

AMENDING THE COMMUNICATIONS ACT SO AS TO ELIMINATE 30-DAY RESTRICTION ON SPECIAL AND SAFETY SERVICE LICENSES

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JUNE 13, 1961.—Ordered to be printed
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Mr. MAGNUSON, from the Committee on Commerce, submitted the following

R E P O R T

[To accompany S. 1371]

The Committee on Commerce, to whom was referred the bill (S. 1371) to amend subsection (e) of section 307 of the Communications Act of 1934, as amended, to permit the Commission to renew a station license in the safety and special radio services more than 30 days prior to expiration of the original license, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

The bill as herewith reported reads as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (e) of section 307 of the Communications Act of 1934, as amended (48 Stat. 1064; 47 U.S.C. 307(e)) is amended by striking out all after "(e)" and adding in lieu thereof the following:

"No renewal of an existing station license in the broadcast or the common carrier services shall be granted more than thirty days prior to the expiration of the original license."

GENERAL STATEMENT

This bill would amend subsection (e) of section 307 of the Communications Act so as to permit the FCC to renew a license in the safety and special radio services field more than 30 days prior to the expiration of the original license. This bill was introduced by Senator Magnuson at the request of the Federal Communications Commission.

At the present time section 307(e) reads as follows:

(e) No renewal of an existing station license shall be granted more than 30 days prior to the expiration of the original license.

The language as presently contained in the act is sufficiently broad to include all types of licenses issued by the FCC—those for broadcasters and common carriers, as well as those in safety and special services area.

The FCC proposal will maintain the present restriction insofar as broadcast and common carrier licenses are concerned and it is in this area that the restriction of section 307(e) is more appropriately applied since application for broadcast licenses and common carrier services are usually granted on a competitive basis and the nature of the services offered under these licenses affects a major segment of the population and the 30-day limitation acts as a useful limitation.

The 30-day requirement of section 307(e) creates an obstacle to the Commission's constant effort to timely process the ever-increasing number of applications for authorization in the various safety and special radio services.

In many cases, a needless duplication of effort could be avoided if an application for license modification could also be treated as a renewal application. Since no renewal can be granted more than 30 days prior to the expiration of the original license under the law as now written, the Commission, in those cases where it is considering an application for the modification of a license which has an expiration date occurring more than 30 days later, must act solely on the modification notwithstanding that the same license will thereafter come up for renewal. Such a practice seems inefficient and needlessly burdensome, especially when, as in all of these safety and special radio type cases, applications for license modification contain all information needed for renewal consideration. Also, such licenses are not mutually exclusive so the rights of others are not prejudiced by a grant.

The magnitude of the problem may be illustrated by examining some statistics in the amateur radio service which is just one of the numerous safety and special radio services. During the fiscal year 1959, 10,500 modified licenses were issued. Eventually, each of these 10,500 licenses must be processed again on renewal, even though all the information necessary for renewal was at hand when the modifications were granted.

The bill herein reported would permit the Commission to consider such applications for modification as applications for modification and renewal. Accordingly, the Commission could then issue such modified licenses for a regular license term, thus eliminating most of the duplicate effort. A similar reduction of workload in relation to the overall application processing activities in this area would be a great advantage to the public and the Commission, without any reduction in the Commission's current fulfillment of its public interest obligations.

The elimination of the 30-day restriction contained in the present law would eliminate needless duplication by authorizing the FCC to act on renewals at the same time they are modifying a license. In view of the sheer volume of applications in the safety and special services area, plus the noncompetitive nature of these licenses, the

public interest would be served by minimizing the duplication and burdensome repetition now required because of the 30-day restriction. This is another step in the direction of making available to the FCC the flexibility that will lead to the reduction in workload and backlog of cases that has plagued the FCC for the past 10 years.

The letter from the Chairman of the Federal Communications Commission requesting this legislation, together with his explanatory statement, is set forth below for the information of the Senate. Neither the Department of Justice nor the General Accounting Office, to whom the bill was submitted for comment, has any objection to it. Your committee has received no protests from any source.

FEDERAL COMMUNICATIONS COMMISSION,
Washington, D.C., March 8, 1961:

THE VICE PRESIDENT,
U.S. Senate, Washington, D.C.

DEAR MR. VICE PRESIDENT: The Commission has adopted, as a part of its legislative program for the 87th Congress, a proposal to amend the Communications Act of 1934 to authorize the Federal Communications Commission to limit the prohibition against renewing existing station licenses more than 30 days prior to the expiration of the original license to the broadcast and common carrier services. As a consequence, if this proposal were adopted, the Commission could then grant renewals of station licenses in the field of safety and special radio services more than 30 days prior to the expiration of the original license. The Communications Act currently provides that no renewal of an existing station license shall be granted more than 30 days prior to the expiration of the original license (47 U.S.C. 307(e)).

