# Calendar No. 464 <sup>108TH CONGRESS</sup> H.R.3717

## IN THE SENATE OF THE UNITED STATES

MARCH 11, 2004 Received

MARCH 25, 2004 Read the first time

MARCH 26, 2004 Read the second time and placed on the calendar

# **AN ACT**

- To increase the penalties for violations by television and radio broadcasters of the prohibitions against transmission of obscene, indecent, and profane material, and for other purposes.
  - 1 Be it enacted by the Senate and House of Representa-
  - 2 tives of the United States of America in Congress assembled,

#### 1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the "Broadcast Decency3 Enforcement Act of 2004".

4 SEC. 2. INCREASE IN PENALTIES FOR OBSCENE, INDECENT,

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#### AND PROFANE BROADCASTS.

6 Section 503(b)(2) of the Communications Act of
7 1934 (47 U.S.C. 503(b)(2)) is amended—

8 (1) by redesignating subparagraphs (C) and
9 (D) as subparagraphs (D) and (E), respectively;

10 (2) by inserting after subparagraph (B) the fol-11 lowing new subparagraph:

12 "(C) Notwithstanding subparagraph (A), if the viola-13 tor is (i) a broadcast station licensee or permittee, or (ii) 14 an applicant for any broadcast license, permit, certificate, or other instrument or authorization issued by the Com-15 16 mission, and the violator is determined by the Commission 17 under paragraph (1) to have broadcast obscene, indecent, or profane material, the amount of any forfeiture penalty 18 19 determined under this section shall not exceed \$500,000 20 for each violation."; and

21 (3) in subparagraph (D), as redesignated by
22 paragraph (1) of this subsection—

23 (A) by striking "subparagraph (A) or (B)"
24 and inserting "subparagraph (A), (B), or (C)";
25 and

1 (B) by adding at the end the following: 2 "Notwithstanding the preceding sentence, if the 3 violator is determined by the Commission under 4 paragraph (1) to have uttered obscene, inde-5 cent, or profane material (and the case is not 6 covered by subparagraph (A), (B), or (C)), the 7 amount of any forfeiture penalty determined 8 under this section shall not exceed \$500,000 for 9 each violation.".

# 10 SEC. 3. ADDITIONAL FACTORS IN INDECENCY PENALTIES; 11 EXCEPTION.

12 Section 503(b)(2) of the Communications Act of 13 1934 (47 U.S.C. 503(b)(2)) is further amended by adding at the end (after subparagraph (E) as redesignated by sec-14 15 tion 2(1) of this Act) the following new subparagraphs: "(F) In the case of a violation in which the violator 16 is determined by the Commission under paragraph (1) to 17 18 have uttered obscene, indecent, or profane material, the Commission shall take into account, in addition to the 19 20 matters described in subparagraph (E), the following fac-21 tors:

22 "(i) With respect to the degree of culpability of23 the violator, the following:

1	((I) whether the material uttered by the
2	violator was live or recorded, scripted or
3	unscripted;
4	((II) whether the violator had a reasonable
5	opportunity to review recorded or scripted pro-
6	gramming or had a reasonable basis to believe
7	live or unscripted programming may contain ob-
8	scene, indecent, or profane material;
9	"(III) if the violator originated live or
10	unscripted programming, whether a time delay
11	blocking mechanism was implemented for the
12	programming;
13	"(IV) the size of the viewing or listening
14	audience of the programming; and
15	"(V) whether the programming was part of
16	a children's television program as described in
17	the Commission's children's television program-
18	ming policy (47 CFR 73.4050(c)).
19	"(ii) With respect to the violator's ability to
20	pay, the following:
21	"(I) whether the violator is a company or
22	individual; and
23	"(II) if the violator is a company, the size
24	of the company and the size of the market
25	served.

