

Ronald Reagan Presidential Library  
Digital Library Collections

---

This is a PDF of a folder from our textual  
collections.

---

**Collection: Deaver, Michael**  
**Folder Title: Private Sector Initiatives**  
**1983 Miscellaneous 1983 Incoming to**  
**MKD from Jim Coyne (5)**  
**Box: 53**

---

To see more digitized collections  
visit: <https://reaganlibrary.gov/archives/digital-library>

To see all Ronald Reagan Presidential Library inventories  
visit: <https://reaganlibrary.gov/document-collection>

Contact a reference archivist at: [reagan.library@nara.gov](mailto:reagan.library@nara.gov)

Citation Guidelines: <https://reaganlibrary.gov/citing>

National Archives

Catalogue: <https://catalog.archives.gov/>

THE WHITE HOUSE

WASHINGTON

June 23, 1983

MEMORANDUM FOR MICHAEL K. DEAVER

FROM: MICHAEL P. CASTINE, DEPUTY DIRECTOR  
PRIVATE SECTOR INITIATIVES

SUBJECT: JUNE 28 ADVISORY COUNCIL MEETING

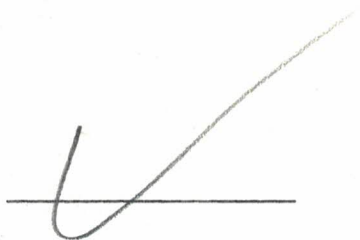
On June 28 the President's Advisory Council on Private Sector Initiatives will hold its inaugural meeting at the National Headquarters of the American Red Cross.

I would like to request your brief participation at the morning session of the meeting. Very short remarks expressing the President's commitment to private sector initiatives would add to the importance.

Time: 10:30 a.m.

A draft agenda is attached.

approve

A handwritten checkmark is drawn over a horizontal line.

disapprove

\_\_\_\_\_

## Tentative Agenda

8:00 breakfast  
9:20 bus from Hay Adams to Red Cross  
9:30 convene meeting  
9:40 Coyne  
9:50 Verity  
10:00 Galvin  
10:15 swearing-in/photo session  
10:30 Deaver  
10:35 Trowbridge  
10:45 Woodson  
11:00 Mossbacher  
11:15 leave Red Cross for WH  
11:30- lunch with President  
1:15  
1:20- press availability with Coyne, Galvin, Toote  
1:45  
2:00 Elliot presentation  
2:25 Donovan  
2:40 Dole  
2:55 Heckler  
3:10 Pierce  
3:25 Bell  
3:40 Coyne  
3:45 Galvin  
4:00 adjourn  
6:00 reception at Blair House

THE WHITE HOUSE  
WASHINGTON

*FJ*

June 23, 1983

*Phil  
I don't think  
Dick thinks this  
is a big enough  
job - I'd have  
him call if  
they're going  
to pull him for  
something  
else*

MEMORANDUM FOR MICHAEL K. DEEVER

FROM: JAMES K. COYNE, SPECIAL ASSISTANT TO THE  
PRESIDENT, PRIVATE SECTOR INITIATIVES

SUBJECT: DATA/NET

The Board of Director for DATANET is comprised of members of the private sector representing such organizations as the United Way, Chamber of Commerce, American Medical Association, American Bar Association, National Association of Manufacturers, Independent Sector, American Library Association and other non-profits.

Richard Schweiker, as Chairman, would bring to the Board a great reputation and respect from the public sector and the non-profit community. His commitment would involve chairing one meeting per year. Stan Karson, Executive Director of Schweiker's organization would serve as the liaison with this office as he has done over the last two years.

Unless you have other options for the former Secretary, I would like him to serve.

Background on DATANET is attached.

## DATA/NET FACTS AND FIGURES

### 1. What is DATA/NET?

DATA/NET is a network of people and information linked electronically by means of computers. People, information, and computers function together to solve problems, assist in the creation of community partnerships, and develop effective solutions to problems in issue areas such as education, health, legal services, and volunteerism. Of the three elements, people are the most important aspect of the network; computers are tools through which information may be exchanged and contacts made.

Specifically, DATA/NET is a non-profit, 501(c)(3) organization headquartered in Washington, D. C., but with members and partners all across the country. Data bases created by non-profit, corporate, trade association, governmental and other entities are available on the computer system as are videotapes and generic guides to such programs as developing business-education partnerships (e.g., Adopt-A-School programs).

Also available on DATA/NET is the capability to send so-called "electronic mail." A person or an organization can instantly and simultaneously communicate with other people and organizations across the country by entering and sending messages across telephone lines using computers as an intermediary.

An electronic "bulletin board" allows people with questions or problems to query organizations and individuals across the country without necessarily knowing in advance who should be asked. A general request for "help" will engender responses by interested others. DATA/NET staff can also assist in this process by accessing its proprietary listing of experts in various fields.

Of course, anyone with a printer capability can get "hard copies" of data base items; hard copies are also available through DATA/NET itself. A fuller listing of the data bases now on the system is provided elsewhere.

Organizations may use DATA/NET to share their newsletters and announcements (or to access newsletters and announcements from other organizations) with over 100,000 electronic mailboxes (individual computer terminals) in over 850 businesses, non-profits, governmental agencies and other organizations across the country.

