

73^D CONGRESS
2^D SESSION

S. 3285

IN THE HOUSE OF REPRESENTATIVES

MAY 21, 1934

Referred to the Committee on Interstate and Foreign Commerce

AN ACT

To provide for the regulation of interstate and foreign communications by wire or radio, 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,*

3 **TITLE I—GENERAL PROVISIONS**

4 **PURPOSES OF ACT; CREATION OF FEDERAL COMMUNICA-**
5 **TIONS COMMISSION**

6 **SECTION 1.** For the purpose of regulating interstate and
7 foreign commerce in communication by wire and radio so as
8 to make available, so far as possible, to all the people of the
9 United States a rapid, efficient, nation-wide, and world-wide
10 wire and radio communication service with adequate facilities
11 at reasonable charges, for the purpose of the national defense,

1 and for the purpose of securing a more effective execution
2 of this policy by centralizing authority heretofore granted
3 by law to several agencies and by granting additional author-
4 ity with respect to interstate and foreign commerce in wire
5 and radio communication, there is hereby created a commis-
6 sion to be known as the "Federal Communications Com-
7 mission", which shall be constituted as hereinafter provided,
8 and which shall execute and enforce the provisions of this
9 Act.

10 APPLICATION OF ACT

11 SEC. 2. (a) The provisions of this Act shall apply to all
12 interstate and foreign communication by wire or radio and
13 all interstate and foreign transmission of energy by radio,
14 which originates and/or is received within the United States,
15 and to all persons engaged within the United States in such
16 communication or such transmission of energy by radio, and
17 to the licensing and regulating of all radio stations as herein-
18 after provided.

19 (b) Nothing in this Act shall be construed to apply
20 or to give the Commission jurisdiction with respect to
21 charges, classifications, practices, or regulations for or in
22 connection with intrastate communication service of any
23 carrier, or to any carrier engaged in interstate or foreign
24 communication solely through physical connection with the
25 facilities of another carrier not directly or indirectly con-

1 trolling or controlled by such carrier, or under direct or
2 indirect control with such other carrier.

3 DEFINITIONS

4 SEC. 3. For the purposes of this Act, unless the context
5 otherwise requires—

6 (a) “Wire communication” or “communication by
7 wire” means the transmission of writing, signs, signals, pic-
8 tures, and sounds of all kinds by aid of wire, cable, or other
9 like connection between the points of origin and reception
10 of such transmission, including all instrumentalities, facilities,
11 apparatus, and services (among other things, the receipt,
12 forwarding, and delivery of communications) incidental to
13 such transmission.

14 (b) “Radio communication” or “communication by
15 radio” means the transmission by radio of writing, signs,
16 signals, pictures, and sounds of all kinds, including all instru-
17 mentalities, facilities, apparatus, and services (among other
18 things, the receipt, forwarding, and delivery of communica-
19 tions) incidental to such transmission.

20 (c) “Transmission of energy by radio” or “radio
21 transmission of energy” includes both such transmission and
22 all instrumentalities, facilities, and services incidental to such
23 transmission.

24 (d) “Interstate communication” or “interstate trans-
25 mission” means wire or radio communication or radio trans-

1 mission of energy (1) from any State, Territory, or posses-
2 sion of the United States (other than the Philippine Islands
3 and the Canal Zone), or the District of Columbia, to any
4 other State, Territory, or possession of the United States
5 (other than the Philippine Islands and the Canal Zone), or
6 the District of Columbia, (2) from or to the United States
7 to or from the Philippine Islands or the Canal Zone,
8 insofar as such communication or transmission takes place
9 within the United States, or (3) between points within the
10 United States but through a foreign country; but shall not
11 include wire communication between points within the
12 same State, Territory, or possession of the United States,
13 or the District of Columbia, through any place outside
14 thereof, if such communication is regulated by a State
15 commission.

16 (e) "Foreign communication" or "foreign trans-
17 mission" means communication or transmission from or to
18 any place in the United States to or from a foreign country,
19 insofar as such communication or transmission takes place
20 within the United States, or between a station in the United
21 States and a mobile station located outside the United States.

22 (f) "United States" means the several States and
23 Territories, the District of Columbia, and the possessions of
24 the United States, but does not include the Philippine Islands
25 or the Canal Zone.

1 (g) "Common carrier" or "carrier" means any
2 person engaged as a common carrier for hire, in interstate
3 or foreign communication by wire or radio or in interstate
4 or foreign radio transmission of energy, except where ref-
5 erence is made to common carriers not subject to this Act;
6 but a person engaged in radio broadcasting shall not, insofar
7 as such person is so engaged, be deemed a common carrier.

