ORIGINAL

OFFICIAL TRANSCRIPT PROCEEDINGS BEFORE

THE SUPREME COURT OF THE UNITED STATES

DKT/CASE NO. 82-912

TITLE FEDERAL COMMUNICATIONS COMMISSION, Appellant v. LEAGUE OF WOMEN VOTERS OF CALIFORNIA, ET AL.

PLACE Washington, D. C.

DATE January 16, 1984

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IN THE SUPBEME COURT OF THE UNITED STATES. 1 2 - - - - -- - - - X FEDERAL COMMUNICATIONS COMISSION : 3 Appellant 4 - 2 : Nc. 82-912 5 V . LEAGUE OF WOMEN VOETERS OF 6 1.1 7 CALIFCENIA, et al. 1. - -8 - - - - - x 9 Washington, D.C. 10 Zonday January 16, 1984 11 The above-entitled matter came on for oral 12 13 argument before the Supreme Court of the United States 14 at 1:50 p.m. 15 16 APPEAR ANCES: 17 18 SAMUEL A. ALITO, JR., FSQ., Office of the Solicitor Ceneral, Department of Justice, Washington, D. C.; on 19 behalf of Appellant. 20 21 FREDERIC D. WOOCHEE, ESC., Ios Angeles, California; 22 on behalf of the Appellees. 23 24 25

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1	FRGGESIS
2	CHIEF JUSTICE BURGER: Mr. Alito, I think you
3	may proceed when you are ready.
4	CRAL AEGUMENT OF SAMUEL A. ALITO, JE., ESC.,
5	ON PEHALF OF APPELLANT
8	NR. ALITC: Mr. Chief Justice, and may it
7	please the Court:
8	This case concerns the constitutionality of 47
9	U.S.C. Secton 399 which prohibits editorializing by
10	those public television and radio stations that receive
11	federal subsidies from the Corporation for Public
12	Breadcasting. This case is a direct appeal from a
13	decision by the United States District Court for the
14	Central District of California which invalidated Section
15	399.
16	Appellees have raised a question about this
17	Court's jurisdiction over the case, and the Court has
18	postponed further consideration of the jurisdictional
19	issue to the hearing on the merits. We have fully
20	briefed the jurisdictional issue, and therefore, unless
21	the Court has some questions on that matter, I will move
22	directly to the merits of the case.
23	QUESTION: I do have a question, actually,
24	Counsel.
25	Did you cite the Griggs decision of last term

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1 in connection with this, interpreting Fule 4(a)(4)?

MR. ALITO: Yes. That, of course, is one cf. 2 the principal bases upon which Appellees rely. But of 3 4 ccurse, the appellate rules do not govern appeals to this Court, and there is a provision in 4(a)(4) which is 5 noticeably absent from this Court's rules, and that 8 provision says that a notice of appeal filed while 7 certain post-trial motions are pending is a nullity. 8 There is no such provision in this Court's rules. As I 9 understand it, the rule prior to the 1980 amendment of 10 the appellate rules which added that provision was that 11 a notice of appeal filed under those circumstances would 12 be valid, and therefore, I would believe that the 13 absence of such a rule in this Court's rules means that 14 our notice of appeal here is valid. 15

I would also point out that I think there is a question whether Rule 4(a)(4) applies to interlocutory appeals, even to the courts of appeals. But in any event, as I said, that rule does not apply to appeals to this Court.

21 QUESTION: But certainly the Griggs result 22 creates a trap for the unwary, doesn't it?

23 MS. ALITC: It creates a trap for the unwary,
24 and when there is no provision in the governing rules
25 pointing that trap cut, it is all the more dangerous and

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unfair. There is nothing in this Court's rules that say
that a notice of appeal filed while a motion for
reconsideration is pending is a nullity, and I think
that to reach that result in this case would frustrate
the intent of Section 1252 under which we appealed,
which of course is to allow a speedy and authoritative
disposition of guestions involving the constitutionality
of acts of Congress.

9 If that had to wait while a collateral matter
10 like attorneys' fees was decided. I think Congress'
11 intent would be frustrated. For example, here nearly a
12 year went by while the attorneys' fees question was
13 being decided by the District Court.

Moving to the merits of the case, Section 399 14 has two separate provisions. The first provision which 15 is directly attacked here today of course provides, as I 16 said, that stations receiving federal funds from the 17 Corporation for Public Broadcasting may not engage in 18 editorializing. In fact, every public television 19 station at last count, and virtually every full service 20 public radio station receives such funds. 21

The term editorializing has been authoritatively construed by the FCC, consistent with the legislative history, to mean only the official endorsement of views by station management, and

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therefore, Section 399 does not prohibit the discussion
of any topic or the expression of any viewpoint.
Station employees, journalists, commentators, public
officials and everybody else can express their views on
any subject. The only thing that cannot be said is this
editorial represents the position of station management,
or something to that effect.

8 And of course, a station can say even that if 9 only it is willing to give up federal funds. If these 10 funds are as insubstantial as Appellees and the district 11 court suggest, then that should not represent a major 12 sacrifice.

13 There is a second provision of 399 that is not 14 directly challenged here today, but we believe it is 15 nevertheless very much at issue, and that provision 16 prohibits public stations from supporting or opposing 17 candidates for office.

Now, Appellees originally challenged that
provision as well and advanced almost the same arguments
they now advance in this court in attacking the first
provision of Section 399. But they abandoned that
appeal with Pacifica saying that at least for the
present it has no intention of supporting or opposing
candidates.

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QUESTION: Mr. Alito, you sat they abandoned

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1 that appeal. Do you mean they abandoned that prong of 2 their attack in the district court?

3 MR. ALITC: Yes, I misspoke, Justice
4 Pehnquist. They amended their complaint.

5 But the argument that they have made in this 8 Court that Section 399 can survive only if it is the most narrowly drawn statute designed to serve a 7 8 compelling governmental interest would surely call for 9 the invalidation of the second provision of Section 399 as well if it calls for the invalidation of the first. 10 And indeed, that argument is so broad that it calls into 11 question virtually all of the special rules that apply 12 to public stations as well as rules like the fairness 13 doctrine that apply to all broadcasters. 14

15 Appellees play a kind of hide and seek dame 16 with this regulatory structure. They deploy, as they 17 said, a First Amendment argument that seems to require 18 that most of it be swept away, yet at the same time they 19 rely on these regulations, including the second 20 provision of Section 399 to show that the provision on 21 editorializing is unnecessary.

QUESTION: Well, the standard which you attribute to Appellee as the narrowest possibly tailcred is really the standard that applies to the government as regulator, isn't it, not to the government as expending

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1 public funds.

MB. ALITC: I'm nct sure I understand your 2 3 question, Justice Rehnquist. 4 CUESTION: Well, we have held, for instance, 5 in cases like Regan v. Taxation with Pepresentation, 8 United States Fostal Service v. Greenberg and cases like 7 that that where the government isn't acting as lawgiver in the sense of regulating private individuals, but 8 9 instead, deciding how it is going to put its property to 10 use or how it is going to spend its money, the standards are a good deal more lenient. 11 MB. ALITC: It certainly is, and that is cur 12 second aroument in this case. Section 399 does not 13 prohibit a public station from editorializing. It 14 simply says that if it wants to do so, it can't receive 15 funds from the Corporation for Public Broadcasting. 18 QUESTION: Did the government make that 17 spending power argument below? 18 MR. ALITO: We did not couch it in those 19 terms, but we certainly pointed out and relied upon the 20 fact of government funding, and the district court 21 addressed that question, and I don't really think that 22 the spending power raises a different question. It's 23 just an aspect of the same larger question, whether 24 Section 399 violates the First Amendment, and I think 25

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that is the same question whether the affirmative basis
 for Congress' action is the spending power or the
 connerce power.

