

DRAFT  
CTWhitehead:jm  
2/12/73

MEMORANDUM FOR THE RECORD

SUBJECT: Meeting with the President, February 5, 1973,  
H. R. Haldeman, Charles Colson, Clay T. Whitehead

The President opened the meeting by saying how much he admired and appreciated the way Mr. Whitehead had been handling his job, particularly with respect to the problem of the networks and broadcasting. He indicated that this was a most serious problem that had to be pursued vigorously, but one in which we were up against formidable adversaries. He stated that some in the White House did not share his view of the priority of this problem and that he wanted a clear staffing pattern established, so that once decisions were made everyone in the Administration would be on board. He did not want conflicting public statements because we could not afford to appear indecisive to the outside world.

The President requested Mr. Haldeman to hold an immediate meeting with Messrs. Colson, Shultz, Ehrlichman, and Whitehead to agree on coordination arrangements, to be followed by a meeting including Messrs. Klein, Ziegler, Buchanan, Moore, and Garment to discuss the directions being taken and make sure everyone was on board.

The OTP broadcasting license renewal bill was discussed, and the President indicated he favored that general approach to deal with problems with the current licensing scheme. He agreed with Mr. Whitehead's strategy that we should insist on broadcast industry support in improving network news in return for our vigorous pursuit of this bill. He also expressed agreement with the strategy of both seeking and professing First Amendment goals in broadcasting, while at the same time working vigorously in private to get more exercise of local broadcast responsibility and a wider range of points of view of TV news.

Cable television was discussed as the most likely long-run solution to many of the problems brought about by the current network dominance of broadcasting. Messrs. Whitehead, Colson, and Haldeman all felt this should be encouraged by Federal policies and should come as soon as possible. The President generally agreed. He asked that the report of the Cabinet committee on cable television be forwarded as soon as possible.

The prime-time rule was discussed briefly, along with the reasons behind the President's recent approval that we seek repeal of the rule.

The President reaffirmed his view on public television and that we should oppose the funding of controversial public affairs programming

with tax dollars. Mr. Whitehead expressed concern that the various parts of the public television field were feuding over future directions and Federal dollars. He feels that the strong proclivity of public TV to produce one-sided political affairs programming as an instrument of social change and the danger of CPB becoming a mouthpiece for a future, less restrained Administration may make it necessary in the future to eliminate the use of Federal tax monies to fund public television. The President recognized that such steps might become necessary.

The meeting closed with the President reaffirming his concern that the Administration speak with one voice in these areas and stressing the need to establish a coordination mechanism to make sure that everyone in the White House "got the word" on broadcasting matters and to assure that all of OTP's communications program proposals received prompt White House staffing.

February 3, 1973

TO: Dave Hoopes

SUBJECT: Whitehead-Colson meeting with  
the President on Monday,  
February 5, 1973.

These are talking points to be used  
as an addendum to the previously  
submitted briefing papers.

## TALKING POINTS

A. Broadcast regulation. OTP has prepared a bill that would provide the increased stability in license renewals that broadcasters desire. The vigor of the Administration's efforts to secure such legislation is clearly tied to improvements by the industry in counteracting network dominance and news bias.

B. Cable television. Your Cabinet committee will propose a policy for cable television by the end of this month. Their proposals deal with such issues as pay-TV, cable networks, cross-media ownership of cable, and division of regulatory authority between the Federal government and the states. You may wish to discuss how implementing legislation, a Federally-assisted demonstration program, and other actions can promote the growth of cable television.

C. Network dominance of programming. You recently directed that we seek the repeal of the FCC's prime time rule and a subsequent vigorous inquiry into remedies for network dominance of television programming. In conjunction with the pending anti-trust suits against the networks, these remedies could provide a counter-balance to network power pending the full development of cable television. You may wish to indicate how vigorously and publicly you wish this effort to be pursued.

D. Public broadcasting. CPB is on the verge of funding decisions that will cut back controversial public affairs programming. You may wish to ask for a status report and to discuss where we go from here.

E. Other issues. OTP also develops policy for common carrier and international communications, emergency communications, and coordination of the Federal Government's own extensive communication networks. You may wish to discuss very briefly the directions being taken in these areas and ask about the most important forthcoming OTP actions.

Monday 4/2/73

HEARING

4/10/73

1:30

1:00 Bryan advises the budget hearings will be held on Tuesday, April 10.