8 (h) "Person" includes an individual, partnership,
9 association, joint-stock company, or corporation.

10 (i) "Corporation" includes any corporation, joint-
11 stock company, or association.

12 (j) "Radio station" or "station" means a station
13 equipped to carry on radio communication or radio trans-
14 mission of energy.

15 (k) "Mobile station" means a radio-communic-
16 ation station capable of being moved and which ordinarily
17 does move.

18 (l) "Land station" means a station, other than a
19 mobile station, used for radio communication with mobile
20 stations.

21 (m) "Fixed station" means a station not capable of
22 being moved and communicating by radio with one or more
23 stations established in the same manner.

24 (n) "Mobile service" means the radio-communic-
25 ation service carried on between mobile stations and land sta-

1 tions, and by mobile stations communicating among them-
2 selves.

3 (o) "Broadcasting" means the dissemination of radio
4 communications intended to be received by the public,
5 directly or by the intermediary of relay stations.

6 (p) "Chain broadcasting" means simultaneous broad-
7 casting of an identical program by two or more connected
8 stations.

9 (q) "Amateur station" means a radio station oper-
10 ated by a duly authorized person interested in radio technique
11 solely with a personal aim and without pecuniary interest.

12 (r) "Telephone exchange service" means service
13 within a telephone exchange, or within a connected system
14 of telephone exchanges within the same exchange area
15 operated to furnish to subscribers intercommunicating serv-
16 ice of the character ordinarily furnished by a single
17 exchange, and which is covered by the exchange service
18 charge.

19 (s) "Telephone toll service" means telephone service
20 between stations in different exchange areas for which there
21 is made a separate charge not included in contracts with
22 subscribers for exchange service.

23 (t) "State commission" means the commission, board,
24 or official (by whatever name designated) which under the
25 laws of any State, Territory, or possession of the United

1 States, or the District of Columbia, has regulatory jurisdic-
2 tion with respect to intrastate operations of carriers.

3 (u) "Commission" means the Federal Communica-
4 tions Commission (or either division of such Commission
5 with respect to matters within the jurisdiction of such
6 division).

7 PROVISIONS RELATING TO THE COMMISSION

8 SEC. 4. (a) The Federal Communications Commis-
9 sion shall be composed of five commissioners appointed by
10 the President, by and with the advice and consent of the
11 Senate, one of whom the President shall designate as
12 chairman.

13 (b) Each member of the Commission shall be a
14 citizen of the United States. No member of the Commis-
15 sion or person in its employ shall be financially interested
16 in the manufacture or sale of radio apparatus or of appa-
17 ratus for wire or radio communication; in communication by
18 wire or radio or in radio transmission of energy; in any
19 company furnishing supplies or services to any company
20 engaged in communication by wire or radio or to any com-
21 pany manufacturing or selling apparatus used for communi-
22 cation by wire or radio; or in any company owning stocks,
23 bonds, or other securities of any such company; nor be
24 in the employ of or hold any official relation to any person
25 subject to any of the provisions of this Act, nor own stocks,

1 bonds, or other securities of any corporation subject to any
2 of the provisions of this Act. Such commissioners shall not
3 engage in any other business, vocation, or employment.
4 Not more than three commissioners, nor more than one
5 member of a division other than the chairman, shall be
6 members of the same political party.

7 (c) The commissioners first appointed under this Act
8 shall continue in office for the terms of two, three, four,
9 five, and six years, respectively, from the date of the taking
10 effect of this Act, the term of each to be designated by the
11 President, but their successors shall be appointed for terms
12 of six years; except that any person chosen to fill a vacancy
13 shall be appointed only for the unexpired term of the com-
14 missioner whom he succeeds. Any commissioner may be
15 removed by the President for inefficiency, neglect of duty,
16 or malfeasance in office, but for no other cause. No vacancy
17 in the Commission shall impair the right of the remaining
18 commissioners to exercise all the powers of the Commission.

19 (d) Each commissioner shall receive an annual salary
20 of \$10,000, payable in monthly installments.

21 (e) The principal office of the Commission shall be in
22 the District of Columbia, where its general sessions shall be
23 held; but whenever the convenience of the public or of the
24 parties may be promoted or delay or expense prevented

1 thereby, the Commission may hold special sessions in any
2 part of the United States.

