

at this point, restricting it in this sense—to insist that before new systems be authorized in the largest markets of the country there be a hearing before the Commission to determine what the impact will be upon existing television and upon the prospects of additional new stations.

And secondly, the other facet to the problem—I am running through it quite quickly—is that in places outside the top markets of the country where the Commission's rules on entry are not quite so restrictive there are all kinds of disputes that arise between cable operators and station operators and they are brought to the Commission and the Commission, through the CATV Task Force and other groups, is in the process of taking care of the problems on entry into the top 100 markets and settling disputes between the operators of the stations in the other markets.

The problems are very severe and the Commission is trying its best to find the answers and I think it has a worthwhile program going for it.

One other thing; there are some very important matters now pending outside the Commission that will have a substantial bearing on the future direction of the Commission's effort in regulating this industry and also on the development of the industry itself. There is a challenge to the jurisdiction of the FCC over CATV that was argued in the Supreme Court last month—I think it was March 13, as a matter of fact—and it is expected that there will be a decision in that case before the Court adjourns for the summer and that should be sometime in June. That will supply a lot of answers as to whether the Commission can go forward with the kind of program it has in mind or will have to go to Congress and seek some legislative help or what-have-you.

Additionally, one of the bases for the Commission's interest in this whole business is that cable operators do stand outside the ordinary channels of program distribution. They pick up signals and don't pay for them and the people they pick up signals from do pay for them and there is an element of unfair competition.

And there is a question of copyright liability that is now wide open that has been tried or heard in lower courts. It is up to the Supreme Court now. The decisions in the lower courts were against cable operators. That is, it was decided that the carriage of these signals was a performance for which copyright was due and the appeal was taken to the Supreme Court and that argument was held the day the argument on jurisdiction was held, and it is expected there will be a decision on that, too, sometime in June. When these answers are forthcoming from the Supreme Court, the Commission will get additional information and so will the industry.

Mr. BROOKS. We thank you. Your world is in limbo until you get these two decisions.

Mr. HYDE. We are trying to provide an orderly——

F. PROGRAM VII—FIELD ENGINEERING AND ENFORCEMENT

Mr. BROOKS. The field engineering and enforcement——