DATA/NET staff is available to participate in conferences and seminars on issues within the system and of interest to members. DATA/NET itself from time to time holds conferences on topics ranging from private sector initiatives to computer literacy for the benefit of members and potential members.

## DATA/NET FACTS AND FIGURES

### 2. What are DATA/NET's missions?

DATA/NET has six major missions which all relate to assisting people and organizations in their problem solving by using human contacts, computers as vehicles, and the many data bases now available and being established across the country. The missions include:

- The establishment of a national electronic (computer) network which has the capability of linking data bases belonging to non-profit, for profit, governmental, local, voluntary and neighborhood groups and businesses, and of making such data available to DATA/NET members on a graduated fee basis;
- Using the network to facilitate the exchange among DATA/NET members of computer software, technical assistance and management aids;
- Using all available communications means, including telephone, electronic mail, newsletters, conferences and others, to link people who have questions and problems on a variety of issues with people who have answers and solutions;
- Developing, managing, implementing and sharing with DATA/NET members information, data bases, programs and procedures and other devices and materials which foster public-private and private-private partnerships on issues of concern to local communities and DATA/NET members;
- Establishing DATA/NET as a broadly-based membership organization with thousands of individual and organizational partners across the country to facilitate the cooperative search for solutions to problems through the sharing of information and human contacts;
- Assisting in increasing computer literacy in this country by making computer access and training available easily, locally, and inexpensively and by providing an interactive network through DATA/NET itself.

## DATA/NET FACTS AND FIGURES

### 3. How does DATA/NET operate?

Basically, DATA/NET uses computers and telephones as devices to interchange information and contacts.

If you don't have access to a computer terminal, you can call our office number and a staff member will help you; you are also welcome to call if you have questions about the system.

To those people who do not have their own computers, as well, DATA/NET through an agreement with the 6,800 Radio Shack outlets across the country and through agreement with many schools, post offices, libraries, and other public and governmental buildings, makes its systems available on a learning and trial basis free of charge. We do this not only to allow people to try our system but also to help people become accustomed to computers and to using them as tools.

To hook into DATA/NET with your own computer terminal, you will require a telephone modem and the proper connections (available at any computer store or from your vendor). You will also require a computer access code. This code does several things: it allows you access to the system or systems which you select on your membership application, and it allows DATA/NET to keep track of your usage of the system--much like a credit card would do.

Once you have called DATA/NET and entered your access code, you will receive a welcoming message and a "menu" of options which include electronic mail, an electronic bulletin board, and the data bases on the system. You may select to see all available newsletters on a specific topic and to print them out; you may prefer to find examples of legal services which solve a specific problem and simply jot down a telephone number without having them printed. The instructions are clear, easy to use, and precise; the options are many.

If you are an organizational member, you may pay for this access time on a bulk rate basis (so many hours of usage for a grant of dollars). Individuals pay for computer usage time on an hourly basis (the fee structure is described elsewhere) after a small initial membership fee which helps to defray costs of providing services.



THE WHITE HOUSE  
WASHINGTON

June 22, 1983

MEMORANDUM FOR MICHAEL K. DEEVER

FROM: JAMES K. COYNE, SPECIAL ASSISTANT TO THE  
PRESIDENT, PRIVATE SECTOR INITIATIVES

SUBJECT: INVITATION

I would like to cordially invite you to a breakfast on June 28th at 8:00 a.m. in honor of the President's Advisory Council on Private Sector Initiatives. The breakfast will be held at the Hay Adams Hotel, 800 16th Street, N.W. in the Preamble Room.

Please r.s.v.p. to Anne Kelly (x6676) as soon as possible.

ACCEPT

REGRET

Requested to Heidi  
6/23  
JK

JK

THE WHITE HOUSE

WASHINGTON

June 10, 1983

*Bill  
make copy  
for yourself  
& return to me  
good stuff!*

MEMORANDUM FOR MICHAEL K. DEEVER

FROM: JAMES S. ROSEBUSH *JSR*  
SUBJECT: Private Sector Initiatives

Mike, you asked me to relay the several ideas for PSI which I shared with Jim Coyne and his staff last week. Here they are:

1. There is a need for in-depth policy coordination. Coyne should be contributing a PSI perspective on every issue under consideration in the Office of Policy Development.
2. PSI should host (together with private sector groups) a conference on PRIVITIZATION. This meeting, at which the President would speak, would offer alternatives to traditional municipal and other community services. Megatrends chronicles many community services now being contracted out to private firms. This conference could explore cost savings and other incentives. It is very consistent with the Reagan platform.
3. PSI should provide you with a "hero a week". Someone ought to keep looking for local heros for photos and site visits. PSI should be doing this and submitting them to you once a week, before each scheduling meeting.
4. For many months I have suggested that a U.S. map be prepared showing priority states and indicating potential PSI site visits by using a key at the bottom of the map. You could then keep this as a reference and any time a trip is planned you would have potential presidential site visits to add to another trip at a moment's notice.
5. PSI should set priorities and have better definitions. To my thinking, these priorities should be

Jobs  
Housing  
Food  
Education

and nothing else. We should simplify and simplify. This will make it easier to accomplish things and to be given

credit for it. Everything PSI does should be geared to these priorities.