3 (f) Without regard to the civil service laws or the
4 Classification Act of 1923, as amended, the Commission
5 may appoint and prescribe the duties and fix the salaries
6 of a secretary, a chief engineer, and a general counsel; and
7 each commissioner may, without regard to the civil service
8 laws, appoint and prescribe the duties of an assistant whose
9 compensation shall be fixed in accordance with the Classi-
10 fication Act of 1923, as amended. The general counsel,
11 and the chief engineer shall each receive an annual salary
12 of not to exceed \$9,000. The secretary shall receive an
13 annual salary not to exceed \$7,500. The Commission shall
14 have authority, subject to the provisions of the civil service
15 laws and the Classification Act of 1923, as amended, to
16 appoint such other officers, examiners, engineers, inspectors,
17 and other employees as are necessary in the execution of its
18 functions.

19 (g) The Commission may make such expenditures
20 (including expenditures for rent and personal services at
21 the seat of government and elsewhere, for office supplies,
22 law books, periodicals, and books of reference, and for print-
23 ing and binding) as may be necessary for the execution
24 of the functions vested in the Commission and as from time

1 to time may be appropriated for by Congress. All expendi-
2 tures of the Commission, including all necessary expenses
3 for transportation incurred by the commissioners or by their
4 employees, under their orders, in making any investigation
5 or upon any official business in any other places than in the
6 city of Washington, shall be allowed and paid on the
7 presentation of itemized vouchers therefor approved by the
8 chairman of the Commission or by such other member or
9 officer thereof as may be designated by the Commission for
10 that purpose.

11 (h) Three members of the Commission shall con-
12 stitute a quorum thereof and two members shall consti-
13 tute a quorum of a division. The Commission shall have
14 an official seal which shall be judicially noticed.

15 (i) The Commission may perform any and all acts,
16 make such rules and regulations, and issue such orders, not
17 inconsistent with this Act, as may be necessary in the
18 execution of its functions.

19 (j) The Commission may conduct its proceedings in
20 such manner as will best conduce to the proper dispatch of
21 business and to the ends of justice. No commissioner shall
22 participate in any hearing or proceeding in which he has a
23 pecuniary interest. Any party may appear before the
24 Commission and be heard in person or by attorney. Every
25 vote and official act of the Commission shall be entered of

1 record, and its proceedings shall be public upon the request
2 of any party interested. The Commission is authorized to
3 withhold publication of records or proceedings containing
4 secret information affecting the national defense.

5 (k) The Commission shall make an annual report
6 to Congress, copies of which shall be distributed as are
7 other reports transmitted to Congress. Such report shall
8 contain such information and data collected by the Commis-
9 sion as may be considered of value in the determination of
10 questions connected with the regulation of interstate and
11 foreign wire and radio communication and radio transmis-
12 sion of energy, together with such recommendations as to
13 additional legislation relating thereto as the Commission may
14 deem necessary: *Provided*, That the Commission shall make
15 a special report not later than February 1, 1935, recom-
16 mending such amendments to this Act as it deems desirable
17 in the public interest.

18 (l) All reports of investigations made by the Com-
19 mission shall be entered of record, and a copy thereof shall
20 be furnished to the party who may have complained, and
21 to any common carrier or licensee that may have been
22 complained of.

23 (m) The Commission shall provide for the publication
24 of its reports and decisions in such form and manner as may
25 be best adapted for public information and use, and such

1 authorized publications shall be competent evidence of the
2 reports and decisions of the Commission therein contained
3 in all courts of the United States and of the several States
4 without any further proof or authentication thereof.

5 DIVISIONS OF THE COMMISSION; JURISDICTION OF
6 COMMISSION AND DIVISIONS

7 SEC. 5. (a) The Commission shall be organized into
8 two divisions which shall exercise the jurisdiction of the
9 Commission as follows: (1) The Radio Division shall have
10 jurisdiction of the issuance, modification, renewal, revoca-
11 tion, and suspension of licenses of all radio stations and all
12 matters incident thereto, including the promulgation and
13 enforcement of regulations concerning the proper technical
14 operation of said stations, but not including the manner and
15 kind of service to be rendered by common carriers by radio,
16 and shall have complete jurisdiction of radio broadcasting and
17 the amateur service, and (2) the Telegraph and Tele-
18 phone Division shall have jurisdiction of all matters relating
19 to or connected with record or telephone communication
20 by wire, radio, or cable (other than matters within the
21 jurisdiction of the Radio Division), including all forms
22 of fixed and mobile radio telegraph and radio tele-
23 phone service. The chairman of the Commission shall
24 be a member of both divisions; two other commissioners,
25 one of whom for each division shall be chosen chairman

1 thereof, shall be assigned by the Commission as mem-
2 bers of each division. Except for the chairman no member of
3 the Commission may be a member of more than one division;
4 but in case of a vacancy in any division, or of absence or
5 inability to serve thereon of any commissioner thereto
6 assigned, any commissioner designated by the chairman for
7 that purpose may temporarily serve on said division until the
8 Commission shall otherwise order.