QUESTION: But if you say that, you can't also
be arguing, well, all they have to do is give up the
money, and they can -- because your argument really
would extend a blanket prohibition against
editorializing by public stations.

MF. ALITC: We are making two arguments, 9 10 Justice Stevens. We believe that Section 399 was 11 contitutional as originally enacted in 1967, and we believe it is all the more constitutional as amended in 12 1981. In fact, I think the effect of the amendment in 13 practical terms was very slight since substantially all 14 stations receive these funds, and it was Congress' 15 belief in 1967 that they would receive those funds. 18

17 QUESTION: I think your basic argument would
18 really apply not merely to public television but to all
19 licensed television, wouldn't it?

20 MR. ALITC: No, not at all, Justice Stevens. 21 Nothing in our submission has any implications for 22 commercial broadcasting. The heart of our argument is 23 that public broadcasting is very different in many ways 24 from commercial broadcasting. It was created for a 25 different purpose, and it is dominated by government

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1 entanglements that have no parallel whatsoever in the 2 world of public broadcast -- of commercial

3 broadcasting. And it is that which supports the 4 constitutionality.

5 QUESTION: Well, there is this parallel, that 6 in both areas the government has the power to say you 7 cannot continue to broadcast. I mean, because even in 8 the private sector they have the licensing power.

MR. ALITC: Well, that is certainly true, and 9 the government has considerable power over all 10 broadcasting that it doesn't possess with respect to the 11 print media. I think this Court's cases have recognized 12 that the government's power with respect to all 13 broadcasting permits restrictions on the right to 14 editorialize. The right to editorialize is also the 15 right not to editorialize, as the Court said in Miami 16 Herald Company v. Tornillo, but commercial broadcasters 17 are encouraged to editorialize, and they have to give up 18 time for reply under certain circumstances when they 19 make an attack on an individual or a group or they 20 support or oppose a candidate. That is a restriction on 21 editorializing that would not be tolerated in the print 22 media. 23

24 The question here is whether a further 25 restriction on editorializing that Section 399 puts into

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1 effect is justified by the special characteristics of public broadcasting. Let me turn to those special characteristics. First of all, there is the matter of funding. Sixty-seven percent of the income of public radio comes 6 from direct government subsidies, and approximately 60 percent of the income of public television --QUESTION: We will resume there at 1:00 9 o'clock. (Whereupon, at 12:00 o'clock noon, the Court recessed, to reconvene at 1:00 c'clock p.m., this same 12 day.)

1	AFTERNCON SESSION
2	(1±00 F.m.)
3	CHIEF JUSTICE BURGEE: Mr. Alito, you may
4	proceed when you are ready.
5	ORAL ARGUMENT OF SAMUEL A. ALITC, JR., ESQ.,
8	CN BEHALF CF AFFELLANT Fesumed
7	MR. ALITC: Mr. Chief Justice, and may it
8	please the Court:
9	Before lunch I was beginning to talk about the
10	enormous differences between public broadcasting which
11	is involved here, and the commercial sphere of the
12	industry, with which this Court is perhaps more familiar
13	due to its prior decision.
14.	Appellee has tried to the Appellees have
15	tried to suggest in this case that public stations are
16	generally just like conmercial stations: they are free
17	to do and say whatever they want with the scle exception
18	of the ill-motivated restriction contained in Section
19	399, and that is simply not true. Public stations are
20	subject to many special restrictions designed to ensure
21	that they remain true to their intended purpose and
22	fulfill their public mission.
23	For example, they may not be profit-making
24	institutions. They can only be licensed to units of
25	government and non-profit groups. They may not sell air

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time even for political or public affairs programming. 1 They may not accept advertising, even political 2 advertising. They have -- they are subject to special 3 equal employment offertunity rules, special accounting 4 rules, special open meeting requirements. They have to 5 have community advisory boards to review their 6 programming and see if they are serving the needs of the 7 entire community. 8

Now, before lunch, before lunch I started to 9 10 talk about the matter of funding, and of course, that is critical here. I pointed out that fully 60 percent of 11 12 the income of public broadcasting comes from direct government grants, and that is really only the 13 beginning. Virtually every public television station 14 facility in this country was built with substantial 15 federal funds, and many of public broadcasting's most 16 popular shows, such as Sesawe Street, are financed with 17 federal dollars and are supplied to these stations at no 18 cost or less than cost. And then, of course, there are 19 the huge tax subsidies that these stations receive by 20 virtue of their tax-exempt status. 21

Appellees have attented to disparage the significance of the federal contribution to public stations, but on this point I think I will let the Corporation for Public Broadcasting speak for itself.

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1	In its latest annual report, it says flatly, general tax
2	revenues are the linchrin of a viable American Public
3	Broadcasting Service.
4	And then there is the question of ownership.
5	Two-thirds of these stations are actually owned outright
8	by units of government or by government
7	instrumentalities.
8	QUESTION: You don't mean the United States
9	government, though
10	MR. ALITC: Not by the federal government, but
11	by state and local acvernments, and typically, by teards
12	or authorities that state government sets up to run
13	these stations.
14	Let me take just one example, the example of
15	Alabama, just because it is
16	QUESTION: Well, Mr. Alito, are you suggesting
17	that a state operated public broadcasting system or
18	station is subject to more federal regulation under the
19	Constitution than a privately owned well, there can't
20	be a privately owned one, can there?
21	You say there can't be a privately say, is
22	a state operated station subject to more regulation
23	under the Constitution than a station owned by a
24	nonprofit private corporation?
25	MR. ALITC: Section 399 does not draw that

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sort of distinction, but our argument is that Congress
 was legislating against the backdrop of the type of
 public broadcasting system it intended to create, and it
 envisioned the fact that many of these stations were
 going to be governmentally owned.

QUESTION: But what if, say, the State of
7 Alabama or the City of Birmingham, whatever the other,
8 say we would like our station to editorialize?

