

## HISTORY OF COMMUNICATION REGULATION

In 1843 Congress appropriated \$30,000 to construct an experimental telegraph line from Washington to Baltimore. Its use in 1844 confirmed the time advantage of distance communication by electrical means. The telegraph provided speedy communication at the time the West was being opened and aided in the extension and operation of railroads. To foster this expansion Congress enacted the Post Roads Act in 1866 "to aide in the construction of telegraph lines and to *secure to the government* (emphasis added) the use of the same for postal, military, and other purposes." The Act was to foster the construction of telegraph lines by granting, among other things, rights-of-way over public lands. It may be said that the Post Roads Act was the beginning of federal regulation of interstate electrical communication.

In 1876, United States Patent No. 174,465 was issued to Alexander Graham Bell and the first regular telephone line was constructed from Boston to Somerville, Mass., in 1877. Patent litigation between Western Union and telephone interests was terminated in 1879 by an agreement which largely separated the two services. Telephone service expanded. Boston and New York were connected in 1884. Service between New York and Chicago started in 1892 and transcontinental service was inaugurated in 1915.

The Act to Regulate Commerce (February 4, 1887) created the Interstate Commerce Commission to regulate, in the public interest, interstate commerce by transportation carriers. In 1888, Congress gave this Commission powers with respect to telegraph services required to be furnished by railroad and telegraph companies.

By the turn of the century Guglielmo Marconi had demonstrated radio telegraphy and the new medium proved to be an effective aid in marine rescue work as well as for communicating between ships and between ships and shore points.

Radio technology advanced from the spark gap transmitter stage with the development of the Alexanderson high-frequency alternator and the De Forest tube. In 1907, Dr. Lee De Forest used radio to telephone the results of a yacht race on Lake Erie from ship to shore.

Federal regulation of the rates and practices of interstate communication carriers was initiated by the Mann-Elkins Act of 1910. This extended certain provisions of the Interstate Commerce Act to cover common carrier services, both wire and radio.

The first federal statute relating specifically to radio communication was the "Wireless Ship Act of 1910." An "ocean-going steamer" licensed to carry 50 or more persons was prohibited from leaving any port of the United States unless equipped with efficient radio apparatus in charge of a skilled person and capable of communicating over a distance of at least 100 miles. The Secretary of Commerce and Labor, who had the duty of administering the marine navigation laws, was directed to publish the regulations necessary for the execution of this Act.

The first law regulating radio communication, other than to protect life and property at sea, was enacted by Congress in 1912 as an Act to Regulate Radio Communication. This legislation grew out of the widespread recognition of the increasing importance of radio. The Act of 1912 stipulated that there should be no radio operation without a license granted by the Secretary of Commerce and Labor and that all radio apparatus should, when in use, be in charge of a person licensed for that purpose by the Secretary.

### NOTICE

Not for use or disclosure outside the  
Bell System except under written agreement

**SECTION 400-500-100**

**Appendix 2**

Station KDKA, Pittsburgh, Pa., is the acknowledged pioneer in experimental broadcast radio operations. Licensing of broadcast stations on a regular basis began in 1921 with station WBZ, Springfield, Mass., receiving the first license. The Secretary of Commerce and Labor selected 833 kHz, and later 750 kHz, as suitable for broadcasting and licensed stations on one or the other of these frequencies. As the number of stations increased, the situation became chaotic and annual conferences with radio interests were held in Washington. It was decided that separate channels should be assigned to each station even though there was no provision for this in the Act of 1912. To compound the problem, new stations selected their own frequencies and power, too. Dissatisfied stations changed frequency, power, and hours of operation at will.

The inadequacy of the Radio Act of 1912, enacted when broadcasting was unknown, was recognized. Congress, at the urging of the Secretary of Commerce, enacted the Radio Act of 1927 "to regulate all forms of interstate and foreign radio transmission...within the United States...and to provide for the use of such channels, but not the ownership thereof..." The Act of 1927 created a Federal Radio Commission composed of five members appointed by the President with the advice and consent of the Senate, the Chairman being designated by the President.

The legislative history of the Radio Act of 1927 contains some interesting comments by the Senate Committee on Interstate Commerce in 1926:

"...The importance of radio and particularly the probable influence it will develop in the social, political, and economic life of the American People...demand that Congress establish an entirely independent body to take charge of radio regulation in all its forms."

"...Radio by its very nature is interstate in its effects..." "If the channels of radio transmission were unlimited in number, the importance of the regulatory body would be greatly lessened..."

"...The probable development of the art in the transmission of pictures...make it highly desirable that the government have such a body to administer this law."

The Radio Commission provided a central federal radio regulating agency. However, the Interstate Commerce Commission and the Postmaster General still possessed certain jurisdictions over the wire and wireless common carriers. In the summer of 1933 the Secretary of Commerce appointed a committee to consider a national communications policy. Authority over the transportation and power industries had been invested in the Interstate Commerce Commission and the Federal Power Commission, respectively. With this background and considering the disjointed regulation of the communications industry, the committee recommended the consolidation of existing authority in a single agency with broad responsibility over interstate and radio communications. On February 26, 1934, the President sent a message to the Congress recommending the creation of the Federal Communications Commission with "full power to investigate and study the business of existing companies and make recommendations to the Congress for additional legislation at the next session." The next day bills to carry out the President's recommendations were introduced in the House and Senate which led to the enactment of the Communications Act of 1934.