9 (b) The whole Commission shall have jurisdiction of
10 (1) all matters arising under this Act which do not fall
11 within the jurisdiction of a division, as above prescribed;
12 (2) all matters which fall within the jurisdiction of more
13 than one division; (3) the assignment of bands of frequencies
14 to the various classes of radio service; and (4) the regula-
15 tion of charges made for the use of wires in connection with
16 broadcasting, and the provisions of this Act relating to valua-
17 tion of property of carriers, reports of carriers, or persons
18 directly or indirectly controlling or controlled by, or under
19 direct or indirect common control with, any carrier, and
20 accounts, records, and memoranda to be kept by carriers,
21 and depreciation charges in respect of property of carriers.
22 In any case where a conflict arises under this section as to
23 jurisdiction of a division the Commission shall decide which
24 division shall have jurisdiction of the matter, and the decision
25 of the Commission shall be final.

1 (c) Each division may (1) appoint a director, with-
2 out regard to the civil service laws or the Classification Act
3 of 1923, as amended, at an annual salary which shall
4 not exceed \$7,500 per annum; and (2) hear and deter-
5 mine, order, certify, report, or otherwise act as to any matter
6 under its jurisdiction, and in respect thereof the division shall
7 have all the jurisdiction and powers conferred by law upon the
8 Commission, and be subject to the same duties and obliga-
9 tions. Any action so taken by a division and any order,
10 decision, or report made or other action taken by either of
11 said divisions in respect of any matters assigned to it shall
12 have the same force and effect, and may be made, evidenced,
13 and enforced in the same manner as if made or taken by the
14 Commission. The secretary and seal of the Commission
15 shall be the secretary and seal of each division thereof.

16 (d) The director for each division shall exercise such
17 of the functions thereof as may be vested in him by the
18 division, but any order of the director shall be subject to
19 review by the division under such rules and regulations
20 as the Commission shall prescribe, and may be affirmed,
21 modified, or reversed: *Provided, however,* That the authority
22 of a director to make orders shall not extend to investigations
23 instituted upon the Commission's own motion nor, without
24 the consent of the parties thereto, to contested proceedings
25 involving the taking of testimony at public hearings.

TITLE II—COMMON CARRIERS**SERVICE AND CHARGES**

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2
3 SEC. 201. (a) It shall be the duty of every common
4 carrier engaged in interstate or foreign communication by
5 wire or radio to furnish such communication service upon
6 reasonable request therefor; and, in accordance with the
7 orders of the Commission, in cases where the Commission,
8 after opportunity for hearing, finds such action necessary or
9 desirable in the public interest, (1) to establish physical con-
10 nections with other carriers, (2) to establish through routes
11 and charges applicable thereto and the divisions of such
12 charges, and to establish and provide facilities and regula-
13 tions for operating such through routes.

14 (b) All charges, practices, classifications, and regula-
15 tions for and in connection with such communication service,
16 shall be just and reasonable, and any such charge, practice,
17 classification, or regulation that is unjust or unreason-
18 able is hereby declared to be unlawful: *Provided*, That
19 communications by wire or radio subject to this Act may be
20 classified into day, night, repeated, unrepeated, letter, com-
21 mercial, press, Government, and such other classes as the
22 Commission may decide to be just and reasonable, and
23 different charges may be made for the different classes of
24 communications: *Provided further*, That nothing in this
25 Act or in any other provision of law shall be construed to

1 prevent a common carrier subject to this Act from entering
2 into or operating under any contract with any common
3 carrier not subject to this Act, for the exchange of their
4 services, if the Commission is of the opinion that such
5 contract is not contrary to the public interest.

6 DISCRIMINATION AND PREFERENCES

7 SEC. 202. (a) It shall be unlawful for any common
8 carrier to discriminate unjustly in charges, practices,
9 classifications, regulations, facilities, or services for or in
10 connection with like communication service, directly or
11 indirectly, by any means or device, or to make or give any
12 undue or unreasonable preference or advantage to any
13 particular person, class of persons, or locality, or to subject
14 any particular person, class of persons, or locality to any
15 undue or unreasonable prejudice or disadvantage.

16 (b) Charges or services, whenever referred to in this
17 Act, include charges for, or services in connection with,
18 the use of wires in chain broadcasting or incidental to radio
19 communication of any kind.

