental economic and institutional problems of the communications industry and its regulation by the FCC, or the problems of the government's own telecommunications.

OMIT

Studies of Federal organization

Since World War II, there have been a number of studies of Federal communications organization and a number of reorganizations and shifts of responsibilities within the executive branch. None has proved particularly satisfactory, and, indeed, there is no ideal solution. This is due ~~in part to the quasi-independence of the FCC from the executive branch and in part~~ to the conflicting individual agency mission responsibilities within the executive branch.

The study of the Federal government communications organization completed in December 1968 by the Bureau of the Budget provides

a good statement of the shortcomings of our current organization. The Bureau of the Budget reported a need for:

- (1) a strengthened organization for policy planning, formulation and direction of Federal communications activities.
- (2) a reorganized and strengthened National Communications System (NCS) within the Department of Defense.
- (3) an improved procurement and technical assistance effort in communications on behalf of those Federal agencies which do not now have adequate resources in this field.
- (4) a unified frequency spectrum management process.
- (5) a coordinated technical assistance program for State and local government in this area.

The recently released report of the Government Accounting Office focused on the government's communications and evaluated the progress toward establishment of a unified National Communications System as directed by the President in 1963. The GAO found a need for stronger coordination of government telecommunications planning, and recommended a single entity be responsible for policy direction and control of the Government's telecommunications systems. The GAO also recommended clarification of what a "unified" NCS is intended to be.

Reorganization issues

The Budget Bureau study of Federal communications organization made a number of major recommendations and was recently distributed to the departments concerned. Agency views on this study have the common themes ~~(1) that stronger coordination from the top is required in establishing Government policy for its own telecommunications requirements, and (2) that the Federal government should take a stronger role in the evolution of national telecommunications to deal with the increasingly rapid rate of technological change and industry growth. There is also agreement that a much stronger analytic capability within the executive branch is needed to achieve these goals.~~

There are a variety of possible ways in which telecommunications responsibilities could be reshuffled or strengthened. As a starting point, there is widespread agreement that a single office should bear ultimate responsibility for:

- (1) analyses and formulation of overall telecommunications policy for the executive branch.
- (2) policy-level coordination of Federal government procurement and use of telecommunications services and equipment.
- (3) allocation and assignment of spectrum resources to government users.

There are several further issues.

The first is where such a single office should be located. There are two competing sets of considerations. Further expansion of telecommunications activities within the Executive Office of the President would force undesirable growth in the size of the Executive Office of the President, while telecommunications does not require the frequent direct Presidential attention implied by a location within the Executive Office. On the other hand, placing the central office within an executive department (e.g., Commerce or Transportation) raises serious questions about the impartiality of frequency allocation and assignment among government users and assurance of vital national security interests. Both sides of this issue have considerable merit, but from the standpoint of practicality and the need to minimize even temporary disruptions of our policy machinery, the policy functions should for the time being remain in the Executive Office. However, as much of the operational and research responsibilities ~~as possible~~ should be carried out in the departments and agencies. AS MAY BE REQUIRED

Another issue is whether the authority to allocate ~~and assign~~ frequency spectrum ~~to nongovernment uses, now vested in the FCC,~~ should be ~~transferred to~~ the central, executive branch policy office.

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Consolidation of spectrum allocation authority would permit greater flexibility ~~in assignment policies~~ and eventually, even more efficient spectrum use. However, such a move requires legislation, ~~it raises concerns about political interference in the assignment of frequencies, and it would inundate the new office with a highly routine workload.~~ (The FCC now processes 800,000 applications yearly, compared to 37,000 now handled by the DTM.) For these reasons, immediate consolidation of these responsibilities is not recommended, but planning for eventual consolidation should be started.

A third issue concerns organizational arrangements for management of Federal communications networks to implement policy guidance. This is currently done through the National Communications System (NCS) structure. Both the BOB and GAO studies concluded that changes should be made in the NCS arrangements. However, the issues involved are too detailed and too complex to be settled in the context of reorganization of policy machinery. Therefore, the NCS arrangements should not be changed at this time, but should be studied as a priority matter by the new central policy office as soon as it is established. The study would review the objectives, system concepts, organizational arrangements, and effectiveness of the NCS structure, and should include a thorough examination by the National Security Council of national security objectives for telecommunications. Recommendations should be developed for the President regarding the best objectives and management arrangements for overall coordination of Federal telecommunications activities.