9 MR. ALITO: Well, I think the Congress in regulating broadcasting can take into account the kinds 10 11 of abuses that may develop when a publicly owned station using public funds, even state or local funds, engages 12 in editorializing and supporting or opposing 13 14 candidates. I think that creates the possibility cf grave abuses that are not present, certainly in the area 15 of connercial broadcasting. It creates the danger that 16 the station will be used as an outlet for government 17 propagandizing, and I think that one of the things the 18 First Amendment tries to prevent is government at any 19 level drowning out private voices in the media of 20 communication. It creates the possibility that people 21 will gc into public broadcasting not because they are 22 primarily concerned with excellence and diversity in 23 breadcasting, which was the purpose for the Public 24 Broadcasting Act, but because they are interested in 25

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pushing a particular partisan or ideological message. 1 2 That's the --3 QUESTION: Do they allow debates on local controversial issues if the city municipal corporation 4 owns the station? 5 8 MR. ALITO: Absolutely. They are allowed to broadcast any view on any issue, and anybody can speak 7 in an individual capacity or representing any group save 8 one, and that is the management of the station. 9 QUESTION: Well, how does that avoid ideclogy 10 ther? 11 MR. ALITC: Because it avoids the labeling by 12 the station of a particular view as official. 13 QUESTION: You mean they carry the Red Lion 14 concept way beyond what it -- the way it regulates 15 private profit stations. 16 MR. ALITC: It does carry the reasoning of Red 17 Lion a step further, and it does that because these are 18 public stations. They are not financed with private 19 advertising dollars; they are financed in large measure 20 by money that is supplied by the taxpayers, and it would 21 in many ways be fundamentally unfair if public money 22 were used to propagate a single, narrow set of partisan 23 or ideclocical views. 24 QUESTION: Mr. Alito, would you make the same 25

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1 aroument for a newspaper if it received some kind of 2 public subsidy? 3 dR. ALITC: If newspapers received subsidies 4 of this order, I suppose some of the same arguments 5 coulds be made, but that is a difficult question to answer because it presupposes a world of publishing that 6 7 is alien to what we have always known. The federal government does not subsidize the print media in any way 8 that resembles the subsidies that are given to 9 public --10 CUESTION: It perhaps may subsidize them 11 indirectly through tax benefits of some kind or 12 deductions. 13 MR. ALITO: It, it is --14 OUESTION: Postage rates. 15 MR. ALITO: Well, I know Appellees have relied 16 on postage rates. I seriously question whether those 17 are subsidies of any sort, and in any event --18 OUESTION: Well, you mean they are not 19 consequential? The weekly news magazines couldn't 20 function if they didn't get the special rates, couldn't 21 stay in business. 22 MR. ALITC: Hell, that is true, Mr. Chief 23 Justice, but they operate in a very different way from 24 the subsidies here. They allow -- they are not intended 25

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1 to subsidize the publication. They are intended to make 2 it --

QUESTION: It is an indirect subsidy. 3 4 MR. ALITO: Their purpose is to make it less expensive for an individual to receive the publication 5 of his choice, and if I like Popular Mechanics and I 8 don't like Field and Stream, I can't complain because my 7 neighbor gets Field and Stream at a slightly lower price 8 because I get the same break on Popular Mechanics. 9 But here, most communities have a single 10 public television station and a single public radio 11 station, and therefore, if my tax money is used to 12 subsidize a station that continually espouses causes 13 that I disagree with and candidacies that I oppose, then 14 I am going to take objection. 15 QUESTION: Well, in many communities there is 18 only one newspaper. 17 MR. ALITO: Well, that is not due to the fact 18 of government regulation in any sense, and not due to 19 the fact of government subsidy. 20 This Court has relied on the scarcity of 21 broadcast frequencies to justify restrictions. 22 CUESTION: Well, isn't that changing? Aren't 23 there far more frequencies available today than in the 24

25 past?

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MR. ALITC: There are, Justice O'Connor, but I 1 think there is still a scarcity with respect to the most 2 valuable frequencies, VHF television stations, for 3 4 example, in the most desirable markets. And I think in any event that is a judgment for Congress to make. 5 Congress certainly has not abandoned the scheme of 6 licensing breadcasters in the rublic interest which 7 8 rests upon an idea of frequency scarcity. CUESTION: The government doesn't have to rely 9 only on the Red Lion, does it? I mean, it can rely also 10 on the right of any contributor to attach strings to its 11 contributions. 12 MR. ALITO: Absolutely, Justice Rehnquist, and 13 let me turn then to that point. 14 As I said, Section 399 does not prohibit a 15 station from editorializing. It simply says if you want 16 to editorialize, you have to do it with private money. 17 Congress has frequently enacted statutes like 18 this which condition the receipt --

QUESTION: Well, would your position then be 20 that as long as the station isn't using the public money 21 for the editorializing aspect, that it is all right? 22 MR. ALITC: Nc, Justice C'Connor. I think 23 that that is artificial economics. Federal support 24 assists every aspect of station operations, and as the 25

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sentence I read from the Corporation for Public
 Breadcasting report indicates, in many instances it is
 absolutely vital for the continued existence of public
 stations in their present form.

Therefore, if there were no such support, in 5 many cases there would be no antenna, there would be no 6 studio, there would be no employees, and it would not 7 really make very much difference if the station could 8 draw from private funds, the small, direct incremental 9 amount necessary to broadcast the editorial. If funded 10 public stations were permitted to editorialize, given 11 the nature of funding for rublic broadcasting, the 12 federal government would necessarily be subsidizing that 13 editorializing, and that is one of the chief things that 14 Congress sought to prevent. 15

Now, Appellees' argument is that Section 399
is unconstitutional because it attaches an
unconstitutional condition to the receipt of federal
money, and they rely on cases like Speiser v. Randall
and Perry v. Sindermann, and Sherbert v. Verner, but
those cases I think are clearly distinguishable from
this one on at least three major grounds.

23 First of all, this Section 399 is not in any
24 way content-related. It does not prevent anybody from
25 expressing any view or discussing any topic. An

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argument very similar to Appellees' was made to this 1 Court in FCC v. National Citizens Committee for 2 Broadcasting in which the Court considered the 3 constitutionality of regulations that prohibited 4 newspapers from getting broadcast licenses in the same 5 market, and the Court unanimously rejected on the pround 6 that the regulations there were not content-related. 7 And that distinguished Speiser in that line of 8 authority. 9 And I think this --10 QUESTION: I am puzzled but this argument. It 11 seems to me the very test of what can't be broadcast is 12 a content -- is defined in terms of content: that you 13 can't give editorial. 14 MR. ALITO: I don't believe that's true, 15 Justice Stevens. I think a measure is content-related, 16 as I said, if it restrictions the expression of any view 17 or the discussion of a topic, and Section 399 does not 18 to that It simply says you cannot editorialize. It 19 concerns the packaging of expressing rather than its 20 content. 21 QUESTION: But you surely couldn't tell 22 whether the program you listen to were an editorial cr 23 not without listening to its content, could you? 24 MR. ALITO: Well, I think that that is true, 25

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but it is not content-related in the senses that I
 believe this Court has pointed out in its opinion, in
 its opinions.

4 The Speiser line of authority is distinguishable in any event, I think, on two other 5 grounds. First of all, Section 399, as I said, prevents 6 7 the use of federal money to subsidize editorializing, 8 given the nature of the funding that public broadcasting receives, and in Speiser and these other cases there was 9 no real question of subsidy. In Speiser, for example, 10 taxrayers were denied a property tax exemption that was 11 12 given to honorably discharged veterans, and they were denied that on the ground that they refused to sign a 13 loyalty oath. 14

Well, you certainly couldn't say that the property tax exemption, if it had been given, would be routed to subsidizing their refusal to sign the loyalty oath, and I think that is true of the other cases upon which Appellees have relied.