20 SCHEDULES OF CHARGES

21 SEC. 203. (a) Every common carrier shall file with
22 the Commission and print and keep open to public
23 inspection schedules showing all charges for interstate and
24 foreign wire or radio communication between the dif-
25 ferent points on its own system, and between points on

1 its own system and points on the system of any other
2 carrier subject to this Act when a through route has been
3 established, whether such charges are joint or separate,
4 and showing the classifications, practices, and regula-
5 tions affecting such charges. Such schedules shall contain
6 such other information, and be printed in such form, and
7 be posted and kept open for public inspection in such places,
8 as the Commission may by regulations require, and each
9 such schedule shall give notice of its effective date.

10 (b) No change shall be made in the charges, classifi-
11 cations, regulations, or practices which have been so filed
12 and published except after thirty days' notice to the Com-
13 mission and to the public, which shall be published in such
14 form and contain such information as the Commission may
15 by regulations prescribe; but the Commission may, in its
16 discretion and for good cause shown, modify the require-
17 ments made by or under authority of this section in particular
18 instances or by a general order applicable to special circum-
19 stances or conditions.

20 (c) No carrier, unless otherwise provided by or under
21 authority of this Act, shall engage or participate in such
22 communication unless schedules have been filed and pub-
23 lished in accordance with the provisions of this Act and with
24 the regulations made thereunder; and no carrier shall (1)
25 charge, demand, collect, or receive a greater or less or differ-

1 ent compensation for such communication, or for any service
2 in connection therewith, between the points named in any
3 such schedule than the charges specified in the schedule then
4 in effect, or (2) refund or remit by any means or device
5 any portion of the charges so specified, or (3) extend to
6 any person any privileges or facilities in such communica-
7 tion, or employ or enforce any classifications, regulations,
8 or practices affecting such charges, except as specified in
9 such schedule.

10 (d) The Commission may reject and refuse to file
11 any schedule entered for filing which does not provide and
12 give lawful notice of its effective date. Any schedule so
13 rejected by the Commission shall be void and its use shall be
14 unlawful.

15 (e) In case of failure or refusal on the part of any
16 carrier to comply with the provisions of this section or of
17 any regulation or order made by the Commission thereunder,
18 such carrier shall forfeit to the United States the sum of
19 \$500 for each such offense, and \$25 for each and every
20 day of the continuance of such offense.

21 HEARING AS TO LAWFULNESS OF NEW CHARGES;

22 SUSPENSION

23 SEC. 204. Whenever there is filed with the Commis-
24 sion any new charge, classification, regulation, or practice,
25 the Commission may either upon complaint or upon its own

1 initiative without complaint, upon reasonable notice, enter
2 upon a hearing concerning the lawfulness thereof; and pend-
3 ing such hearing and the decision thereon the Commission,
4 upon delivering to the carrier or carriers affected thereby
5 a statement in writing of its reasons for such suspension, may
6 suspend the operation of such charge, classification, regula-
7 tion, or practice, but not for a longer period than three months
8 beyond the time when it would otherwise go into effect; and
9 after full hearing the Commission may make such order with
10 reference thereto as would be proper in a proceeding initiated
11 after it had become effective. If the proceeding has not been
12 concluded and an order made within the period of the sus-
13 pension, the proposed change of charge, classification, regu-
14 lation, or practice shall go into effect at the end of such
15 period; but in case of a proposed increased charge, the Com-
16 mission may by order require the interested carrier or car-
17 riers to keep accurate account of all amounts received by
18 reason of such increase, specifying by whom and in whose
19 behalf such amounts are paid, and upon completion of the
20 hearing and decision may by further order require the
21 interested carrier or carriers to refund, with interest, to
22 the persons in whose behalf such amounts were paid, such
23 portion of such increased charges as by its decision shall
24 be found not justified. At any hearing involving a charge
25 increased, or sought to be increased, after the organization

1 of the Commission, the burden of proof to show that the
2 increased charge, or proposed increased charge, is just and
3 reasonable shall be upon the carrier, and the Commission
4 shall give to the hearing and decision of such questions
5 preference over all other questions pending before it and
6 decide the same as speedily as possible.

7 COMMISSION AUTHORIZED TO PRESCRIBE JUST AND
8 REASONABLE CHARGES

9 SEC. 205. (a) Whenever, after full opportunity for
10 hearing, upon a complaint or under an order for investigation
11 and hearing made by the Commission on its own initiative,
12 the Commission shall be of opinion that any charge, classifi-
13 cation, regulation, or practice of any carrier or carriers is or
14 will be in violation of any of the provisions of this Act, the
15 Commission is authorized and empowered to determine and
16 prescribe what will be the just and reasonable charge to be
17 thereafter observed, and what classification, regulation, or
18 practice is or will be just, fair, and reasonable, to be
19 thereafter followed, and to make an order that the
20 carrier or carriers shall cease and desist from such violation
21 to the extent that the Commission finds that the same
22 does or will exist, and shall not thereafter publish, demand,
23 or collect any charge other than the charge so prescribed,
24 and shall adopt the classification and shall conform to and
25 observe the regulation or practice so prescribed.