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1	"(G) A broadcast station licensee or permittee that
2	receives programming from a network organization, but
3	that is not owned or controlled, or under common owner-
4	ship or control with, such network organization, shall not
5	be subject to a forfeiture penalty under this subsection for
6	broadcasting obscene, indecent, or profane material, if—
7	"(i) such material was within live or recorded
8	programming provided by the network organization
9	to the licensee or permittee; and
10	"(ii)(I) the programming was recorded or
11	scripted, and the licensee or permittee was not given
12	a reasonable opportunity to review the programming
13	in advance; or
14	"(II) the programming was live or unscripted,
15	and the licensee or permittee had no reasonable
16	basis to believe the programming would contain ob-
17	scene, indecent, or profane material.
18	The Commission shall by rule define the term 'network
19	organization' for purposes of this subparagraph.".
20	SEC. 4. INDECENCY PENALTIES FOR NONLICENSEES.
21	Section $503(b)(5)$ of the Communications Act of
22	1934 (47 U.S.C. 503(b)(5) is amended—
23	(1) by redesignating subparagraphs (A), (B),
24	and (C) as clauses (i), (ii), and (iii), respectively;
25	(2) by inserting "(A)" after "(5)";

1	(3) by redesignating the second sentence as
2	subparagraph (B);
3	(4) in such subparagraph (B) as redesignated—
4	(A) by striking "The provisions of this
5	paragraph shall not apply, however," and in-
6	serting "The provisions of subparagraph (A)
7	shall not apply (i)";
8	(B) by striking "operator, if the person"
9	and inserting "operator, (ii) if the person";
10	(C) by striking "or in the case of" and in-
11	serting "(iii) in the case of"; and
12	(D) by inserting after "that tower" the fol-
13	lowing: ", or (iv) in the case of a determination
14	that a person uttered obscene, indecent, or pro-
15	fane material that was broadcast by a broadcast
16	station licensee or permittee, if the person is
17	determined to have willfully or intentionally
18	made the utterance"; and
19	(5) by redesignating the last sentence as sub-
20	paragraph (C).
21	SEC. 5. DEADLINES FOR ACTION ON COMPLAINTS.
22	Section 503(b) of the Communications Act of 1934
23	(47 U.S.C. 503(b)) is amended by adding at the end there-
24	of the following new paragraph:

1	((7) In the case of an allegation concerning the utter-
2	ance of obscene, indecent, or profane material that is
3	broadcast by a station licensee or permittee—
4	"(A) within 180 days after the date of the re-
5	ceipt of such allegation, the Commission shall—
6	"(i) issue the required notice under para-
7	graph (3) to such licensee or permittee or the
8	person making such utterance;
9	"(ii) issue a notice of apparent liability to
10	such licensee or permittee or person in accord-
11	ance with paragraph (4); or
12	"(iii) notify such licensee, permittee, or
13	person in writing, and any person submitting
14	such allegation in writing or by general publica-
15	tion, that the Commission has determined not
16	to issue either such notice; and
17	"(B) if the Commission issues such notice and
18	such licensee, permittee, or person has not paid a
19	penalty or entered into a settlement with the Com-
20	mission, within 270 days after the date of the re-
21	ceipt of such allegation, the Commission shall—
22	"(i) issue an order imposing a forfeiture
23	penalty; or
24	"(ii) notify such licensee, permittee, or per-
25	son in writing, and any person submitting such

allegation in writing or by general publication,
 that the Commission has determined not to
 issue either such order.".

## 4 SEC. 6. ADDITIONAL REMEDIES FOR INDECENT BROAD-5 CAST.

6 Section 503 of the Communications Act of 1934 (47
7 U.S.C. 503) is further amended by adding at the end the
8 following new subsection:

9 "(c) Additional Remedies for Indecent Broad-CASTING.—In any proceeding under this section in which 10 the Commission determines that any broadcast station li-11 12 censee or permittee has broadcast obscene, indecent, or profane material, the Commission may, in addition to im-13 posing a penalty under this section, require the licensee 14 15 or permittee to broadcast public service announcements that serve the educational and informational needs of chil-16 17 dren. Such announcements may be required to reach an 18 audience that is up to 5 times the size of the audience 19 that is estimated to have been reached by the obscene, in-20decent, or profane material, as determined in accordance 21 with regulations prescribed by the Commission.".

