105TH CONGRESS 1ST SESSION

H. R. 1510

To exempt agreements relating to voluntary guidelines governing telecast material from the applicability of the antitrust laws.

IN THE HOUSE OF REPRESENTATIVES

May 1, 1997

Mr. Smith of Texas (for himself, Mr. Kennedy of Massachusetts, Mr. Greenwood, Mr. Spence, Mr. Goodlatte, Mr. Dellums, Mr. Ford, Ms. Lofgren, Mr. Hinchey, Ms. Christian-Green, Mrs. Maloney of New York, Mr. Lafalce, Mrs. Kelly, Mr. Knollenberg, Mr. Clement, Mr. Collins, Mr. Castle, Mr. Brady, Mr. Sessions, Ms. Granger, Mr. Sam Johnson of Texas, Mr. Bonilla, Mr. Thornberry, Mr. Paul, and Mr. Archer) introduced the following bill; which was referred to the Committee on the Judiciary

A BILL

To exempt agreements relating to voluntary guidelines governing telecast material from the applicability of the antitrust laws.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. SHORT TITLE.
- 4 This Act may be cited as the "Television Improve-
- 5 ment Act of 1997".
- 6 SEC. 2. FINDINGS.
- 7 Congress makes the following findings:

- 1 (1) Television is seen and heard in nearly every
 2 American home and is a uniquely pervasive presence
 3 in the daily lives of Americans. The average Amer4 ican home has 2.5 televisions, and a television is
 5 turned on in the average American home 7 hours
 6 every day.
 - (2) Television plays a particularly significant role in the lives of children. Recent figures provided by Nielsen Research show that children between the ages of 2 years and 11 years spend an average of 21 hours in front of a television each week.
 - (3) Television has an enormous capability to influence perceptions, especially those of children, of the values and behaviors that are common and acceptable in society.
 - (4) The influence of television is so great that its images and messages often can be harmful to the development of children. Social science research amply documents a strong correlation between the exposure of children to televised violence and a number of behavioral and psychological problems.
 - (5) Hundreds of studies have proven conclusively that children who are consistently exposed to violence on television have a higher tendency to ex-

- hibit violent and aggressive behavior, both as children and later in life.
 - (6) Such studies also show that repeated exposure to violent programming causes children to become desensitized to and more accepting of real-life violence and to grow more fearful and less trusting of their surroundings.
 - (7) A growing body of social science research indicates that sexual content on television can also have a significant influence on the attitudes and behaviors of young viewers. This research suggests that heavy exposure to programming with strong sexual content contributes to the early commencement of sexual activity among teenagers.
 - (8) Members of the National Association of Broadcasters (NAB) adhered for many years to a comprehensive code of conduct that was based on an understanding of the influence exerted by television and on a widely held sense of responsibility for using that influence carefully.
 - (9) This code of conduct, the Television Code of the National Association of Broadcasters, articulated this sense of responsibility as follows:
- 24 (A) "In selecting program subjects and 25 themes, great care must be exercised to be sure

that the treatment and presentation are made in good faith and not for the purpose of sensationalism or to shock or exploit the audience or appeal to prurient interests or morbid curiosity.

- (B) "Broadcasters have a special responsibility toward children. Programs designed primarily for children should take into account the range of interests and needs of children, from instructional and cultural material to a wide variety of entertainment material. In their totality, programs should contribute to the sound, balanced development of children to help them achieve a sense of the world at large and informed adjustments to their society.
- (C) "Violence, physical or psychological, may only be projected in responsibly handled contexts, not used exploitatively. Programs involving violence present the consequences of it to its victims and perpetrators. Presentation of the details of violence should avoid the excessive, the gratuitous and the instructional.
- (D) "The presentation of marriage, family, and similarly important human relationships, and material with sexual connotations, shall not

be treated exploitatively or irresponsibly, but
with sensitivity.

- (E) "Above and beyond the requirements of the law, broadcasters must consider the family atmosphere in which many of their programs are viewed. There shall be no graphic portrayal of sexual acts by sight or sound. The portrayal of implied sexual acts must be essential to the plot and presented in a responsible and tasteful manner.".
- (10) The NAB abandoned the code of conduct in 1983 after three provisions of the code restricting the sale of advertising were challenged by the Department of Justice on antitrust grounds and a Federal district court issued a summary judgment against the NAB regarding one of the provisions on those grounds. However, none of the programming standards of the code were challenged.
- (11) While the code of conduct was in effect, its programming standards were never found to have violated any antitrust law.
- (12) Since the NAB abandoned the code of conduct, programming standards on broadcast and cable television have deteriorated dramatically. Lurid and sensational talk shows are aired regularly

- throughout the day and profanities have become commonplace during the early hours of prime time, when millions of young children are watching.
 - (13) In the absence of effective programming standards, public concern about the impact of television on children, and on society as a whole, has risen substantially. Polls routinely show that more than 80 percent of Americans are worried by the increasingly graphic nature of sex, violence, and vulgarity on television and by the amount of programming that openly sanctions or glorifies criminal, antisocial, and degrading behavior.
 - (14) At the urging of Congress, the television industry has taken some steps to respond to public concerns about programming standards and content. The broadcast television industry agreed in 1992 to adopt a set of voluntary guidelines designed to "proscribe gratuitous or excessive portrayals of violence". Shortly thereafter, both the broadcast and cable television industries agreed to conduct independent studies of the violent content in their programming and make those reports public.
 - (15) In 1996, the television industry as a whole made a commitment to develop a comprehensive rating system to label programming that may be harm-