6. Each Cabinet agency should provide one program, one law or policy on which the advisory group could work. Rather than generalities, we need specifics, and each agency could give us something very concrete.
7. I am concerned about the value of another advisory group. Galvin will be looking for some specific direction, and you ought to tell him precisely what you would like to see him accomplish for the President. Things seem to be getting very general, and the whole program seems to lack direction. This new group could either compound this problem or take you out of it. You don't need advice from this "ADVISORY" group. You need specific, limited action.

PSI Full

THE WHITE HOUSE  
WASHINGTON

PSI  
FJD

May 18, 1983

*Bill*  
*also follow up*  
*with Coyne*  
*on next*  
*meeting*

MEMORANDUM FOR MICHAEL K. DEEVER  
FROM JAMES K. COYNE  
SUBJECT: CABINET SECRETARIES MEETING ON P.S.I.

The purpose of the Cabinet Secretaries meeting at 11:00 A.M. Thursday, May 18, in the Roosevelt Room is to convene the Cabinet members who will be serving on the President's Advisory Council on Private Sector Initiatives to review the PSI program. This meeting will be an opportunity for us to bring the Secretaries up to date on the President's commitment to PSI, to discuss what has happened since the Task Force completed its work, to explain the role of the White House Office of Private Sector Initiatives and to provide a description of their mission as members of the council.

Specifically, we will ask the Cabinet Secretaries to make presentations to the Advisory Council on the afternoon of June 20. In their talks they would describe their Department's PSI programs and the opportunities that they see for encouraging private initiative.

The agencies represented by Secretaries are: Labor, Education, Health and Human Services, Transportation. Action will be represented by the Director. Acting Secretary Mossinghoff will represent Commerce and Assistant Secretary Lance Wilson will represent Housing and Urban Development.

TOPICS FOR DISCUSSION:

- o Conclusion of the work of the President's Task Force on Private Sector Initiatives
- o Continued support of President
- o June 20 launch of President's Advisory Council on Private Sector Initiatives
- o Transition of Task Force to Advisory Council:
  - Task Force - Catalytic role
  - Advisory Council - operational role working to implement specific private sector programs to serve as examples

THEMES AND ISSUES:

- Education - (Adopt-A-School, Adult literacy, Historically Black Colleges and Universities)
- Workplace concerns - (corporate child care, job search clubs, summer jobs for youth)
- Family and Community - (Shelter program, Food Banks, Housing)
- Impediments and Barriers - (working group with Vice President's Task Force on Regulatory Reform)
- Communications - (Partnership Dataline, USA; Video Databank, meetings with PSI Cabinet liaison, Computer networking)

CABINET ACTION ITEMS:

- Promotion of PSI themes in speeches and articles by Secretaries and staff
- Communication with White House Office of Private Sector Initiatives regarding possible site visits or speech materials for the President
- Seed money for developing public/private partnerships
- Removal of Impediments and Barriers to volunteerism and private sector initiatives
- Increase inter-action with non-profits and the private sector, respond to their needs

Introduction of James Coyne for brief remarks.

THE WHITE HOUSE

WASHINGTON

April 25, 1983

JAB  
241  
file

MEMORANDUM FOR MICHAEL K. DEEVER

FROM: JAMES K. COYNE, SPECIAL ASSISTANT  
PRIVATE SECTOR INITIATIVES

JAB  
HAS READ  
5/15  
MDT

SUBJECT: APRIL 21 MEETING WITH THE PRESIDENT AND LOCAL  
TV STATIONS TO CELEBRATE SUCCESSFUL JOB-A-THONS

I thought you would be interested in the comments and publicity received as a result of the subject meeting.

As an example, Taft Broadcasting used their satellite feed to get the broadcast to all six stations and they aired the event on their 6:00 and 10:00 p.m. news that day. (Birmingham, Alabama; Cincinnati, Ohio; Columbus, Ohio; Buffalo, N.Y.; Kansas City, Mo., and Washington, D.C.) Terry Connelly, Vice President of Taft, commented that "everything was set up very well. Mr. Mechem couldn't believe how smooth it went with such short lead time." Farrell Meisel, Program Director of WDCA-TV, Washington, D.C. said, "Yesterday was probably the biggest thrill of my life. And there are few things that get me excited. I have been in the broadcast business for 9 years." In addition to the Thursday, April 21 airings, the Taft stations repeated the broadcast on their midday news programs. They also have prepared a press story for their communications publication.

WLNE-TV, Providence, Rhode Island aired the event on their 6:00 and 11:00 p.m. news programs. In addition, Mr. Truman Taylor, Director of the station's Public Affairs said, "We'll probably be using it for the next year or so since the President mentioned our station."

WSAZ Huntington, West Virginia had segments on the 6:00 and 11:00 p.m. news. They also had a package on the 6:00 p.m. news. They are doing a 7 minute magazine segment on April 23. Bob Bruner, Executive News Director said, "It was quite an honor to be there. I think ideas like that can really generate local TV stations to do a lot more. I have asked my station to come up with new ideas. Meetings like the April 21 one certainly get people motivated. When we are occasionally pressed, we really like to shine."

KYW-TV, Philadelphia, PA, aired the meeting on the 5:00 and 6:00 p.m. news on April 21. They also did a 1 minute 45 second package which they aired April 23. Mr. Robin Mackintosh, reporter, said, "We loved it. Around here we are as high as a kite."