Recommendation

An Office of Telecommunications Policy should be established as an independent entity in the Executive Office of the President. The Director of this office, appointed by the President, would have primary executive branch responsibility for both national telecommunications policies and Federal administrative telecommunication operations. The responsibilities of the Office of Telecommunications Policy would include:

- OMIT → - economic, technical and systems analysis of telecommunications policies and opportunities in support of national policy formulation and U.S. participation in international telecommunications activities.
- developing executive branch policy on telecommunications matters including, ~~but not limited to, industry organization and practices, regulatory policies, and the allocation and of~~ (NOTE: Balance of sentence illegible)
SPECTRUM AS BETWEEN GOVERNMENT AND INDUSTRY.

- advocating executive branch policies to the FCC, and through the President to the Congress; ~~and representing the executive branch in FCC proceedings.~~
- exercising final authority for the assignment of the spectrum to government users, and developing with the FCC a long-range plan for improved management of the total radio spectrum.
- reviewing and evaluating the research and development for, and planning, operation, testing, procurement, and use of all telecommunication systems and services by the Federal government; developing appropriate policies and standards for such systems; and making recommendations to the Bureau of the Budget and responsible departmental officials concerning the scope and funding of competing, overlapping, or inefficient programs.
- exercising the functions conferred on the President by the Communications Satellite Act.
- under the policy guidance of the Director, Office of Emergency Preparedness, coordinating plans and programs for testing of and preparing to the use of telecommunications resources in a state of national emergency.
- test, review, and report to the President, through the National Security Council, on the ability of national communications resources to meet established national security requirements efficiently and responsively.
- coordinating Federal assistance to state and local governments in the telecommunications field.

In performing these functions, the Director, Office of Telecommunications Policy, will be assisted by a small staff, augmented as required by: (1) ad hoc, interagency and nongovernment task groups, (2) independent consultants, (3) contract studies, ~~(4) a new Telecommunications Research and Analysis Center,~~ (4) the Interdepartment Radio Advisory Committee, and (6) a new Telecommunications Advisory Committee composed of experts from outside of the government. So long as the NCS structure is retained, he will also be assisted by the Executive Agent of the NCS.

over-amp me of these various agencies' capabilities

→ A Telecommunications Research and Analysis Center (TRAC) should be established in the Department of Commerce, reporting to the Assistant Secretary for Science and Technology. The TRAC would provide a centralized research, engineering and analysis capability in support of spectrum management and such other areas as may be required. Specific functions of the TRAC would be to:

- OMIT
- conduct research and analysis in the general field of telecommunication sciences in support of other government agencies or in response to specific directives from the Office of Telecommunications Policy, with particular emphasis on radio propagation, radio systems characteristics, and operating techniques leading to improved utilization of the radio resource.
 - develop and operate a national electromagnetic compatibility analysis facility under the general policy guidance of the Director, OTP.
 - provide the administrative and technical support required by the Interdepartment Radio Advisory Committee. This support will operate in accordance with policies and criteria laid down by the OTP, and will be responsive to OTP requests for information and special frequency assignment actions.

→ The Office of Telecommunications Policy should be established with ~~an initial strength of up to 30 professionals, including up to 15 at super-grade levels.~~ The position of Director, Office of Telecommunications Policy should be established at executive pay level III. Provision should be made within the budget of the office for adequate consulting fees and contractual support; and for administrative support to, and space for, task groups and personnel on short-term detail.

A PROFESSIONAL
STAFF ADEQUATE
TO PERFORM ITS
MISSION

The Office of Telecommunications Management in the OEP should be abolished. All policy functions of that office not directly related to emergency preparedness should be transferred to the Office of Telecommunications Policy, along with appropriate emergency planning functions, final spectrum management authority, and NCS responsibilities. ~~The major portion of the Frequency Management Directorate of the OTM should be transferred to the Department of Commerce to provide the technical and clerical support functions described above.~~ The position of Special Assistant to the President for Telecommunications should be abolished.

The Office of Telecommunications Policy will exercise the policy functions of the Executive Office of the President with respect to the planning, integration, and emergency use of the telecommunications systems of the executive branch, subject to general policy guidance on appropriate matters from the National Security Council and the Director, OEP. This function will continue to be exercised through the mechanism of the National Communications System (NCS) until such time as changes in that mechanism are suggested by the policy review recommended above and approved by the President.

RESPONSIBILITIES OF THE OFFICE OF TELECOMMUNICATIONS POLICY

The Director of the Office of Telecommunications Policy develops the executive branch position on national telecommunications policy, coordinates the planning and operation of the telecommunications systems of the Federal government, discharges responsibilities assigned to the President in the areas of spectrum management and satellite communications, and performs emergency planning and control functions for telecommunications.