1 (b) Any carrier, any officer, representative, or agent
2 of a carrier, or any receiver, trustee, lessee, or agent of
3 either of them, who knowingly fails or neglects to obey any
4 order made under the provisions of this section shall forfeit
5 to the United States the sum of \$1,000 for each offense.
6 Every distinct violation shall be a separate offense, and in
7 case of continuing violation each day shall be deemed a
8 separate offense.

9 LIABILITY OF CARRIERS FOR DAMAGES

10 SEC. 206. In case any common carrier shall do, or
11 cause or permit to be done, any act, matter, or thing
12 in this Act prohibited or declared to be unlawful, or shall
13 omit to do any act, matter, or thing in this Act required to be
14 done, such common carrier shall be liable to the person
15 or persons injured thereby for the full amount of damages
16 sustained in consequence of any such violation of the provi-
17 sions of this Act, together with a reasonable counsel or
18 attorney's fee, to be fixed by the court in every case of
19 recovery, which attorney's fee shall be taxed and collected
20 as part of the costs in the case.

21 RECOVERY OF DAMAGES

22 SEC. 207. Any person claiming to be damaged by any
23 common carrier subject to the provisions of this Act may
24 either make complaint to the Commission as hereinafter
25 provided for, or may bring suit for the recovery of the

1 No complaint shall at any time be dismissed because of the
2 absence of direct damage to the complainant.

3 **ORDERS FOR PAYMENT OF MONEY**

4 **SEC. 209.** If, after hearing on a complaint, the Com-
5 mission shall determine that any party complainant is
6 entitled to an award of damages under the provisions of
7 this Act, the Commission shall make an order directing the
8 carrier to pay to the complainant the sum to which he is
9 entitled on or before a day named.

10 **FRANKS AND PASSES**

11 **SEC. 210.** Nothing in this Act or in any other provi-
12 sion of law shall be construed to prohibit common carriers
13 from issuing or giving franks to, or exchanging franks with
14 each other for the use of, their officers, agents, employees, and
15 their families, or, subject to such rules as the Commission
16 may prescribe, from issuing, giving, or exchanging franks
17 and passes to or with other common carriers not subject to
18 the provisions of this Act, for the use of their officers, agents,
19 employees, and their families.

20 **COPIES OF CONTRACTS TO BE FILED**

21 **SEC. 211. (a)** Every carrier subject to this Act shall
22 file with the Commission copies of all contracts, agreements,
23 or arrangements with other carriers, or with common car-
24 riers not subject to the provisions of this Act, in relation to

1 any traffic affected by the provisions of this Act to which it
2 may be a party.

3 (b) The Commission shall have authority to require
4 the filing of any other contracts of any carrier, and shall
5 also have authority to exempt any carrier from submitting
6 copies of such minor contracts as the Commission may
7 determine.

8 INTERLOCKING DIRECTORATES — OFFICIALS DEALING IN
9 SECURITIES

10 SEC. 212. After sixty days from the enactment of this
11 Act it shall be unlawful for any person to hold the position of
12 officer or director of more than one carrier subject to this Act,
13 unless such holding shall have been authorized by order of the
14 Commission, upon due showing in form and manner pre-
15 scribed by the Commission, that neither public nor private
16 interests will be adversely affected thereby. After this sec-
17 tion takes effect it shall be unlawful for any officer or director
18 of any such carrier to receive for his own benefit, directly or
19 indirectly, any money or thing of value in respect of nego-
20 tiation, hypothecation, or sale of any securities issued or to
21 be issued by such carrier, or to share in any of the proceeds
22 thereof, or to participate in the making or paying of any
23 dividends of such carrier from any funds properly included
24 in capital account.

VALUATION OF CARRIER PROPERTY

1
2 SEC. 213. (a) The Commission may from time to
3 time, as may be necessary for the proper administration of
4 this Act, and after opportunity for hearing, make a valuation
5 of all or of any part of the property owned or used by any
6 carrier subject to this Act, as of such date as the Commission
7 may fix.

8 (b) The Commission may at any time require any
9 such carrier to file with the Commission an inventory of
10 all or of any part of the property owned or used by said
11 carrier, which inventory shall show the units of said property
12 classified in such detail, and in such manner, as the Commis-
13 sion shall direct, and shall show the estimated cost of repro-
14 duction new of said units, and their reproduction cost new less
15 depreciation, as of such date as the Commission may direct;
16 and such carrier shall file such inventory within such reason-
17 able time as the Commission by order shall require.