And finally, the restriction here is closely related to the purposes for Congress' funding. It is not simply an extraneous limitation that is tacked on. It helps to ensure that public broadcasting remains true to its intended purpose. It helps to preserve the public, nonpartisan character that is essential for

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1 public broadcasting. And --QUESTION: How can you say that, Mr. Alito, 2 when apart from funding, the broadcaster may 3 4 editorialize? 5 dE. ALITC: I am not sure that I understand the thrust of your question, Justice Blackmun. 6 If a station does not receive funding, it is 7 not covered by the statute. In fact, every station, 8 9 with a few exceptions in the field of radio, does 10 receive that funding, and thus, the statute --11 QUESTION: But it might be funded by state funds or otherwise. 12 MR. ALITO: Well, the pattern is that these 13 stations receive funds from a diversity of public 14 sources. They receive about 25 percent of their 15 funds --18 QUESTION: Are there any which do not receive 17 federal funding? 18 MR. ALITC: We don't know whether there are 19 any that do not receive federal funding. We know that 20 all public television stations receive Corporation for 21 Public Broadcasting grants, and then 90 percent of the 22 public radio stations that are qualified for those 23 grants -- and that is generally the professional, 24 full-service stations. 25

1 QUESTION: I am frank to say what I am 2 bothered about with your case is that it is a complete 3 ban on editorializing in an area that is at the core of 4 the First Amendment, and I think therefore it is a 5 little different from, say, Harris v. McRae.

QUESTION: Is the rationale behind this
r statute much the same in your view as behind the statute
that forbids USIA broadcasts, which go to all -- many
other countries, but they cannot -- the same material
cannot be broadcast in this country?

MB. ALITC: That is certainly one of the 11 principal bases for this statute, to prevent the use of 12 these stations for government propagandizing. And I 13 think it is naive to believe that a medium that gets 14 fully 60 percent of its income from government sources 15 could take editorial positions and support or oppose 16 candidates without taking into account the wishes of 17 these who control the purse strings. 18

19 And in the case of those stations that are 20 owned outright by local government. I think that the 21 argument has all the more force.

22 QUESTION: When you make that statement, you 23 are speaking of political propagandizing, or just USIA, 24 Voice of America type of thing?

25 MR. ALITC: I think the statute is concerned

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with political influence of all types, whether it comes
 from the federal government or from state and local
 government.

When Congress enacted Section 399, it received 4 5 some very compelling testimony by people who operated 6 municipal broadcasting stations. For example, the director of the New York City station said we don't take 7 any editorial positions because if we did, they would 8 have to be the positions of the mayor, and therefore, we 9 take none. And I think that is one of the purposes of 10 Sectin 399, to prevent the use of these stations which 11 were intended to be a community resource, to provide 12 excellent broadcasting, from being used for narrow 13 14 partisan purposes. And it prevents them from posing an inviting target for marrow partisan and ideological 15 groups . 16

17 QUESTION: Mr. Alito, do you think a staticn
18 would be free to retain a prominent commentator who
19 appeared regularly on the station advancing political
20 views?

ME. ALITC: I think it certainly would.
Editorializing has been defined to mean the official
expression of views by management, and if a public
station wanted to have their equivalent of Eric Sevareid
or Eavid Brinkley, I see no reason why they couldn't do

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that. 1 2 QUESTION: Do you think it would have any less influence doing it that way? 3 4 MR. ALITC: I think that it would contribute equally to public debate. I do think that it lacks some 5 of the abusive features that official editorializing 6 has. 7 I would draw a rough analogy here to the 8 establishment clause of the First Amendment. The 9 establishment clause doesn't interfere with anybody's 10 practice of religion, but it says that Congress cannot 11 proclaim one religion as the official religion, and that 12 is essentially what Section 399 does. 13 It doesn't interfere with any expression of 14 views, but it just says that a public station using 15 public money cannot put its official stamp of approval 16 on any particular view or candidate. 17 QUESTION: Is your response to Justice Powell 18 then that in your view or -- it must be your view that 19 these national commentators are totally unbiased and 20 nonpolitical. 21 MR. ALITC: No, I don't take that position at 22 all, but they are --23 OUESTION: Well, I thought you said that that 24 would be proper to use some of these shows that appear 25

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1 on the three networks, the three commercial networks. MR. ALITO: Congress in no way wanted to 2 prevent the lively discussion of public issues and the 3 expression of every contrasting viewpoint. It just did 4 not want an official expression of view on behalf of 5 6 station management. 7 QUESTION: Well, Congress really shut one door and left about five doors open, didn't it, for anybody, 8 any station that wants to put on various partisan 9 views. No long as they are not the partisan views of 10 11 management, they can be put on. MR. ALITC: Well, of course, they are subject 12 13 to the fairness doctrine like all other broadcasters. QUESTION: But which isn't -- the fairness 14 doctrine isn't attacked here, as I understand it. 15 MR. ALITC: Nc, it's not, but I'm saying the 16 fairness doctrine provides a protection against slanted 17 breadcasting. 18 QUESTION: Sc far. 19 MR. ALITO: Congress drew a line where a line 20 could be drawn between editorializing and other public 21 affairs presentations. 22 And I do think that in the case of 23 editorializing, there is a special feature that lends 24 itself to abuse because public money is being used to 25

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stamp an official viewpoint as that of station
 management, and I think that's what Congess intended to

3 prevent.

QUESTION: Well, what if it appeared that this 4 management of one of these public stations was over a 5 period of time, it was demonstrated that he selected, he 8 or she selected commentators whose view was all one way, 7 either on domestic tax policy or economic policy or 8 foreign policy? What about that? 9 MR. ALITC: I think that's a fairness doctrine 10 question, and fairness doctrine compliance. 11 QUESTION: Only the fairness doctrine would be 12 a limitation on them, that they would have to, if they 13 could find one, find a commentator the other day. 14 MR. ALITO: They have to present an adequate 15

16 coverage of all issues of public importance in a fair
 17 presentation of contrasting views on those issues.
 18 QUESTION: Is it your position that -- I take

19 it it must be -- that the fairness doctrine is not

20 sufficient protection?

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21 MR. ALITO: It is not sufficient protection in 22 this sphere.

QUESTION: And why?

24 MR. ALITO: Well, first of all, I have trouble
25 with the idea of balanced editorializing. Presumably a

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1 station cannot take a pro and con position on an issue. It has to -- editorializing is necessarily one-sided, 2 and precisely for the reasons that Appellees say it is 3 important for them to editorialize, the right of a 4 private citizen to give a reply, which incidentally is 5 not guaranteed except in narrower circumstances under 6 the fairness doctrine, is not a complete answer to 7 8 that. QUESTION: Mr. Woccher? 9 CRAL ARGUMENT OF FREDERIC D. WOOCHER, ESO .. 10 ON PEHALF OF APPELLEES 11 MB. WOOCHEE: Mr. Chief Justice, and may it 12 please the Court: 13 At issue in this case is a statute that very 14 straightforwardly and unabashedly suppresses speech of 15 the highest order in our constitutional framework. If 16 this statute were directed at the Washington Post or 17 presumably even at CPS TV instead of at Pacifica 18 Foundation, there would be no doubt of its 19 unconstitutionality. Indeed, in Mills v. Alabama, this 20 Court said with respect to a similar ban on editorials 21 that it was difficult to conceive of a more obvicus and 22 flagrant violation of the First Amendment. 23 Yet here the government is saying that the 24 same ban on editorializing can constitutionaly be 25

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applied against Pacifica and other noncommercial
 broadcasters.

QUESTION: Do you mean by that that the City
of New York or the City of Chicago can own and control a
public station and let the mayor of the town have
special rights for broadcasting and have his views
advocated over opposing views?

8 MR. WOOCHER: As long as there is fairness is 9 assured, which is assured by the fairness doctrine, yes, 10 that would be no problem. In fact, it would raise very 11 substantial federalism issues if the federal government 12 were permitted to suppress the viewpoints of the state 13 or local governmental entities, particularly if their 14 speech was directed at a federally related issue.