The attached list records the additional coverage of the meeting.

ADDITIONAL COVERAGE OF 4/21 JOB-A-THON MEETING

KGAN-TV - Cedar Rapids, Iowa aired the meeting on their 6:00 P.M. and 10:00 P.M. News on 4/21/83.

WISN-TV - Milwaukee, Wisconsin had a segment on the 10:00 P.M. News.

KDKA-TV - Pittsburgh, Pa. carried the event on their 6:00 P.M. and 11:00 P.M. News. In addition, they said that they "were so impressed" that they have put together a story on their day at the White House for local newspapers.

WTRF-TV - Wheeling, West Virginia had a teaser on at 6:00 P.M. and the complete story on 11:00 P.M. News Program.

Independent News Network had a package on local New York (WPIX-TV) at 7:30 P.M. and 10:00 P.M. on 4/21. Also on Channel 20, Network News Program, on 4/22 between 11:30 A.M. and Noon.

WTVH-TV - Syracuse, New York carried the event on the 6:00 and 11:00 P.M. news 4/21 and on the 11:00 A.M. News 4/22. They commented that "everything worked out super. Thank you all for doing it and for including us".

WDAU-TV - Scranton, Pa. did story on the Job-A-Thon meeting at 6:00 and 11:00 P.M. 4/21 and at noon 4/22.

WBRZ-TV - Baton Rouge, La. were on live at 6:00 P.M. and again at 10:00 P.M. They commented that they "enjoyed the day and thought it was great that the President invited them".

KWTV- Oklahoma City carried the story on three different news programs, 5:00 P.M., 6:00 P.M. and 10:00 P.M. 4/21. Mr. Duane Harm, President of the station said that he "enjoyed meeting the President and the whole function".

KRGV-TV - Weslaco, Texas had a full report on the 6:00 and 10:00 P.M. News, with the 6:00 P.M. portion live from Washington.

WBIR-TV - Knoxville, Tenn. covered the event on the 6:00 and 11:00 P.M. News 4/21.

WSB-TV - Atlanta, Georgia aired on 6:00 and 11:00 P.M. Also did a story for the local newspaper.

Gannett - Had live coverage in Phoenix and Atlanta on the 6:00 and 7:00 P.M. News. They commented that "everybody was very happy with the way it went".

KRON-TV - San Francisco, California aired the program on their 6:00 and 11:00 P.M. News. Also midday on 4/22.

KOB-TV - Albuquerque, New Mexico did a 1-1/2 minute spot on the 10:00 PM. News.

MEMORANDUM

THE WHITE HOUSE  
WASHINGTON

April 15, 1983

TO: THE HONORABLE RAYMOND J. DONOVAN

FROM: MICHAEL K. DEEVER  
ASSISTANT TO THE PRESIDENT  
DEPUTY CHIEF OF STAFF

SUBJECT: Department of Labor Participation in  
Private Sector Initiatives

Your April 8th memo regarding the Department of Labor participation in Private Sector Initiatives was both interesting and encouraging.

I have taken the liberty of sending it on to Jim Coyne who now heads our Private Sector Initiative in the White House.



U.S. DEPARTMENT OF LABOR

SECRETARY OF LABOR  
WASHINGTON, D.C.

APR 8 1983

MEMORANDUM FOR MICHAEL K. DEEVER

FROM: RAYMOND J. DONOVAN Signed Raymond J. Donovan

SUBJECT: Department of Labor Participation in Private Sector Initiatives

In June 1982, the Department of Labor (DOL), created the Division of Cooperative Labor-Management Programs within the Office of Labor-Management Services, to develop and administer a program to encourage and assist employers, employees and unions to initiate labor-management cooperative efforts to improve productivity and enhance the quality of life at work.

The National Association of Broadcasters, through its Broadcasting Industry Council to Improve American Productivity, has initiated a five-year campaign to increase productivity by making Americans aware of the causes and possible solutions to the problem. This privately initiated effort utilizes the media to encourage and promote labor-management cooperation. To date, 52% of the 1,000 television stations and 45% of the 7,000 radio stations nationwide have signed on to this effort, with additional stations joining daily. The radio and television air time is being donated by the Broadcasters and Broadcaster's contributions are paying for the production costs.

The Broadcasters' campaign has received enthusiastic bi-partisan support from national leaders including President Reagan, House Speaker O'Neill and AFL-CIO President Lane Kirkland. President Reagan has stated that this initiative is:

"One of the most extensive and valuable efforts of its kind since World War II. . . Reflects the best in the American spirit of voluntarism and is a fine example of the many positive contributions of the private sector to the betterment of our country."

The first phase of the effort, which is currently underway, consists of a massive educational campaign to help the public realize how crucial it is that all Americans work together to turn the economy around. The stated emphasis is "working together." As part of this first phase, the Broadcasters intend to run 30-second spots by Howard K. Smith nationwide, referring viewers and listeners

to the Department of Labor for information regarding labor-management cooperative efforts. DOL is providing the Broadcasters with information on exemplary cases of labor-management cooperation to improve productivity for use in future spots.