The Director serves as the President's principal advisor on telecommunications policy, including:

- POLICY WITH RESPECT TO*
- (1) ~~The organization, practices, and regulation of the U.S. domestic and international communications industry.~~
 - (2) The allocation, use, and management of the radio spectrum resource for government use, and preparation of recommendations to the FCC on spectrum allocation for civilian use.
 - (3) The preparation of U.S. positions for international communication conferences, conventions, and organizations.
 - (4) Federal research and development programs in support of the above.

✓ { The Director assures that the executive branch position on telecommunication policy issues is effectively presented to the Congress ~~and to the Federal Communications Commission~~ in the form of legislative proposals, recommendations, and testimony as required, *AND THAT THERE IS EFFECTIVE CONSULTATION WITH THE FCC ON POLICY ISSUES.*

The Director's responsibilities for the planning and operation of Federal government telecommunications systems include:

- (1) Development of government-wide standards for equipment and procedures, as required in the interest of economy or effectiveness.

- (2) Evaluation of the ability of national communications resources adequately and efficiently to meet established national security and emergency communications requirements.
- (3) Recommendations to the Bureau of the Budget concerning the funding of communications systems and research and development programs.
- (4) Preparation of guidelines for the most economical procurement of Federal telecommunications services.

The Director exercises the authority, delegated by the President, to assign radio frequencies for use by the government. He is assisted in this responsibility by ~~the Telecommunications Research and Analysis Center to be established in the Department of Commerce~~ and the Interdepartmental Radio Advisory Committee. He carries out the responsibilities conferred on the President by the Communications Satellite Act. The Director coordinates the development of plans and programs for the mobilization and use of telecommunications resources in an emergency, and prepares to administer national telecommunications resources in the event of war under the overall policy guidance of the Director, OEP.

The Director coordinates assistance in telecommunications matters provided by the Federal government to State and local governments. He appoints scientists, engineers, and economists from outside government to advise on telecommunications matters.

To carry out these responsibilities, the Director must have the following qualifications:

- (1) A thorough grasp of the social, economic, engineering, and national security factors which must be considered in formulating telecommunications policies and standards.
- (2) Familiarity with telecommunications needs and opportunities of government, industry, and the public, and with the structure of private and governmental telecommunications institutions, both national and international.

- (3) The ability to initiate and coordinate telecommunications policy matters on an interdepartmental basis in cooperation with industry and public interest groups, and to define and analyze those key policy issues requiring Presidential involvement.
- (4) The ability to direct studies utilizing systems analysis, systems engineering, and economics needed for the systematic analysis of telecommunications policies and opportunities, their impact, their effectiveness, and their costs.

Telecommunications

**EXECUTIVE OFFICE OF THE PRESIDENT
PRESIDENT'S ADVISORY COUNCIL ON EXECUTIVE ORGANIZATION
WASHINGTON, D. C. 20506**

December 10, 1969

MEMORANDUM FOR

CLAY T. WHITEHEAD

The Council, at its meeting today, decided that it could not, in the foreseeable future, include within its Executive Branch organizational studies the subject of telecommunications.

Murray Comarow

Murray Comarow
Executive Director

*Fed Comm
Org.*

December 8, 1969

MEMORANDUM FOR COLONEL HUGHES

Attached for your information is a copy of the final version of our Recommendation on Executive Branch Organization for Telecommunications Matters. You will note that I have adopted many of your suggestions. I have, however, omitted any reference to the White House Communications Agency since I feel that this is not a matter appropriate for discussion and comment throughout the Administration.

I agree only in part with your view that WHCA should be totally outside the purview of the new Office of Telecommunications Policy. Neither the Director of Telecommunications Policy nor his staff should be involved in WHCA operations in any way. However, it is important that the Director be the President's principal adviser on telecommunications matters. It is essential, therefore, that he personally be fully informed about the needs, capabilities, and activities of WHCA.

I believe that the appropriate way to handle this very confidential matter is through an understanding between the President, his immediate staff, his Military Aide, and the Director of Telecommunications Policy. This is more appropriately handled through a memorandum from the President outlining how that matter is to be handled than in an Executive Order establishing organizational responsibilities throughout the executive branch. Such a procedure would provide more flexibility and more confidentiality.

I would welcome any further views you have on this document, since it is now being circulated for comment among the various Federal departments and agencies.

Clay T. Whitehead
Staff Assistant

Attachment

cc: Mr. Flanigan
Mr. Kriegsman
Mr. Whitehead
Central Files

CTWhitehead:jm/ed

*Federal
Communications
Organization*

December 8, 1969

MEMORANDUM FOR

Honorable Elmer B. Staats
The Comptroller General
of the United States

As we discussed, we are now circulating a paper within the Administration regarding telecommunications organization. Attached is a copy for your personal use. I would very much appreciate any comments you may have.