Now, in order to justify this distinction 15 between this ban and those bans which would not be 16 constitutional if applied in other contexts, the 17 government jumps between two separate rationales. They 18 rely upon the presence of a government subsidy, and they 19 also rely upon the scarcity rationale and the scarcity 20 of broadcast frequencies. But neither of these 21 rationales, whether alone or in combination, can support 22 their result. For the notion that the government can 23 use its federal funds and its federal subsidy as a 24 justification for imposing a restriction on the use of 25

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1	private funds has never been accepted by this Court.
2	QDESTION: Well, Mr. Woocher, you agree, I
3	take it, that the government could say we are going to
4	give you 35 percent of your operating funds, and you
6	can't use any of those funds for editorializing.
6	MR. WOOCHER: That's exactly right.
7	QUESTION: Okay, now, supposing the government
8	does that and they see that the station is just
9	switching the government funds over to something else
10	and pulling ot some other funds and using the private
11	funds to editorialize, and the government says, well, we
12	are trying to have some we want to discourage
13	editorializing. The way we are allotting the money
14	isn't doing any good. So then the government says let's
15	make it mean something. So we say, we will give you 35
18	percent if you won't editorialize.
17	Now, what is so different about that?
18	MR. WOOCHER: Well, there are two things.
19	One, if the government's express purpose were to
20	discourage editorializing with private funds, that would
21	raise constitutional problems, even if they only imposed
22	the restriction on the use of the federal funds.
23	But moreover, the notion of segregability
24	QUESTION: Well, I think that answer is
25	inconsistent with cur opinion in Regan last year, Fegan

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v. Taxation without Representation. 1

MR. WOOCHER: I believe the Regan decision 2 laid forth two simple principles: one, that the 3 government may refuse to expend its funds on a person's 4 exercise of a constitutional principle, but even in that 5 context, the Regan decision made clear that if the 8 7 government did so with an intent to suppress dangercus views, that that would raise constitutional problems. 8

QUESTION: Yes, but I don't see this case as 9 10 involving any suppression of "dangerous views" at all. No particular views are suppressed. The station is just 11 told it cannot adopt an editorial policy, whatever that 12 policy might be. 13

MR. WUOCHER: The station is told that it 14 cannot express its views on controversial issues of 15 public importance. That's what the statute requires. 16 In Consolidated Edison, for example, this Court held 17 that a restriction that imposes such a restraint on the 18 discussion of an entire topic is just as 19 constitutionally infirm as one which prohibits --20 OUESTION: But that wasn't a spending power 21 case. You are treating this -- Consolidated Edison 22

23 if the government had said to all private stations, 24

wasn't a spending power case. You are treating this as

whether they get government funding or not, all public 25

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stations, you can't do this. The government didn't say
 that. It is saying only the ones that get government
 can't do this.

4 MR. WOOCHER: And it is saying you cannot do 5 it even with your own private funds. I think that is the distinction between this case and TWR, as -- in that 8 opinion there were two principles. One is that the 7 government may refuse to exercise -- may refuse to 8 subsidize the exercise of a constitutional right, but 9 the second principle was the reaffirmation of the 10 lonest anding prohibition against unconstitutional 11 conditions. 12

QUESTION: Well, I agree that certainly Regan did not cover the situation, the distinction you make because it was not present in Regan. But what you are saying is that though the government may do something in an ineffectual way that doesn't have any result because the people just switched the funds, it can't do it in an effectual way.

20 MR. WOOCHER: I think that the government may 21 not suppress speech that is paid for with private 22 funds.

Ncw, the notion of segregability is one that
has been consistently accepted not only by Congress but
by this Court's jurisprudence, in the establishment

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clause area, for example. It is accepted that the 1 government may spend money which goes to a religious 2 institution, and presumably that religious institution 3 may use that money to free up some other money and 4 therefore expend that. 5 6 Congress does it all the time when they impose categorical grants. And in fact, the government has 7 argued in the Grove City case that it is appropriate to 8 segregate funds. 9 QUESTION: That is the government's own choice 10 11 there. The government is saying we will do this, and if you want to switch funds, that's okay. 12 Here the government has said we don't want to 13 risk your switching funds. Why shouldn't that be a 14 decision of Congress rather than the courts? 15 MR. WOOCHER: Because in doing that they have 16 placed a prchibition on wholly private funds, and it is 17 not a guestion --18 QUESTION: Mr. Woocher, suppose a station just 19 couldn't exist without public money, that it just would 20 go out of business, and it is absolutely essential for 21 the station to receive government money. So if it is 22 going to editorialize or do anything else, it has to 23 have the testimony money. 24 MR. WOOCHER: The fact that the station needs 25

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the money so much just points cut what a coercive 1 influence it is on the station. It is the same as the 2 3 postal subsidy --QUESTION: Well, I think that certainly, I 4 would think, would read against you, because if you are 5 so dependent upon the sources of funds, if you could 8 editorialize, you would be bound to express the 7 financier's view. 8 MR. WOOCHER: Well, we have a situation 9 10 here --CUESTION: That's part of the argument. 11 MR. WOOCHER: Even if that were the case, that 12 is not the situation here. The government does not --13 the federal government does not supply 60 percent of the 14 15 funding, for example. Pacifica Foundation, my client, 16 who was prohibited from expressing its own views with its own privately supported, privately raised funds, 17 cannot do so, and it gets only 20 percent of its funds 18 19 from the federal government. OUESTION: Well, you are making an argument 20 though, here in this Court and in your brief, that this 21 is unconstitutional on its face. 22 MR. WOOCHER: Both on its face and as 23 applied. 24 OUESTION: Well, I suppose all you really need 25

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1	to represent your client, to win for your client is to
2	have it be held unconstitutional as applied to your
3	client.
4	But why would you say that's necessarily true
5	countrywide?
8	MR. WOOCHER: Well, because the facts support
7	it. The facts are that the federal government
8	supplies
9	QUESTION: Do you think there is no station
10	that you can think of in the country that wouldn't be
11	shut down if government money was cut off?
12	I guess that just isn't
13	MR. WOOCHER: I don't think that's a relevant
14	consideration, whether or nct
15	QUESTION: That isn't reality, Mr. Woocher.
16	MR. WOOCHER: I just don't think that's a
17	relevant consideration, whether or not
18	QUESTION: Well, I know you must now you
19	have to say that, but I was just so that was your
20	answer to my original question, that it is just
21	irrelevant that the station would shut down without the
22	money.
23	MR. WOOCHER: Right, because as the Chief
24	Justice pointed out, many of the newspapers, many of the
25	magazines that receive postal subsidies would shut down

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without the government money. Many institutions in cur 1 country would shut down without government money. Eut 2 if the government could apply the same rationale to all 3 those institutions that receive any government funds, 4 this would lead to a terrible parade of horribles. It 5 would allow them to coerce the forfeiture of their 6 constitutional rights because the government holds cut 7 the carrot of its funds and says if you want to receive 8 these funds which you need to survive, which in our 9 society is increasingly the case, you can't get them 10 unless you promise that you are not going to 11 editorialize, unless you promise you will not --12 QUESTION: Unless you promise not to express 13 our views. 14 MR. WOOCHER: I beg your pardon? 15 CUESTION: Unless you promise not to express 16 our views. 17 MR. WOOCHER: Unless you promise not to 18 express your own views. 19 CUESTION: Well, surely you cannot have the 20 government fund a breadcast station in this country to 21 advance the views of that government, would you not 22 agree with that? 23 MR. WOOCHER: Well, certainly not, and that 24 points up the distinction --25