The Commission's draft bill to accomplish the foregoing objective was submitted to the Bureau of the Budget for its consideration. We have now been advised by the Budget Bureau that, from the standpoint of the administration's program, there would be no objection to the presentation of the draft bill to the Congress for its consideration.

Accordingly, there are enclosed six copies of our draft bill on this subject and six copies of an explanatory statement with reference thereto.

The consideration by the Senate of the proposed amendment to the Communications Act of 1934 would be greatly appreciated. The Commission would be most happy to furnish any additional information which may be desired by the Senate or by the committee to which this proposal is referred.

Sincerely yours,

NEWTON N. MINOW, *Chairman.*

EXPLANATION OF PROPOSED AMENDMENT TO SUBSECTION (e)
OF SECTION 307 OF THE COMMUNICATIONS ACT OF 1934, AS
AMENDED, TO PERMIT THE COMMISSION TO RENEW A STA-
TION LICENSE IN THE SAFETY AND SPECIAL RADIO SERVICES
MORE THAN 30 DAYS PRIOR TO EXPIRATION OF THE ORIG-
INAL LICENSE

The Commission recommends that section 307(e) of our act be amended so that the 30-day restriction on renewal of

licenses would be deleted so far as the safety and special radio services are concerned (47 U.S.C. 307 (e)). Language for the suggested amendment is attached hereto.

Section 307(e) now prohibits the granting of any renewal license more than 30 days prior to the expiration of the original license. This 30-day restriction creates an obstacle to the Commission's constant effort to timely process the ever-increasing number of applications for authorizations in the various safety and special radio services.¹

In many cases, a needless duplication of effort could be avoided if an application for license modification could also be treated as a renewal application. Since no renewal can be granted more than 30 days prior to the expiration of the original license under the law as now written, the Commission, in those cases where it is considering an application for the modification of a license which has an expiration date occurring more than 30 days later, must act solely on the modification notwithstanding that the same license will thereafter come up for renewal. Such a practice seems inefficient and needlessly burdensome, especially when, as in all of these safety and special radio type cases, applications for license modification contain all information needed for renewal consideration. Also, such licenses are not mutually exclusive so the rights of others are not prejudiced by a grant.

The magnitude of the problem may be illustrated by examining some statistics in the amateur radio service which is just one of the numerous safety and special radio services. During the fiscal year 1959, 10,500 modified licenses were issued. Eventually, each of these 10,500 licenses must be processed again on renewal, even though all the information necessary for renewal was at hand when the modifications were granted.

Amendment of section 307(e), as recommended herein, would permit the Commission to consider such applications for modification as applications for modification and renewal. Accordingly, the Commission could then issue such modified licenses for a regular license term, thus eliminating most of the duplicate effort. A similar reduction of workload in relation to the overall application processing activities in this area would be a great advantage to the public and the Commission, without any reduction in the Commission's current fulfillment of its public interest obligations.

The 30-day limit also causes burdensome and needless repetition in processing renewal applications which are prematurely received by the Commission. In the fiscal year 1959, for example, approximately one-half of the 15,000 renewal applications received in the amateur radio service were submitted prematurely and had to be sorted and set aside until ripe for processing. An amended section 307(e) would eliminate this problem.

¹ During the fiscal year 1959, the Commission received 250,000 applications for stations in the safety and special radio services.

Moreover, it would appear that the restriction in section 307(e) is more appropriately applied exclusively to applications for broadcast licenses and common carrier services. Since these applications are often granted on a comparative basis, and the nature of the service offered affects a major segment of the population in the area proposed to be served, the 30-day limit would seem to have a useful purpose. On the other hand, the private, noncompetitive nature of the safety and special radio services would seem to make such a 30-day limit unnecessary.

CHANGES IN EXISTING LAW

In compliance with subsection 4 of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill are shown as follows (new matter is printed in italic, and existing law in which no change is proposed is shown in roman):

COMMUNICATIONS ACT OF 1934, AS AMENDED

ALLOCATION OF FACILITIES; TERM OF LICENSES

SEC. 307. (a) The Commission, if public convenience, interest, or necessity will be served thereby, subject to the limitations of this Act, shall grant to any applicant therefor a station license provided for by this Act.

(b) * * *

(c) * * *

(d) * * *

(e) No renewal of an existing station license *in the broadcast or the common carrier services* shall be granted more than thirty days prior to the expiration of the original license.