18 (c) The Commission may at any time require any
19 such carrier to file with the Commission a statement showing
20 the original cost at the time of dedication to the public use
21 of all or of any part of the property owned or used by said
22 carrier. For the showing of such original cost said property
23 shall be classified, and the original cost shall be defined, in
24 such manner as the Commission may prescribe; and if any

1 part of such cost cannot be determined from accounting or
2 other records, the portion of the property for which such
3 cost cannot be determined shall be reported to the Commis-
4 sion; and, if the Commission shall so direct, the original cost
5 thereof shall be estimated in such manner as the Commission
6 may prescribe. If the carrier owning the property at the
7 time such original cost is reported shall have paid more or
8 less than the original cost to acquire the same, the amount
9 of such cost of acquisition, and any facts which the Commis-
10 sion may require in connection therewith, shall be reported
11 with such original cost. The report made by a carrier under
12 this paragraph shall show the source or sources from which
13 the original cost reported was obtained, and such other infor-
14 mation as to the manner in which the report was prepared,
15 as the Commission shall require.

16 (d) Nothing shall be included in the original cost
17 reported for the property of any carrier under paragraph (c)
18 of this section on account of any easement, license, or
19 franchise granted by the United States or by any State
20 or political subdivision thereof, beyond the reasonable
21 necessary expense lawfully incurred in obtaining such
22 easement, license, or franchise from the public authority
23 aforesaid, which expense shall be reported separately from
24 all other costs in such detail as the Commission may re-
25 quire; and nothing shall be included in any valuation of

1 the property of any carrier made by the Commission on
2 account of any such easement, license, or franchise, beyond
3 such reasonable necessary expense lawfully incurred as
4 aforesaid.

5 (e) The Commission shall keep itself informed of all
6 new construction, extensions, improvements, retirements, or
7 other changes in the condition, quantity, use, and classifica-
8 tion of the property of common carriers, and of the cost of
9 all additions and betterments thereto and of all changes in
10 the investment therein, and may keep itself informed of
11 current changes in costs and values of carrier properties.

12 (f) For the purpose of enabling the Commission
13 to make a valuation of any of the property of any such
14 carrier, or to find the original cost of such property, or to
15 find any other facts concerning the same which are required
16 for use by the Commission, it shall be the duty of each such
17 carrier to furnish to the Commission, within such reasonable
18 time as the Commission may order, any information with re-
19 spect thereto which the Commission may by order require, in-
20 cluding copies of maps, contracts, reports of engineers, and
21 other data, records, and papers, and to grant to all agents of the
22 Commission free access to its property and its accounts,
23 records, and memoranda whenever and wherever requested
24 by any such duly authorized agent, and to cooperate with
25 and aid the Commission in the work of making any such

1 valuation or finding in such manner and to such extent as the
2 Commission may require and direct, and all rules and regula-
3 tions made by the Commission for the purpose of administer-
4 ing this section shall have the full force and effect of law.
5 Unless otherwise ordered by the Commission, with the
6 reasons therefor, the records and data of the Commission
7 shall be open to the inspection and examination of the public.
8 The Commission, in making any such valuation shall be free
9 to adopt any method of valuation which shall be lawful.

10 (g) Notwithstanding any provision of this Act the
11 Interstate Commerce Commission, if requested to do so by
12 the Commission, shall complete, at the earliest practicable
13 date, such valuations of properties of carriers subject to this
14 Act as are now in progress, and shall thereafter transfer
15 to the Commission the records relating thereto.

16 EXTENSION OF LINES

17 SEC. 214. (a) No carrier shall undertake the extension
18 of any line, or the construction of a new line, or shall acquire
19 or operate any line, or extension thereof, or shall engage in
20 transmission over or by means of such additional or extended
21 line, unless and until there shall first have been obtained from
22 the Commission a certificate that the present or future public
23 convenience and necessity require or will require the con-
24 struction, or operation, or construction and operation, of such
25 additional or extended line: *Provided*, That the authority

1 conferred upon the Commission by this section shall not
2 extend to the construction, operation, or extension of (1) a
3 line within a single State, unless said line constitutes part of
4 an interstate line, or (2) local, branch, or terminal lines not
5 exceeding ten miles in length: *Provided further*, That the
6 Commission may, upon appropriate request being made,
7 authorize temporary or emergency service, or the supple-
8 menting of existing facilities, without regard to the provisions
9 of this section.