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QUESTION: You wouldn't agree with it, or you 1 2 do agree with it? MR. WOOCHER: Well, the government may choose 3 to propagate its own views. It may choose to buy air 4 time to propagate its views, for example. 5 QUESTION: Boy air, that's guite different, 6 buying air time. 7 Why, then, do we forbid, does Congress forbid 8 9 any broadcast of the USIA, the Voice of America, in the 10 United States? MP. WOCCHER: Because that is a governmental 11 12 entity. QUESTION: Yes. 13 MR. WOOCHER: And it is a very different 14 situation than we have here. These are not governmental 15 entities. The noncommercial broadcaster --16 QUESTION: But they could not exist, in the 17 hypothetical that Justice White gave you, some of them 18 at least could not exist without the government's 19 support, is that not true? 20 MR. WOOCHER: That is the case. A welfare 21 recipient might not be able to exist without the 22 government's support. There are a lot of people in 23 24 society and a lot of institutions in society that cannot exist without the governmental support. 25

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QUESTION: Wel, would the station which got
100 percent of its funds from the federal government not
be a governmental entity?
MR. WOOCHER: It could not it might not be
a governmental entity. It would depend very much on the
way it was set up.
QUESTION: What would it be?
MR. WOOCHER: It would be a 100 percent
government funded private entity. A welfare recipient
is not a governmental entity, even though he may he
or she may receive all their funds from the government,
, and under the current regulatory structure, no
noncommercial station is a federal governmental entity.
And that is a very important distinction
because while the covernment may with certain limits
impose restrictions no the use of its funds, and the
effect may be that if a station is 100 percent
government funded, the effect would be to prohibit
editorializing they cannot use the leverage of their
government funds to suppress speech to support it wholly
with private funds.
QUESTION: Do you think that the statute
forbidding the use of Voice of America broadcasts within
the United States is unconstitutional?
MR. WOOCHER: I don't believe that it's

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unconstitutional. I believe the federal government 1 probably has an opportunity to speak as well. There are 2 certain restrictions, as Mr. Alito pointed out, that the 3 federal government should not be allowed to drown cut 4 all opposing voices. But I don't think the First 5 Amendment applies to the federal government in terms of 6 restricting what it wants to do in terms of its own 7 speach. But it does restrict what a private entity can 8 do with their speech and can do with their own private 9 funded speech, and that is the essence of this case. 10 Now, the government --11 QUESTION: Let me just interrupt you, if I 12 13 may. You say that the First Amendment poses no 14 restriction on what the government may do with its cwn 15 speech. So if the government decided to spend billions 18 of dollars advancing the interests of the Republican 17 Party, that would be permissible? 18 MR. WOOCHER: No, there may be limits --19 QUESTION: May be limits. 20 MR. WOOCHER: I misstated it. There are 21 limits on what the government might do, but the First 22 Amendment applies in the context of the entire spectrum 23 of --24 CDESTION: Well, aren't they limits imposed by 25

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1	the First Amendment?
2	MR. WOOCHER: I beg your pardon?
3	QUESTION: Are they not limits imposed by the
4	First Amendment?
5	MR. WOOCHER: There may be limits imposed on
6	the governmental speech by the First Amendment, but they
7	are certainly not at issue in this case.
8	QUESTION: You don't say it categorically.
9	You just think there may be?
10	QUESTION: Well you wouldn't say that if the
11	government gave this money to these stations and said
12	provided you put on editorials that we will send you in
13	the mail, now, you know that wouldn't be permitted,
14	would it?
15	MR. WCOCHER: Of course not, because the
16	government would be coercing
17	QUESTION: That's one answer to Justice
18	Stevens.
19	QUESTION: Yes, you were arguing before that
20	it would be permitted, if T heard your correctly.
21	MR. WOOCHER: I'm sorry. I misspoke myself.
22	QUESTION: Okay.
23	MR. WOOCHEF: Now, the government, when
24	confronted with the difficulties in their government
25	funding argument and the fact that in fact it is not

1 simply a limitation placed on the use of federal funds, but is a limitation placed on the use of wholly private 2 funds -- and I might add that Pacifica Foundation could 3 go cut, solicit contributions solely for its 4 editorializing, and that would be prohibited by this 5 statute as well, but then the government shifts grounds 6 and points to the scarcity rationale as a justification 7 for imposing the restriction here that they concede 8 could not be imposed on other recipients of government 9 10 funds. But the scarcity rationale gets them no 11 further either. 12 QUESTION: Well, isn't the scarcity rationale 13 the distinction between the government's ability to 14 regulate broadcasting and the government's ability to 15 regulate a newspaper? 16 MR. WOOCHER: That is the justification that 17 would be used --18 QUESTION: Because there is no limit on how 19 many pices of paper you can print or distribute. 20 MR. WOOCHER: That's correct. That's exactly 21 right, and I thought until this day, until Mr. Alite 22 suggested that perhaps you could place similar 23 restrictions on newspapers to the extent they were 24 government funded, that there was no permissible 25

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restriction like that. And the only justification,
 therefore, for applying it to noncommercial broadcasters
 who receive government funds and not applying it to
 other written press that receive government funds must
 rest on the scarcity rationale.

But the whole notion of the scarcity rationale 6 is to maximize the number and diversity of views that 7 are heard over the airwaves. That's why the fairness 8 9 doctrine is a constitutional doctrine, because it doesn't prohibit the broadcaster from expressing its own 10 views; it simply says that if you express your views, to 11 make sure that the paramount right of the public to hear 12 a diverse number of views, you have to give an 13 opportunity for the presentation of other views.

14 opportunity for the presentation of other view

15 But this statute --

QUESTION: Mr. Woocher, are there any -- does the record have any fats in it about your client, this station, its economics and how important the government funding is to it?

20 MR. WOOCHER: It does. The record reveals, I 21 believe, that there is -- that Pacific received 22 approximately 20 1/2 percent, 20.5 percent of its funis 23 from federal sources.