Rm H301

*Judy*

STATEMENT BY  
CLAY T. WHITEHEAD, DIRECTOR  
OFFICE OF TELECOMMUNICATIONS POLICY

BEFORE THE  
Subcommittee on Treasury, Post Office  
and General Government  
The Honorable Tom Steed, Chairman  
House of Representatives

April 10, 1973

STATEMENT BY

CLAY T. WHITEHEAD

DIRECTOR, OFFICE OF TELECOMMUNICATIONS POLICY

Mr. Chairman and members of the Subcommittee, I appreciate the opportunity to discuss with you the budget requests of the Office of Telecommunications Policy (OTP) for fiscal year 1974. I believe you have our Budget Estimates for the upcoming fiscal year. With your permission, I would like to submit for the record a more detailed statement of the 1972-1973 Activities and Programs for our Office.

Before discussing our budget requests, I should point out that the past year has been one of great activity for OTP. Briefly, I would like to highlight some of these areas.

In the broadcasting area, we have developed legislative proposals for the modification of license renewal policies and procedures, the need for which we discussed during last year's hearings. We have proposed legislation for increased funding for the Corporation for Public Broadcasting. In addition, OTP completed its study of network practices in prime time television rerun programming, and has forwarded this report to the President and to the Federal Communications Commission.

In the area of cable television, the President's Cabinet Committee Report on Cable Television, which I chair, is nearing completion of its study. This final report will propose long-range policy to guide cable's future development.

Government communications is another significant area of OTP's concern. Last year, various problems in the Emergency Broadcast System and emergency warning procedures were resolved. Also resolved was the controversy of the FTS/AUTOVON merger. In addition, in the field of emergency public safety communications, OTP issued a policy on nationwide implementation of the "911" emergency telephone number.



In other areas, we have reviewed the structure of the U.S. international communications industry and have submitted a policy to the Congress, which would enhance industry performance through improved economic and regulatory incentives within the industry structure.

Mr. Chairman, these are just a few areas with which we have concerned ourselves over the past year. In addition, there are many activities of a continuing nature and we expect more results in the coming year. Let me now turn to our budget requests.

For fiscal year 1974, OTP has requested \$3,270,000. This represents an increase of \$270,000 over the fiscal year 1973 appropriation of \$3,000,000. This is due largely to our request for \$1,200,000 for outside research and studies contracts, an increase of \$175,000 over last year. As I indicated last year, we do not intend OTP to become yet another overly-large bureaucracy. Indeed, consistent with the President's desire to reduce the size of the Executive Office, we expect to reduce our full time permanent staff to 52 by the end of fiscal year 1974, a reduction of 20% from the authorized level of the current fiscal year.

Despite this planned reduction, we find it necessary to request an increase of \$41,000 over the \$1,432,000 for personnel compensation in fiscal year 1973. This projected increase is a result of two factors. First, fiscal year 1974 estimates include provisions for increased overtime and for the normal within grade pay increases; and, second, there are additional costs associated with phasing down our personnel to the level of 52 by the end of the fiscal year. Average employment in man years is actually larger in fiscal year 1974 than in 1973. With appropriate changes in our operational plans, I am confident we can fulfill our responsibilities with a reduced staff.

I am prepared to discuss these and other matters with the Subcommittee, and I particularly welcome the opportunity to discuss these matters with the new members of the Subcommittee and familiarize them with the programs and policies of our Office.

APPROPRIATIONS COMMITTEE

Subcommittee on Treasury, Postal Service, and  
General Government

Democratic

Steed (Chairman)  
Addabbo (N.Y.)  
Roybal (Calif.)  
Stokes (Ohio)  
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Slack (W. Va.)  
Shipley (Ill.)

Republican

Robison (N.Y.)  
Edwards (Ala.)  
Myers (Ind.)  
Miller (Ohio)

April 10, 1973

MEMORANDUM

To: Brian Lamb  
From: Will Dean  
Subject: Congressional Testimony Information

In connection with today's testimony by the Director before the House Appropriations Subcommittee, recommend, in view of the nature of questions posed, that the following information be introduced into the Congressional Record.

- a. Government Use of Telecommunications
  - o Government Frequency Assignment Data--Enclosure 1. This shows the number of frequency assignments by agencies and ranking by percent.
  - o OTP Report of June 1972--A Summary of the Federal Government's Use of the Radio Frequency Spectrum. This permits an appreciation to be gained as to why the Government uses so much communications-electronics.
- b. OTP Report of March 1973--Report on Program for Control of Electromagnetic Pollution of the Environment: The Assessment of Biological Hazards of Nonionising Electromagnetic Radiation. This in view of Congressman Miller's intense interest in the side effects area.

Attachments

cc: Bryan Eagle

WDean:avr:10Apr73

cc: DO Records  
DO Chron  
FMD  
Monthly REading