# 22 SEC. 7. LICENSE DISQUALIFICATION FOR VIOLATIONS OF 23 INDECENCY PROHIBITIONS.

Section 503 of the Communications Act of 1934 (47
U.S.C. 503) is further amended by adding at the end

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1 (after subsection (c) as added by section 6) the following2 new subsection:

3 "(d) CONSIDERATION OF LICENSE DISQUALIFICA-4 TION FOR VIOLATIONS OF INDECENCY PROHIBITIONS.— If the Commission issues a notice under paragraph (3)5 or (4) of subsection (b) to a broadcast station licensee or 6 7 permittee looking toward the imposition of a forfeiture 8 penalty under this Act based on an allegation that the li-9 censee or permittee broadcast obscene, indecent, or pro-10 fane material, and either—

"(1) such forfeiture penalty has been paid, or
"(2) a court of competent jurisdiction has ordered payment of such forfeiture penalty, and such
order has become final,

15 then the Commission shall, in any subsequent proceeding 16 under section 308(b) or 310(d), take into consideration 17 whether the broadcast of such material demonstrates a 18 lack of character or other qualifications required to oper-19 ate a station.".

## 20 SEC. 8. LICENSE RENEWAL CONSIDERATION OF VIOLA-21 TIONS OF INDECENCY PROHIBITIONS.

Section 309(k) of the Communications Act of 1934
(47 U.S.C. 309(k)) is amended by adding at the end the
following new paragraph:

1	"(5) LICENSE RENEWAL CONSIDERATION OF
2	VIOLATIONS OF INDECENCY PROHIBITIONS.—If the
3	Commission has issued a notice under paragraph (3)
4	or (4) of section 503(b) to a broadcast station li-
5	censee or permittee with respect to a broadcast sta-
6	tion looking toward the imposition of a forfeiture
7	penalty under this Act based on an allegation that
8	such broadcast station broadcast obscene, indecent,
9	or profane material, and—
10	"(A) such forfeiture penalty has been paid,
11	or
12	"(B) a court of competent jurisdiction has
13	ordered payment of such forfeiture penalty, and
14	such order has become final,
15	then such violation shall be treated as a serious vio-
16	lation for purposes of paragraph (1)(B) of this sub-
17	section with respect to the renewal of the license or
18	permit for such station.".
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19	SEC. 9. LICENSE REVOCATION FOR VIOLATIONS OF INDE-
19 20	
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20	SEC. 9. LICENSE REVOCATION FOR VIOLATIONS OF INDE- CENCY PROHIBITIONS.
20 21	SEC. 9. LICENSE REVOCATION FOR VIOLATIONS OF INDE- CENCY PROHIBITIONS. Section 312 of the Communications Act of 1934 (47
20 21 22	SEC. 9. LICENSE REVOCATION FOR VIOLATIONS OF INDE- CENCY PROHIBITIONS. Section 312 of the Communications Act of 1934 (47) U.S.C. 312) is amended by adding at the end the following

1	"(1) CONSEQUENCES OF MULTIPLE VIOLA-
2	TIONS.—If, in each of 3 or more proceedings during
3	the term of any broadcast license, the Commission
4	issues a notice under paragraph (3) or (4) of section
5	503(b) to a broadcast station licensee or permittee
6	with respect to a broadcast station looking toward
7	the imposition of a forfeiture penalty under this Act
8	based on an allegation that such broadcast station
9	broadcast obscene, indecent, or profane material,
10	and in each such proceeding either—
11	"(A) such forfeiture penalty has been paid,
12	OF
13	"(B) a court of competent jurisdiction has
14	ordered payment of such forfeiture penalty, and
15	such order has become final,
16	then the Commission shall commence a proceeding
17	under subsection (a) of this section to consider
18	whether the Commission should revoke the station li-
19	cense or construction permit of that licensee or per-
20	mittee for such station.
21	"(2) PRESERVATION OF AUTHORITY.—Nothing
22	in this subsection shall be construed to limit the au-
23	thority of the Commission to commence a proceeding
24	under subsection (a).".

Each annual report submitted by the Federal Communications Commission after the date of enactment of
this Act shall, in accordance with section 4(k)(2) of the
Communications Act of 1934 (47 U.S.C. 154(k)(2)), include the following:

8 (1) The number of complaints received by the 9 Commission during the year covered by the report 10 alleging that a broadcast contained obscene, inde-11 cent, or profane material, and the number of pro-12 grams to which such complaints relate.

13 (2) The number of those complaints that have14 been dismissed or denied by the Commission.

15 (3) The number of complaints that have re16 mained pending at the end of the year covered by
17 the annual report.