24 QUESTION: And is that about all there is? Is 25 that about the only fact about like that?

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1 MR. WOOCHER: I believe that's the case. OUESTION: And no basis for knowing that if 2 3 the government funding was removed, that it would cr wouldn't stay in existence. It was in existence before 4 it received any money, wasn't it? 5 8 MR. WOOCHEB: That's precise -- that's exactly true. It was founded in 1949. It subsisted for over 20 7 years without a penny of federal aid. 8 OUESTION: Bight. 9 MR. WOOCHER: Which shows that perhaps the 10 federal aid is not necessary to their survival. 11 12 QUESTICE: Well, I am just wondering if the facts are in the record about Facifica. 13 MR. WOOCHER: The facts about Pacifica are 14 15 known. QUESTION: In your view, would it be any 16 different, would the rule of law you are advocating he 17 any different if it is 80 percent funding instead of 20 18 percent? 19 MR. WOOCHER: Not at all. The only difference 20 would be that it might be permissible to impose a 21 restriction on the 80 percent, but on the 20 percent 22 that would be still private funds, nc. 23 QUESTION: Well you would rather that there 24 was such a difference than to lose this case, wouldn't 25

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1	You?
2	MR. WOOCHER: I bed your pardon?
3	QUESTION: You would rather have such a
4	difference recognized than to lose this case for our
5	client, I suppose.
6	MR. WOOCHER: I suppose I would rather win
7	this case for the client, but I think it would be a very
8	equally poor precedent if it were to rely on the amount
9	of the federal
10	QUESTION: That would be true, in your view.
11	MR. WOOCHER: That's correct.
12	I might add that Facifica is by no means
13	atypical in that regard, and there are many stations
14	it is not the case, as Mr. Alito said, that we do not
15	know that there are some noncommercial broadcasters that
16	don't receive federal funds. There are approximately
17	over 1000 radio stations out there that don't receive
18	any funds from CPB, and many, many of them don't receive
19	any federal funds at all.
20	Now, getting
21	QUESTION: Mr. Woocher, do you regard 399 as a
22	content-based regulation?
23	MR. WOOCHER: It is certainly a content-based
24	regulation, and I am mystified by the government
25	suggesting that it is not content-based.

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1	I think what they may be doing is
2	confusing
3	QUESTION: That bears on the standard, the
4	appropriate standard of review of which types do they
5	gather, does it?
8	MR. WOOCHER: That's correct.
7	They may be confusing the notion of
8	content-related or content-based with content
9	neutrality. All that the NCCB opinion, for example,
10	stated was that was not a content-related statute at all
11	because in that situation it was merely a structural
12	regulation, a precondition about newspapers being able
13	to cwn stations, collocation, issues like that. In
14	fact, the effect of that restriction there was to
15	enhance the diversity of views that the public would be
18	exposed to.
17	Speiser, on the other hand, talked about
18	content neutrality, but this Court has recognized that a
19	content neutral statute is very different from one that
20	is content based.
21	QUESTION: Does Facifica publish commercial
22	advertising?
23	MR. WOOCHEB: Facifica does not publish
24	commercial advertising?
25	QUESTION: Is it because it is forbidden to?

1 MR. WOOCHER: That is correct. The only restriction that is placed on the content of the 2 noncommercial broadcaster's programming. 3 4 QUESTION: Well, cnly its program is 5 restricted. MR. WOOCHER: Well, it's a very --6 7 QUESTION: It sounds to me like that is a -if editorializing is content based, so is that. 8 MR. WOOCHER: It is a very different sort of 9 restriction, because as this court has recognized, first 10 of all, commercial speech has always been entitled to 11 less than full protection under the First Amendment. 12 Here we have speech that is being prohibited that is at 13 the core of the First Amendment. 14 And second, the restriction on commercial 15 advertising in fact does not prevent them from 16 expressing those views over the air. The only thing it 17 prevents is them -- prevents them from doing is 18 receiving payment --19 QUESTION: What other kind of program 20 restrictions are there besides forbidding commercial 21 advertising? 22 MR. WOOCHER: That's it. That is the only 23 other kind of program restriction, and even that, as I 24 say, is not a programming restriction. 25

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1 QUESTION: Except what might be imposed by the 2 fairness doctrine. 3 MR. WOOCHER: That's correct. QUESTION: Whatever those are. 4 MR. WOOCHER: What would be imposed upon all 5 broadcasters. 8 QUESTION: Mr. Woocher, in reading Judge 7 Lucas' opinion, I didn't get a clear idea of just what 8 it was that Pacifica wanted to do by way of 9 editorializing that it can't dc under 399. I mean, is 10 it a 30 second thing once a day or a five minute thing 11 every hour? Does the record show? 12 MB. WOCCHER: The record doesn't show how it 13 would exercise that right. 14 QUESTION: Does it show that it has exercised 15 it in the past? 16 MR. WOCCHER: The record does not show whether 17 or not it has exercised it in the past, but as I say, 18 that is really not relevant. The issue is that this 19 statute --20 QUESTION: If Pacifica was not going to do 21 anything that would be barred by the statute, presumably 22 there is no dispute. 23 MR. WCOCHER: Pacifica -- there is in the 24 record a statement by Facifica that it fully intends to 25

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1 exercise its right to editorialize if Section 399 were declared unconstitutional. That is very clear in the 2 3 record. And I think --QUESTION: But it has not editorialized up to 4 now? 5 MR. WOOCHER: It has been prohibited from 6 editorializing up to now. 7 QUESTION: Well, yes. I wasn't asking you why 8 it hadn't. I was just asking whether or not it had. 9 MR. WOOCHER: That's correct. It has not. 10 QUESTION: And how long has it refrained from 11 editorializing? 12 MR. WOOCHER: The record doesn't reveal that, 13 and I don't know. It is at least since 1967 when the 14 statute was enacted. 15 QUESTION: So it has been not editorializing 16 for 16 years. 17 MR. WOOCHER: That's correct. It has been 18 under this --19 QUESTION: And thriving? 20 And thriving? 21 MR. WOOCHER: Financially, perhaps. I don't 22 think it has been thriving. The -- in fact --23 QUESTION: Well it is hard to thrive if you 24 can't make any profit, isn't it? 25

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MR. WOOCHER: That's correct. It brought this
case because it did not consider itself able to provide
the services to its community that it wished to provide,
and one of those services was editorials. And I think
the question of what type of editorial would it be
likely to air is a relevant one.

QUESTION: If it hasn't done it for 16 years,
8 it probably doesn't know itself.

9 MR. WOOCHER: It is probably the case that it 10 doesn't. But it does know that it wants to get involved 11 in public affairs, and it does know that the right to 12 editorialize is a very important privilege to the 13 journalist, and it has had a very meaningful effect 14 throughout the course of history.

Now, Pacifica, for example, may well wish to 15 air an editorial in connection with a drug abuse program 16 and say they wanted to say we do not think -- we think 17 that people should be very careful about getting started 18 in drug abuse, they should be very careful about taking 19 one step down that path, and they have some programming 20 which this is done in connection with, but their 21 editorial says we strongly urge our listeners not to get 22 involved in any use of drugs. 23

24 Now, what conceivable threat does this pose to 25 the government in this case?

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1 QUESTION: Mr. Woccher, I suppose your client 2 could use the government money to produce its own program about drug abuse. 3 MR. WOOCHER: At this point I believe that's 4 the case, that the grants are not restricted. 5 QUESTION: And have 20 or 30 people who are 8 hired as part of that production to express views about 7 drug abuse. 8 MR. WOOCHER: That's right, but that is very 9 10 different from Pacifica itself --QUESTION: I understand it is different, but 11 12 nevertheless, you can -- you are not forbidden from influencing -- exerting your influence in this area 13 14 through producing your own shows, for example. MR. WOOCHER: That's correct, except for the 15 fairness doctrine obligations. 16 QUESTION: Yes. 17 QUESTION: Suppose it had a series of 18 documentaries, alleged documentaries, saying that after 19 all these years of experiments with segregation, 20 desegregation, that the conclusion had been reached that 21 it was better for the races to be segregated, with the 22 advent of new Asiatics coming in, the Asiatics should go 23 to one school, and so forth? 24 What about that? Do you think that would be 25

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1 all right?

