

For example, you have the question of wire charges. You have the question of regulation which you would have at least insofar as charges for the service delivered by wire.

Mr. BROWN. I am talking about the siphoning off of writers and technicians.

Mr. DINGELL. Conceivably there would be some of this siphoning which would take place.

Mr. BROWN. This is also true of public broadcasting?

Mr. DINGELL. It would affect public broadcasting.

Mr. BROWN. And public broadcasting would affect free TV; is that right?

Mr. DINGELL. Obviously when you have a marketplace and a new factor comes in there is going to be some interaction take place.

Mr. BROWN. What percentage of the spectrum would be used for pay TV under the present regulations or the proposed regulations that the FCC has set up? What percentage of concern do we have here about whether that spectrum is going to be used or misused?

Mr. DINGELL. I can't give you a precise figure, but I can say that the FCC says that approximately 83 communities will be involved. In those 83 communities and in each one of those communities there will be four or five stations, UHF's and VHF's. One of these can be converted to a subscription television station either in its entirety or in part.

Mr. BROWN. You are talking about these UHF stations, that we tried to encourage, that are not on the air yet?

Mr. DINGELL. Conceivably two things could happen.

One, you could convert an existing UHF or VHF channel which is vacant, or, two, you could convert an existing channel, one which is presently used for UHF or VHF, to subscription TV.

I could not prophesy without a very careful study what would happen in a particular place.

Mr. BROWN. My question is: How much absorption or sopping up of unused spectrum or presently used spectrum is this really going to create? This is one of the issues in your discussion.

If you are going to permit use by pay TV of existing VHF station channels or UHF channels presently allocated but not operating, I don't know how much concern I would have over the spectrum being taken away from the needs of police departments and fire departments, and so forth.

Mr. DINGELL. The answer is that I cannot sit here and make you a flat prediction as to what percentage is going to go. I cannot tell you which of the 83 communities in which they are eligible for this "U" will have a station set up which will have an unused UHF or VHF channel and in which of them you will see an existing "U" or "V" pulled from the present licenses on the free spectrum into the subscription spectrum.

Mr. BROWN. You have suggested this is a serious part of the problem under this issue and I wondered how serious that problem is.

Mr. DINGELL. I think it will vary from community to community, according to the market situation.

Frankly, I think either happening is a bad one at this particular time.

Mr. BROWN. Do I understand you would concur or not concur in the