Furthermore, I have just accepted an invitation to address the Broadcaster's convention on April 13. More than 30,000 broadcast executives will be attending. The theme will be improving America's productivity. Tom Donahue (AFL-CIO), Dr. Dennis Carney (CEO, Wheeling-Pittsburgh Steel), and Howard K. Smith will also be speaking.

The Department of Labor's participation in this very important initiative by the National Association of Broadcasters is one example of our commitment to encourage and assist in any way possible private initiatives to improve productivity and the quality of work life in America. These initiatives are exemplary and worthy of public commendation.

THE WHITE HOUSE

WASHINGTON

March 26, 1983

*file  
PS 1*

MEMORANDUM FOR JAMES COYNE

FROM: CRAIG L. FULLER *CF*

SUBJECT: Corporation for Public Broadcasting

I recently visited with Sharon Rockefeller, Chairman of the Board, Corporation for Public Broadcasting, about the funding situation at CPB. The Administration has been reducing its funding request for CPB regularly (see OMB and CPB attachments) and the Congress has been restoring the money in Appropriations.

Mrs. Rockefeller makes the point that the Administration could cite CPB as a fine example of public/private partnerships and take credit for the fine work the CPB has produced over the years. However, because of our effort to reduce the budget each year and Congress' continued desire to maintain level funding, the Administration is always at a loss to claim (or take) any credit.

Mrs. Rockefeller further points out that the CPB reaches the President's natural constituency in several ways. Community leaders around the country serve on local boards and many contributors are also supporters of the President's.

Would you review the attached materials and give some consideration to whether or not it would be appropriate to approach our commitment to CPB somewhat differently. I would be glad to discuss this matter at your convenience.

Thanks.

cc: ~~✓~~ Mike Deaver

March 25, 1983

Mr. Craig L. Fuller  
Assistant to the President  
for Cabinet Affairs  
The White House  
Washington, D.C.

Dear Mr. Fuller:

We appreciated very much the opportunity to discuss public broadcasting in the United States with you. This letter is intended to provide a follow-on to our conversation, and to furnish additional information which may be helpful to you and Mr. Deaver.

As we reflect on events of the past few years, it is clear that there has been a good deal of misunderstanding and misimpression concerning the structure of our public broadcasting systems in this country. An important thing to understand is what the public television and public radio systems are not; they are not centralized, government supported networks. Rather, they are systems which consist of well over 400 independent radio and television stations, with diverse funding sources, linked together voluntarily in efforts to improve the educational and informational environment for all Americans. As indicated on Attachment A, these stations are based in their local communities and are licensed to community non-profit groups, to state and local public authorities, or to colleges and universities throughout the United States. They are governed by boards consisting of well respected and influential individuals within the communities who represent a cross section of business, education, the professions, and the arts. The stations are served by approximately 170,000 volunteers who contribute their personal services toward the objective of an informed America. The stations are supported financially by 3,500,000 viewers and listeners who are presently contributing in excess of \$100,000,000 to the annual cost of operations.

The diverse nature of public broadcasting at the local level is reflected further at the national and regional levels. The independent stations are joined together through their own national organizations in order to produce and distribute diverse programming and provide for representation and other essential services. In addition, groups of stations have formed special-purpose organizations to reflect regional,

CORPORATION  
FOR PUBLIC  
BROADCASTING

Edward J. Pfister  
President

demographic, or special programming concerns -- all consistent with the diversity within public broadcasting. The Corporation for Public Broadcasting (CPB) is a separate, private, non-profit institution licensed in the District of Columbia. It has the authority in law to support and nourish public broadcasting in the United States by administering the federally derived funds and other resources which may become available to it. Since its inception in 1967, CPB has provided for the stations a necessary degree of insulation from extraneous interference while fostering their growth through initiatives such as:

- o Implementation of a program of unrestricted grants to improve services to local communities
- o Financial support for production of high quality and diverse programs
- o Assistance in construction of satellite interconnection systems for distribution of television and radio programming
- o Establishment of programs to provide training and professional opportunities for women and minorities
- o Improvement of services to individuals who are hearing impaired or print handicapped
- o Creation of a 5-year plan for the development of public telecommunications services
- o Research and evaluation of new technologies and services aimed at the future delivery of public telecommunications programs to the American people


The financing which supports public broadcasting, as shown on the chart at Attachment C, also reflects its diverse nature. Federal support provided through the Corporation for Public Broadcasting amounts only to about 21% of the total income of the TV and radio systems. This is, however, an extremely critical building block which has clearly served to stimulate supplementary financial assistance from state and local governments, colleges and universities, corporations and foundations, and the individual subscribers. Previous projections of federal support, prior to reductions which have been proposed by the present Administration, presumed only that the proportion of federal financial support would remain relatively stable over the years.

It seems to us that the institution of public broadcasting might well serve as a prime example of how the objectives of this Administration can be met. A modest level of federal assistance has served to encourage and stimulate financial support amounting to almost 80% of the total system revenue. This support and the involvement of millions of Americans is sustaining a program of immense social value with minimum governmental involvement. While some realignment of the financial support structure may always be possible, we believe that the dramatic reductions proposed and the frequent changes in planning objectives are counterproductive. The summary of proposed revisions on Attachment B does not begin to express the disruptions in the planning process and the uncertainties created in the minds of millions of Americans who are dedicated to public broadcasting. Stabilization of the financial structure is desperately needed if public broadcasting is to survive.