MP. WOOCHER: Certainly it would be all right. I don't believe the government has any right to prevent anyone from speaking those views. What the fairness doctrine requires is that there be an opportunity presented for the expression of a contrary viewpoint.
Now, the government -QUESTION: The only way they could deal with the fellow that advocated reversing the desegregation

11 program in this country would be to have someone present 12 the other side, the other point of view.

MR. WOOCHER: Or the FCC could determine in 13 its regulatory framework, that if that broadcaster had 14 somehow continually either violated the fairness 15 doctrine or exposed this one view and was using its 16 station for those purposes, they would be subject to the 17 same licensing restrictions and same possibility of 18 license revocation as a commercial station. 19 QUESTION: Under the United Church of Christ 20 case. 21 ER. WOOCHER: I'm not familiar with the case, 22 but under their power in granting licenses. 23 QUESTION: Mr. Woocher, the government 24

25 contends that there is some real danger that if a

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1 station is editorializing, that the government might be blamed for the views expressed. They want to avoid that 2 possibility. 3 How are these monies -- what is the route that 4 5 is followed in passing out these monies to these stations? Who -- nobody in the administration hands it 8 out, dces it? 7 MR. WOOCHER: That's correct. The money is 8 appropriated by Congress to the Corporation for Fullic 9 Broadcasting. At that point the Corporation --10 CUESTICH: And who is that? 11 MR. WOOCHER: That is a nonpartisan, private 12 entity. It is not a governmental entity. It is a 13 nonprofit corporation. Its members are appointed in a 14 nonpartisan fashion I believe by the President. 15 QUESTION: And who else? Who else has a hand 16 in it, dc you know? 17 MR. WOOCHER: Congress may have a hand, but 18 Congress I believe may have the right of -- yes, 19 Congress does have the right of confirmation. So they 20 are appointed --21 QUESTION: But it is the President who 22 appoints them? 23 MB. WOOCHER: Yes, I believe so. 24 QUESTION: And are they staggered terms? 25

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1 MR. WOOCHER: They are a staggered term, that's correct. And there are requirements as to the 2 number of each person's -- it can be any political 3 party. CPB then takes that money and combines it with 4 private donations that they receive. For example, last 5 year they received \$150 million from the --8 QUESTION: Who makes the decisions in PBS? 7 MR. WOCCHER: Well, there's a very important 8 difference between PBS and CPB. 9 QUESTION: All right, CPE, that's what I 10 meant. 11 NB. WOOCHER: CPB has statutory structures as 12 to how much of their money they can allocate. The 13 best --14 QUESTION: How do they decide who does it 15 inside? 16 MR. WOOCHER: The CPP Board. 17 CUESTION: You mean the entire Board votes on 18 every grant? 19 MR. WOOCHER: No, no. no. As I say, Congress 20 sets up structures. It is a very much an objective, 21 nondiscretionary process. 22 QUESTION: Yes, but who is -- if the public --23 if your client gets some money, who makes the decision 24 whether it is going to get it? I mean, what people? 25

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MR. WOOCHER: The amount of money that they 1 get is established in terms of a proportionate amount by 2 Congress. CP8 then puts it through an objective, 3 nondiscretionary formula that trickles the money out to 4 the stations. It is an automatic process. If the 5 station editorialized, it couldn't possibly affect the 8 amount of money they gct. 7 QUESTION: Well, how do you ever get on the 8 list, just by being a public broadcasting company? 9 MB. WOOCHER: That's right. There are some 10 certain basic requirements, the CPB eligibility 11 requirements. 12 CUESTION: Sc nobcdy can -- you don't have to 13 be admitted to a favorite group. You are there already, 14 and it is just -- and you are going to be there until 15 you get thrown out. 16 AR. WOOCHER: That's correct, by the fact that 17 you are a nonprofit organization of a certain size with 18 a certain capacity, certain power, in terms of --19 QUESTION: And so I suppose part of your 20 argument, as I understand it, there is very little 21 chance of being influenced anyway. 22 MR. WOOCHER: Aa far as I can tell, there is 23 absolutely no chance of being influenced in terms of any 24 individual funding decisions. 25

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1	QUESTION: You don't think editorials
2	
	critizing funding decisions could ever have an impact on
3	funding decisions?
4	MR. WOOCHER: Not under the there is no way
5	that that could happen.
8	QUESTION: No, not possible.
7	MR. WOOCHER: Not to any particular station.
8	QUESTON: Even persuasive editorials having
9	such
10	MR. WOOCHER: Unfortunately not.
11	Now, the government has suggested that there
12	is something special about an editorial which
13	distinguishes it from, for example, the other programs
14	that they might put out on drug abuse that you were
15	referring to, Mr. Chief Justice. They contended that it
16	somehow lends itself especially to abuses, but the FCC
17	rejected that argument, and for the past 40, 35 years,
18	they have in fact stated just the opposite and have
19	encouraged editorializing because they feel, and rightly
20	so, that an editorial is the most straightforward and
21	open expression of a station's viewpoint and doesn't
22	lend itself to any kind of abuses that might be inherent
23	in the programming aspect of it.
24	So not only do we have a situation where they
25	are prchibited from expressing their views in a

1 straightforward fashion, but that prohibition itself runs counter to the very principle that the government 2 3 seeks to achieve by funding noncommercial broadcasting stations. 4 QUESTION: And your client, I take it, 5 wouldn't object to, if it is going to editorialize, to 8 give people an opportunity to state the contrary view. 7 MR. WOOCHER: Not at all, not at all. 8 QUESTION: In the hypothetical example, that 9 means you would give time to somebody advocating drug 10 abuse. 11 (General laughter.) 12 MR. WOOCHER: If they could find someone 13 responsible, yes. 14 QUESTION: Isn't that a possible problem? 15 MR. WOOCHER: Well, they have to have a 16 responsible spokesperson for that viewpoint. 17 I think in conclusion I would just like to 18 point out that this case really does involve more than 19 just the rights of Facifica Foundation and more than 20 just the rights of noncomercial broadcasters because the 21 government's argument does extend well beyond the 22 confines of that context. Indeed, it extends beyond the 23 confines of commercial broadcasting. 24 What they are saying, the essence of what they 25

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1 are saying they can do is prescribe institutional 2 neutrality. They concede that it might be a different 3 case if they were prchibiting one view or another, but 4 they think that they can prescribe institutional 5 neutrality on the theory that expressions of the 6 institution's viewpoints are somehow incompatible with 7 the intended mission in society of that institution.

I believe that that truly has alarming 8 9 implications in this day and age where it is no longer 10 the case that the single individual's voice can effectively provide a counterweight to government 11 action. It is increasingly the case that people have to 12 13 rely on groups of individuals, on institutions, on educational institutions, on state and local governments 14 to provide a voice in contrast to that of the federal 15 government, and if the federal government through the 16 coercive use of its funding which, as I say, is more and 17 more pervasive, can require those institutions to give 18 up the right to speak, even if it is not directed at a 19 specific viewpoint, it would mean that there would be no 20 effective voices left to counteract the government's 21 voice if and when such a counteracting voice is needed. 22 And I believe that is the true implications of 23 what is happening in this case. 24

Thank you.

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1	CHIEF JUSTICE BURGER: Thank you, gentlemen.
2	The case is submitted.
3	We will hear arguments next in Hoover v.
4	Ronwin.
5	(Whereupon, at 1:48 p.m., the case in the
6	above-entitled matter was submitted.)
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and that these attached pages constitute the original transcript of the proceedings for the records of the court.

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