Clay T. Whitehead
Staff Assistant

Attachment

cc: Mr. Flanigan
Mr. Kriegsman
Mr. Whitehead
Central Files

CTWhitehead:ed

December 10, 1969

MEMORANDUM FOR

Mr. William Plummer
Acting Director
Office of Telecommunications Management

Thank you for the copy of your letter of November 14th to Dean Burch regarding future policies for satellites and cable overseas communications capacity.

I agree fully that a balance needs to be struck between these two modes of transmission. However, I am concerned that the Commission not have the impression that it is the executive branch view that this balance should be determined through some arbitrary ratio or division of traffic between the two modes. The proper balance depends on the interplay of costs, failure modes and probabilities, the number of circuits any one failure is likely to interrupt, and the consequences of interruptions for the various types of communications being carried. The Defense Department, for example, requires extremely high reliability and can be expected to be willing to pay a premium for redundancy and reliability that most commercial or private interests would not.

I agree with you that this is a most important matter. Should the Commission request any further guidance from the executive branch, I hope you will keep me informed so that we can work together in formulating our position.

Clay T. Whitehead
Staff Assistant

cc: Mr. Flanigan
Mr. Whitehead
Mr. Kriegsman
Central Files

CTWhitehead:jm

FRQM: DIRECTOR OF TELECOMMUNICATIONS MANAGEMENT

TO: Dr. Clay T. Whitehead

DATE: December 3rd

Forwarded for your information.

J. White

W.E. Plummer

for
Acting

Atchs. (2)

top

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF TELECOMMUNICATIONS MANAGEMENT
WASHINGTON, D.C. 20504

OFFICE OF THE DIRECTOR

November 14, 1969

Honorable Dean Burch
Chairman
Federal Communications Commission
Washington, D.C. 20554

Dear Mr. Chairman:

We reviewed with interest the Commission's letter of September 18, 1969 to the AT&T Company requesting deferral of negotiations with foreign correspondents concerning the construction of future submarine cables, and the interchange of correspondence with the Communications Satellite Corporation, the AT&T, and others, with respect to their system augmentation plans.

This is a matter of grave concern to us. The executive departments, particularly the Defense Department, as a matter of policy, rely primarily upon the common carriers for international communications. In times of crises it is vital that the U.S. have the combination of means of communicating overseas which will provide the greatest overall reliability of service. Reliability of service is also of essential importance to U.S. commercial interests and to the general public.

Intercontinental communications services are presently provided mainly through the application of communication satellites and submarine cables. The desirability of considering the two technologies as complementary rather than competitive has been recognized and incorporated in the TAT-5 and Virgin Islands arrangements directed by the Commission. The wisdom of this approach has been demonstrated by the restoration actions occasioned by the recent TAT-3 and INTELSAT III failures.

The relative physical and transmission vulnerabilities and service reliability characteristics exhibited by cable and satellite systems demonstrate a need for provision of these media in balanced quantities (with adequate margins) in order to achieve maximum availability and reliability of service, and to afford adequate restoration capability in the event of failure of either means.

Honorable Dean Burch

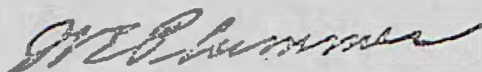
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Additional services will be required to meet the pressures of domestic carriers and foreign administrations for Global DED, data networks, etc. The advent of new, greatly increased capacity satellites for both the Atlantic and Pacific will require a correspondingly increased capability in cable if we are to retain the advantages which can be realized from diversity of media.

This conclusion considers such factors as retention by the U.S. of primacy in the development and provision of appropriately redundant international media. The exploitation of such technological advances as TASI-B which relies on the existence of balanced quantities of transmission subsystems between cables, and between cables and communications satellites would further optimize the advantages of both systems for increasing reliability.

In the overall national interest, we recommend as a matter of policy, that you support a balanced provision of both satellite and submarine cable systems and stimulate progress in each.

Sincerely,



W. E. Plummer
Acting Director

HHJones:avr:14Nov69

bcc: DTM (2): ~~HHJones~~

NCD Reading

Subj File

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF TELECOMMUNICATIONS MANAGEMENT
WASHINGTON, D.C. 20504

OFFICE OF THE DIRECTOR

November 17, 1969

Honorable Dean Burch
Chairman
Federal Communications Commission
Washington, D. C. 20554

Dear Mr. Chairman:

As a part of the continuing effort to assure the most efficient use of the radio frequency spectrum in the United States, this office is examining the feasibility of making those Government radiolocation bands not already shared with non-Government users also available for such shared use.