We very much appreciate your interest and would be more than happy to provide any additional information to you. It is our firm belief that a strong and stable public broadcasting system is of tremendous importance to its more than 100 million viewers and 9 million listeners.

Sincerely,

  
Sharon P. Rockefeller  
Chairman of the Board

  
Edward J. Pfister  
President

Attachments

Public Television and Radio GranteesNumber and Type

<u>Television</u>	<u>Number of Grantees</u>
Community	72
Colleges & Universities	54
City/Local School Board	15
State/Territory	30
TOTAL	<u>171</u>

<u>Radio</u>	
Community	70
Colleges & Universities	159
City/Local School Board	21
State/Territory	8
TOTAL	<u>258</u>

CHANGES IN CPB FUNDING  
 IMPACT ON PLANNING  
 (millions)

<u>Fiscal Year</u>	<u>Federal Funding Per OMB Allowance Letters</u>				<u>Appropriations</u>
	<u>10/80</u>	<u>3/81</u>	<u>2/82</u>	<u>2/83</u>	
1983	\$ 172.0	\$ 120.0	\$ 116.5		\$ 137.0 <sup>a/</sup>
1984	187.0	110.0	93.5		130.0
1985	202.0	100.0	85.0	\$ 85.0	130.0
1986	-	100.0	85.0	75.0	130.0 <sup>b/</sup>
1987	-	-	-	65.0	
1988	-	-	-	55.0	

<sup>a/</sup> \$172.0 originally appropriated. Reduced through subsequent rescission action.

<sup>b/</sup> CPB Request pending.



PUBLIC BROADCASTING INCOME  
BY SOURCE: FY 1981

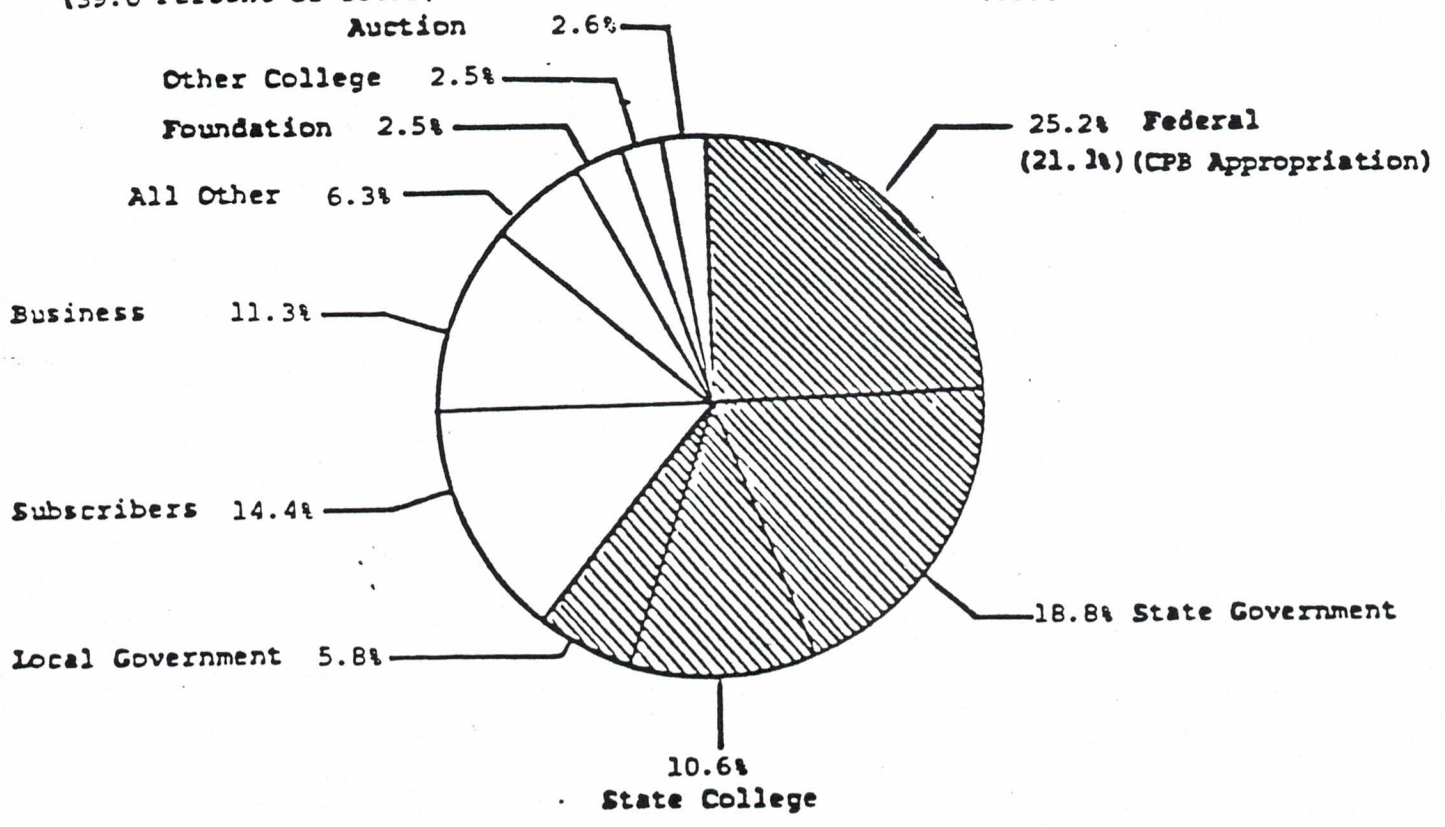
(Total Income: \$768,895,000)