- ful or inappropriate for children. That system was implemented at the beginning of this year.
- (16) Despite these recent efforts to respond to public concern about the impact of television on children, millions of Americans, especially parents with young children, remain angry and frustrated at the sinking standards of television programming, the reluctance of the industry to police itself, and the harmful influence of television on the well-being of the children and the values of the United States.
 - (17) The Department of Justice issued a ruling in 1993 indicating that additional efforts by the television industry to develop and implement voluntary programming guidelines would not violate the antitrust laws. The ruling states that "such activities may be likened to traditional standard setting efforts that do not necessarily restrain competition and may have significant procompetitive benefits. . . . Such guidelines could serve to disseminate valuable information on program content to both advertisers and television viewers. Accurate information can enhance the demand for, and increase the output of, an industry's products or services.".
 - (18) The Children's Television Act of 1990 (Public Law 101–437) states that television broad-

- casters in the United States have a clear obligation to meet the educational and informational needs of children.
- 4 (19) Several independent analyses have dem-5 onstrated that the television broadcasters in the 6 United States have not fulfilled their obligations 7 under the Children's Television Act of 1990 and 8 have not noticeably expanded the amount of edu-9 cational and informational programming directed at 10 young viewers since the enactment of that Act.

11 SEC. 3. PURPOSE.

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- 12 (a) Purpose.—The purpose of this Act is to permit
- 13 the broadcast and cable television industry—
- 14 (1) to work collaboratively to respond to grow-15 ing public concern about the current content of tele-16 vision programming and the harmful influence of 17 such programming on children;
 - (2) to develop a set of voluntary programming guidelines similar to those contained in the Television Code of the National Association of Broadcasters; and
 - (3) to implement the guidelines in a manner that alleviates the negative impact of television programming on the development of children in the United States and stimulates the development and

1	broadcast of educational and informational program-
2	ming for such children.
3	(b) Construction.—This Act may not be construed
4	as—
5	(1) providing the Federal Government with any
6	authority to restrict the content of television pro-
7	gramming that is in addition to the authority to re-
8	strict such programming under law as of the date of
9	enactment of this Act; or
10	(2) approving any action of the Federal Govern-
11	ment to restrict the content of such programming
12	that is in addition to any actions undertaken for
13	that purpose by the Federal Government under law
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14	as of such date.
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14 15	as of such date. SEC. 4. EXEMPTION OF VOLUNTARY AGREEMENTS ON
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14 15 16 17 18	as of such date. SEC. 4. EXEMPTION OF VOLUNTARY AGREEMENTS ON GUIDELINES FOR TELECAST MATERIAL FROM APPLICABILITY OF ANTITRUST LAWS. (a) EXEMPTION.—Subject to subsection (b), the anti-
141516171819	as of such date. SEC. 4. EXEMPTION OF VOLUNTARY AGREEMENTS ON GUIDELINES FOR TELECAST MATERIAL FROM APPLICABILITY OF ANTITRUST LAWS. (a) Exemption.—Subject to subsection (b), the antitrust laws shall not apply to any joint discussion, consider-
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14 15 16 17 18 19 20 21 22	as of such date. SEC. 4. EXEMPTION OF VOLUNTARY AGREEMENTS ON GUIDELINES FOR TELECAST MATERIAL FROM APPLICABILITY OF ANTITRUST LAWS. (a) EXEMPTION.—Subject to subsection (b), the antitrust laws shall not apply to any joint discussion, consideration, review, action, or agreement by or among persons in the television industry for the purpose of developing and disseminating voluntary guidelines designed—

- 1 (2) to promote telecast material that is edu-2 cational, informational, or otherwise beneficial to the 3 development of children.
- 4 (b) Limitation.—The exemption provided in sub-5 section (a) shall not apply to any joint discussion, consid-6 eration, review, action, or agreement which—
- 7 (1) results in a boycott of any person; or
- 8 (2) concerns the purchase or sale of advertising,
 9 including (without limitation) restrictions on the
 10 number of products that may be advertised in a
 11 commercial, the number of times a program may be
 12 interrupted for commercials, and the number of con13 secutive commercials permitted within each interrup14 tion.
 - (c) Definitions.—In this section:
- 16 (1) ANTITRUST LAWS.—The term "antitrust 17 laws" has the meaning given such term in the first 18 section of the Clayton Act (15 U.S.C. 12) and in-19 cludes section 5 of the Federal Trade Commission 20 Act (15 U.S.C. 45).
 - (2) Person in the television industry.—
 The term "person in the television industry" means a television network, any entity which produces programming for television distribution (including theatrical motion pictures), the National Cable Tele-

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- vision Association, the Association of Independent Television Stations, Inc., the National Association of Broadcasters, the Motion Picture Association of America, and each of the affiliate organizations of the television networks, and includes any individual acting on behalf of such person.
 - (3) Telecast.—The term "telecast" means any program broadcast by a television broadcast station or transmitted by a cable television system.

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