A review indicates that the following Government radiolocation bands (all in MHz) are already shared in one way or another with non-Government users:

220	-	225
420	-	450
890	-	942
1,215	-	1,300
2,300	-	2,450
3,100	-	3,300
3,300	-	3,500
5,650	-	5,925
9,200	-	9,300
10,000	-	10,500

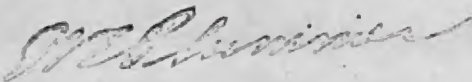
The following radiolocation bands (all in MHz) are exclusively allocated for Government use:

5,250	-	5,350
8,500	-	9,000
9,500	-	10,000
13,400	-	14,000
15,700	-	17,700
23,000	-	24,250
33,400	-	36,000

It appears reasonable that these latter bands could also be made available for shared government/non-government radiolocation use, provided vital government operations can be protected. Since the Federal Administrative Procedure Act exempts national security matters from the public hearing process, it is felt that adequate protection could be assured to present and future government radiolocation operations in the event that harmful interference did occur to or from non-government shared use. Immediate cessation would be necessary if such interference were caused to certain government operations.

The views of the Commission as regards the above sharing proposal would be appreciated. If there is concurrence in principle, the details for this sharing can be developed through the FCC/IRAC coordination mechanism.

Sincerely,



W. E. Plummer
Acting

OTM

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF TELECOMMUNICATIONS MANAGEMENT
WASHINGTON, D.C. 20504

Date: December 11, 1969

Subject: Alternate Satellite and Submarine Cable Facilities

To: Mr. Clay T. Whitehead
Presidential Staff Assistant

I am replying to your memorandum of December 10 regarding future policies for satellites and cable overseas communications capability.

My letter of November 14 to FCC Chairman Burch was designed to focus attention on the importance to the Nation of having, wherever practicable, alternate means of communication to provide for vital overseas circuits of both the Federal Government and public users, in case of loss of the primary service. We must not allow all, or the preponderance, of vital circuits to be via a single cable or a single satellite and, if we can help ourselves, on a single route. Broadcasting Magazine of December 1 expressed it well as, "Don't put all of your eggs in one basket."

Prior to transmittal of my letter several discussions were held between staff members of the FCC and the OTM. These discussions produced a clear understanding to all participants that no arbitrary ratio or division of traffic between modes or arithmetical formula for provision of channels in each mode was a desirable goal. Rather, it was agreed that a statement of Executive Branch policy to the effect that a judicious mix of cable and satellite facilities was desirable, would be welcomed by the FCC staff and would strengthen their position in any future actions they might take. Our views were expressed to assist the Commission which is not expected to be expert in national security and defense in an emergency.

Your statement of what the proper balance of facilities depends upon is fundamental. Be assured that these considerations, among others, are taken into account in all system engineering activities in which this office becomes involved.

Determination of the appropriate balance, or better put, the relative mix or division of circuits among several modes of telecommunication, is complex. It involves the factors which you mentioned and others

Mr. Clay T. Whitehead

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such as: the characteristics of each mode involved; whether the foreign terminal or continuation lines are in or traverse unfriendly countries; whether alternate modes exist or would have to be established; and the traffic density. It might be necessary on routes where satellite capacity greatly exceeds cable capacity to plan to reaccommodate only the few highest priority circuits by cable in the event of satellite service disruption.

As a result of our letter the FCC has the determination of a rational mix of cable and satellite circuits under active consideration. The Commission staff believes that the review now underway may result in a formal inquiry. We will monitor their progress in this area and, at the propitious time probably will provide them with further guidance.

You will be kept informed of further developments.

Bill
W. E. Plummer
Acting

cc: Gen. George A. Lincoln
Director, OEP

Thursday 12/11/69

11:45 Mr. Comarow called. Their Council had a two-day meeting yesterday and the day before. There was some discussion of the communications study that you're working on. He was asked to convey the Council's thoughts to you.

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So he would appreciate a call when you have the time.

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

December 11, 1969

MEMORANDUM FOR TOM WHITEHEAD

FROM: JONATHAN ROSE

SUBJECT: DECEMBER 6 MEMORANDUM ON DTM

Tom, I have been politely, but firmly, told by John Ehrlichman's office that they do not wish to receive discursive memoranda such as yours over Peter's signature of December 6 regarding DTM. They wish to have memoranda in final form prepared for presentation to the President for Ehrlichman's approval which will include options and recommendations rather than discussions of possibilities. I merely pass this on for your future guidance with respect to circulation of such memoranda for staff comment.

*F. Henry - changed Baker
Paine*