Non-Tax-Based Income

(39.6 Percent of Total)

Tax-Based Income

(60.4 Percent of Total)



Planning & Analysis  
CPB  
February 1983



EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

MEMORANDUM FOR CRAIG FULLER

FROM: David Gerson *DFG*

SUBJECT: Further Details on the Corporation for Public Broadcasting (CPB)

In response to your request for further background on CPB, I will try to give you a fuller picture of what CPB does, what the arguments are for and against cutting their funding, and what the political climate is for achieving reductions in this area.

CPB Mission and Funding

CPB provides grants to 230 radio and 171 television stations that are part of the non-commercial broadcasting network. CPB grants are of two major types:

- community service grants that provide direct funding for a variety of purposes including programming, technical assistance, engineering, and equipment purchases and
- program production funds which are used for the production or acquisition of programs for distribution to the public broadcasting stations.

The table below provides a breakdown of CPB funds by type grant for 1982-1984.

CPB Grants (\$ in millions)

	<u>1982</u>	<u>1983</u>	<u>Estimated 1984</u>
<u>Community Service</u>			
- Television.....	90	71	66
- Radio.....	18	16	15
	<u>108</u>	<u>87</u>	<u>81</u>
 <u>Program Production</u>			
- Television.....	23	18	22
- Radio.....	15	12	15
	<u>38</u>	<u>30</u>	<u>37</u>
 Total.....	<u>146</u>	<u>117</u>	<u>118</u>

The Administration is proposing further reductions in CPB's funding in 1985 and 1986 down to \$85 million and \$75 million, respectively. It should be noted that CPB is funded on a two-year advance appropriation basis i.e., whereas most agencies are now justifying their needs before appropriation committees for 1984, CPB is instead seeking funds for 1986. This two year advanced funding concept is supposed to insulate the agency's grants from short-term political pressures.

While the public broadcasting industry does receive significant funding from Federal sources, there are many other sources as well--State and local governments, colleges and universities, foundations, businesses, and individuals. The table below gives a more specific distribution of public broadcasting income by source for 1981 -- the latest year for which data is available.

Public Broadcasting Income  
(\$ in millions)

	<u>Public TV</u>		<u>Public Radio</u>	
	<u>\$</u>	<u>%</u>	<u>\$</u>	<u>%</u>
Federal*.....	148	24	45	32
State Governments.....	140	23	10	7
State Colleges.....	49	8	30	22
Local Governments.....	34	5	9	6
Individual Subscribers....	96	15	16	11
Businesses.....	78	12	10	7
Foundations.....	16	3	4	3
All Other.....	60	10	16	12
	<u>621</u>	<u>100%</u>	<u>140</u>	<u>100%</u>

\*Includes funds from CPB as well as other Federal agencies.

As the table shows, public broadcasting derives a substantial part of its funding from other than Federal sources. Although statistics for years beyond 1981 are not available, it is safe to assume that the Federal share has decreased further for both public TV and radio.

Additional Background on the Use of CPB Funds

The allocation of CPB's appropriation is specified by the 1981 Reconciliation Act: 64-67% is to go for community service grants, 18-21% must go to direct program production, and the remainder for overhead expenses. In 1983, CPB plans to allocate \$90 million or 65% of its resources to television and \$28 million or 20% to radio. Much of the difference in the size of the allocation relates to the fact that TV production is much more expensive than radio production, because of TV's higher equipment, studio, and other costs.

To qualify for a community service grant (CSG), a station must have been licensed by the FCC, operate for a minimum number of hours per week, demonstrate a capability to raise funds from non-Federal sources, and have the capacity to locally produce programming.

The size of a grant received by a station is determined by an individualized formula and by the amount of non-Federal funds a station can raise. The average TV grant in 1983 will be about \$59,000.

In terms of funding for TV production, CPB makes grants to a wide variety of independent producers who then provide educational, concert, documentary, and many other types of programming. Sesame Street, Nova, American Playhouse are just some examples of TV programming supported through CPB funding.

In the area of radio programming, National Public Radio (NPR) is the only producer receiving CPB program funding. NPR is a private, non-profit organization which operates like a national network. NPR produces much of what is distributed to its member stations, however, they also provide funds to independent producers for programs which are then distributed to other members.

NPR and others in the public broadcast community would contend that having one producer in the radio programming area is more efficient. On the other hand, such centralization may inhibit diversity, creativity, and the presentation of differing viewpoints.

#### Pro and Con Arguments Concerning CPB Funding Reductions

Aside from the arguments presented on page 152-3 of our Major Themes and Additional Details book, we think there are several other points that can be made to argue for further reductions:

- Local public station managers, quite surprisingly to those outside the broadcasting community, are very critical of CPB operations and policies -- they intensely dislike the centralizing control that CPB is prone to exert. Local stations would much prefer to take grant money with no strings attached and run.
- There are several on-going "advertising demonstrations" in at least seven cities to gain new income for public TV stations through limited commercial messages. For example, WTTW of Chicago raised about \$900,000 in 1982 by this means, and in 1983, it projects ad income of \$1.5 million or 10% of its total station budget. Chairman Rostentowski has been a strong supporter of this demonstration.
- Although there is much debate over the point, many have argued that the rapid spread of cable TV and related TV services, is bringing more choice and quality to TV programming. To the extent that this momentum continues, one could argue persuasively that the role and need for CPB diminishes.

