

tion of a subscription TV service in a manner that would prevent it from having untoward effects on free TV.

I think those regulations were directed to that. Now whether they are good or bad I have no views today.

Mr. MACDONALD. Could I ask you this?

If I had enough money and I was running for an office and I wanted to go on pay TV and they were willing to sell me the time, could I go on it and campaign for myself or for somebody else for an office? Does the fairness doctrine operate? Who would put up the money for my opponent?

Mr. HYDE. That would be his problem I do believe.

Mr. MACDONALD. I think it is your problem.

Mr. HYDE. I did not mean to be facetious about the matter. I guess we would all have a problem on the matter. The committee's report says that section 315, fairness doctrine and other policies that have been developed in the licensing regulation of broadcasting would apply to subscription TV. It looks toward the application of the same policies and principles that pay TV as apply in the conventional TV.

Mr. MACDONALD. It might look forward to it but the practicality of the matter might not lend itself to what is being looked forward to.

Mr. HYDE. I must agree there might be some problems requiring some new procedures for resolving them.

Mr. MACDONALD. Mr. Brown.

Mr. BROWN. Apparently we have two basic problems here for the committee to render some decision on.

First, does the FCC have the right to regulate or to authorize the institution of pay TV and, secondly, do you have the right beyond that to go beyond the regulations you have just been discussing with the Chairman?

Mr. HYDE. That was challenged in the hearing before the Commission. There was a good deal of argument about the right of the Commission to make the type of regulation which has been suggested by the committee. We will have to consider those arguments very carefully.

Mr. BROWN. If the committee sits silent and therefore assents to the Commission's right to license pay TV, would our silence also be considered as assent to the regulations of program content and other material which have been recommended?

Mr. HYDE. I would not give any such silence that construction.

Mr. BROWN. What action would you suggest that the committee take in case it would approve your licensing pay TV or subscription TV but not approve the idea that the FCC would proscribe program content?

Mr. HYDE. I would not have any suggestions on that at this time. I note that when the committee amended its earlier resolution, adopted an amendment to its earlier resolution removing the restrictions against the test, insofar as the resolution is concerned I think the committee indicated an interest in studying this subject further. I am pleased that you are doing that. I really do have difficulties here in avoiding getting into a discussion of the substantive issues of our hearing.

Mr. BROWN. Let me go back to these resolutions. I presume it is your feeling that the committee's adoption of the resolutions would