(4) The number of notices issued by the Commission under paragraph (3) or (4) of section 503(b)
of the Communications Act of 1934 (47 U.S.C.
503(b)) during the year covered by the report to enforce the statutes, rules, and policies prohibiting the broadcasting of obscene, indecent, or profane material.

(5) For each such notice, a statement of—

26 (A) the amount of the proposed forfeiture;

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1	(B) the program, station, and corporate
2	parent to which the notice was issued;
3	(C) the length of time between the date on
4	which the complaint was filed and the date on
5	which the notice was issued; and
6	(D) the status of the proceeding.
7	(6) The number of forfeiture orders issued pur-
8	suant to section 503(b) of such Act during the year
9	covered by the report to enforce the statutes, rules,
10	and policies prohibiting the broadcasting of obscene,
11	indecent, or profane material.
12	(7) For each such forfeiture order, a statement
13	of—
14	(A) the amount assessed by the final for-
15	feiture order;
16	(B) the program, station, and corporate
17	parent to which it was issued;
18	(C) whether the licensee has paid the for-
19	feiture order; and
20	(D) the amount paid by the licensee.
21	(8) In instances where the licensee has refused
22	to pay, whether the Commission referred such order
23	to the Department of Justice to collect the penalty.
24	(9) In cases where the Commission referred
25	such order to the Department of Justice—

1	(A) the number of days from the date the
2	Commission issued such order to the date the
3	Commission referred such order to the Depart-
4	ment;
5	(B) whether the Department has com-
6	menced an action to collect the penalty, and if
7	such action was commenced, the number of
8	days from the date the Commission referred
9	such order to the Department to the date the
10	action by the Department commenced; and
11	(C) whether the collection action resulted
12	in a payment, and if such action resulted in a
13	payment, the amount of such payment.
14	SEC. 11. GAO STUDY OF INDECENT BROADCASTING COM-
15	PLAINTS.
16	(a) INQUIRY AND REPORT REQUIRED.—The General
17	Accounting Office shall conduct a study examining—
18	(1) the number of complaints concerning the
19	broadcasting of obscene, indecent, and profane mate-
20	rial to the Federal Communications Commission;
21	(2) the number of such complaints that result
22	in final agency actions by the Commission;
23	(3) the length of time taken by the Commission
24	in responding to such complaints;

(4) what mechanisms the Commission has es tablished to receive, investigate, and respond to such
 complaints; and

4 (5) whether complainants to the Commission
5 are adequately informed by the Commission of the
6 responses to their complaints.

7 (b) SUBMISSION OF REPORT.—The General Account8 ing Office shall submit a report on the results of such
9 study within one year after the date of enactment of this
10 Act to the Committee on Commerce, Science, and Trans11 portation of the Senate and the Committee on Energy and
12 Commerce of the House of Representatives.

## 13 SEC. 12. SENSE OF THE CONGRESS.

14 (a) REINSTATEMENT OF POLICY.—It is the sense of 15 the Congress that the broadcast television station licensees should reinstitute a family viewing policy for broadcasters. 16 17 (b) DEFINITION.—For purposes of this section, a family viewing policy is a policy similar to the policy that 18 19 existed in the United States from 1975 to 1983, as part of the National Association of Broadcaster's code of con-20 21 duct for television, and that included the concept of a fam-22 ily viewing hour.

#### 23 SEC. 13. IMPLEMENTATION.

(a) REGULATIONS.—The Commission shall prescriberegulations to implement the amendments made by this

Act within 180 days after the date of enactment of this
 Act.

3 (b) PROSPECTIVE APPLICATION.—This Act and the
4 amendments made by this Act shall not apply with respect
5 to material broadcast before the date of enactment of this
6 Act.

7 (c) SEPARABILITY.—Section 708 of the Communica8 tions Act of 1934 (47 U.S.C. 608) shall apply to this Act
9 and the amendments made by this Act.

Passed the House of Representatives March 11, 2004.

Attest: JEFF TRANDAHL, Clerk.

Calendar No. 464

108TH CONGRESS H. R. 3717

# AN ACT

To increase the penalties for violations by television and radio broadcasters of the prohibitions against transmission of obscene, indecent, and profane material, and for other purposes.

March 26, 2004

Read the second time and placed on the calendar