- Local station managers have indicated to us that CPB, in many respects, is still getting credit for programs it helped start a decade ago like Sesame Street and Wall Street Week. In fact, CPB's record of turning out new, successful programming has not been as bright in recent years. One might legitimately conclude that CPB had a "seed money" role to play in the early years of public broadcasting, but that now that role should begin to fade away, as stronger local stations have the capacity to produce programs.

### Con Agruments

On the other side of the fence, CPB's proponents do have some arguments worth noting:

- They contend that commercial networks have not moved effectively to produce quality children's programming like Sesame Street, Electric Company, and Mister Rogers. (On the other hand, one could counter by saying that these programs have become so predominant, that competition with them has been very difficult. If the market is really there, then the private sector should be able to pick it up.)
- CPB's failure at making a go of its Cable TV Arts Service demonstrates, proponents would argue, that commercial networks can't do a good job with quality programming. (Once again, we would contend that one failure does not doom what may emerge from pay cable, subscription TV, videodiscs, and cable TV. Bill Safire, as one source, continues to believe that the "on rush of technology is the crusher of subsidized broadcasting.")
- CPB proponents will argue that there is a limit to how much can be garnered by individual donations and that they are beginning to hit the bottom of the barrel. (In fact, we have not seen to date a good, comprehensive analysis of whether contributions have peaked. We think more evidence is needed.)

### Reaction to Proposed CPB Reductions in Congress

Proposed cuts in CPB have always had a rocky road in Congress, and this year's budget proposal for a funding level of \$75 million in 1986 is getting a predictable, negative reception.

Last Thursday, Sharon Percy Rockefeller testified before Sen. Weicker's appropriations subcommittee on the CPB cuts. Senators Percy, Byrd, and Domenici, who were also in attendance at the hearing expressed strong support for full funding of CPB in 1986 -- \$130 million versus the Administration's request of \$75 million.

We are under no illusions that it will be extremely difficult to make inroads against the push to keep CPB at the \$130 million level. We, obviously, believe we have good arguments on our side, but they are often drowned out by the emotional appeal of frequently used arguments that we, for example, would be gutting the popular children's programming, with our deep cuts.

THE WHITE HOUSE

WASHINGTON

March 14, 1983

*file P51*

MEMORANDUM FOR: ALBERT ANGRISANI  
Assistant Secretary of Labor

FROM: JAMES K. COYNE *James K. Coyne*  
Special Assistant to the President  
for Private Sector Initiatives

SUBJECT: Private Sector Initiatives Displaced  
Worker Project

We are delighted that the Secretary has agreed to set aside \$1.5 million to help fund 15 PSI job search programs in selected sites around the country. As you know, job search programs are specifically listed in Title III of the Jobs Training Partnership Act (JTPA) as a major component of efforts to assist displaced workers in finding new employment or training.

One of its many assets is the partnership formed among business, labor, government, and the local community with each contributing to make it work. I can assure you that it is our intention to build these partnerships within the framework of the JTPA.

Another important advantage of job search programs is that they are relatively straightforward and, therefore, can be organized very quickly. This is particularly important in view of the President's strong interest in this issue and his desire to move swiftly on the employment front. For that reason, I hope we can work together to make the funding of these projects as expeditious as possible.

An area of particular concern is the suggested modification that would require that proposals be "brought up through the local Private Industry Council (PIC) and local elected officials and submitted to the Secretary by the Governor of each State". In view of the fact that PIC's are in a period of transition in anticipation of the October 1 JTPA implementation date, we would urge greater flexibility on the involvement of local PIC's and local elected officials so as to avoid substantial delays.

MEMORANDUM FOR ALBERT ANGRISANI  
FROM JAMES K. COYNE  
March 14, 1983  
Page two

With respect to reviewing proposals against standard JTPA Title III discretionary criteria, there would appear to be no problem, assuming that the criteria is the same described in the statute. And finally, we believe the tracking and evaluation described by the Department of Labor is essential, but wish to point out that the Department of Commerce will also be involved in this program through some technical assistance funding; and we would suggest that the Department of Labor and Commerce might want to coordinate their tracking and evaluation efforts.

May I suggest that you designate someone on your staff to meet with NAB, HRDI and the White House Office of Private Sector Initiatives as soon as possible. Also, we believe it is important for you or the appropriate member of your staff to meet with the individuals at the Commerce Department who are involved in this project to discuss common goals. The Office of Productivity, Technology, and Innovation, directed by Egils Milbergs, and supported by economist Paul Braden, are the appropriate contacts.

With respect to your recommendation that the Office of White House Counsel review the final operating procedures, I would be happy to comply. As you know, the White House Counsel and the Department of Justice already have reviewed the program in general and found no problems.

We look forward to working with you and appreciate your cooperation.

cc: Michael K. Deaver ✓  
Craig Fuller