10 (b) Upon receipt of an application for any such
11 certificate the Commission shall cause notice thereof to
12 be given to and a copy filed with the Governor of each
13 State in which such additional or extended line is proposed
14 to be constructed or operated, with the right to be heard
15 as provided with respect to the hearing of complaints; and
16 said notice shall also be published for three consecutive
17 weeks in some newspaper of general circulation in each
18 county which said line will serve, as determined by the
19 Commission.

20 (c) The Commission shall have power to issue such
21 certificate as prayed for, or to refuse to issue it, or to issue
22 it for a portion or portions of a line, or extension thereof,
23 described in the application, or for the partial exercise
24 only of such right or privilege, and may attach to the
25 issuance of the certificate such terms and conditions as in

1 its judgment the public convenience and necessity may
2 require. After issuance of such certificate, and not before,
3 the carrier may, without securing approval other than such
4 certificate, comply with the terms and conditions contained
5 in or attached to the issuance of such certificate and proceed
6 with the construction, operation, or extension covered there-
7 by. Any construction, operation, or extension contrary to
8 the provisions of this section may be enjoined by any court
9 of competent jurisdiction at the suit of the United States,
10 the Commission, the State commission, any State affected,
11 or any party in interest.

12 (d) The Commission may, after full opportunity for
13 hearing, in a proceeding upon complaint or upon its own
14 initiative without complaint, authorize or require by order
15 any carrier, party to such proceeding, to provide itself
16 with adequate facilities for performing its service as a
17 common carrier and to extend its line; but no such authori-
18 zation or order shall be made unless the Commission finds,
19 as to such extension, that it is reasonably required in the
20 interest of public convenience and necessity, or as to such
21 extension or facilities that the expense involved therein will
22 not impair the ability of the carrier to perform its duty to the
23 public. Any carrier which refuses or neglects to comply with
24 any order of the Commission made in pursuance of this para-
25 graph shall forfeit to the United States \$100 for each day
26 during which such refusal or neglect continues.

1 be carried out subject to such modification of their terms and
2 conditions as the Commission shall deem desirable in the
3 public interest; and/or (2) subjecting such transactions to
4 the approval of the Commission where the person furnishing
5 or seeking to furnish the equipment, supplies, research,
6 services, finances, credit, or personnel is a person directly or
7 indirectly controlling or controlled by, or under direct or
8 indirect common control with, such carrier; and/or (3)
9 authorizing the Commission to require that all or any trans-
10 actions of carriers involving the furnishing of equipment,
11 supplies, research, services, finances, credit, or personnel to
12 such carrier be upon competitive bids on such terms and con-
13 ditions and subject to such regulations as it shall prescribe as
14 necessary in the public interest.

15 (b) The Commission shall investigate the methods by
16 which and the extent to which wire telephone companies are
17 furnishing wire telegraph service and wire telegraph com-
18 panies are furnishing wire telephone service, and shall report
19 its findings to Congress, together with its recommendations
20 as to whether additional legislation on this subject is desirable.

21 APPLICATION OF ACT TO RECEIVERS AND TRUSTEES :

22 SEC. 216. The provisions of this Act shall apply to all
23 receivers and operating trustees of carriers subject to this
24 Act to the same extent that it applies to carriers.

1 LIABILITY OF CARRIER FOR ACTS AND OMISSIONS OF
2 AGENTS

3 SEC. 217. In construing and enforcing the provisions
4 of this Act, the act, omission, or failure of any officer, agent,
5 or other person acting for or employed by any common
6 carrier or user, acting within the scope of his employment,
7 shall in every case be also deemed to be the act, omission,
8 or failure of such carrier or user as well as that of the
9 person.

10 INQUIRIES INTO MANAGEMENT

11 SEC. 218. The Commission may inquire into the
12 management of the business of all carriers subject to this
13 Act, and shall keep itself informed as to the manner and
14 method in which the same is conducted and as to technical
15 developments and improvements in wire and radio com-
16 munication and radio transmission of energy to the end that
17 the benefits of new inventions and developments may be
18 made available to the people of the United States. The
19 Commission may obtain from such carriers and from persons
20 directly or indirectly controlling or controlled by, or under
21 direct or indirect common control with, such carriers full
22 and complete information necessary to enable the Commis-
23 sion to perform the duties and carry out the objects for
24 which it was created.

ANNUAL AND OTHER REPORTS

1
2 SEC. 219. (a) The Commission is authorized to re-
3 quire annual reports under oath from all carriers subject
4 to this Act, and from persons directly or indirectly controlling
5 or controlled by, or under direct or indirect common con-
6 trol with, any such carrier, to prescribe the manner in
7 which such reports shall be made, and to require from such
8 persons specific answers to all questions upon which the
9 Commission may need information. Such annual reports
10 shall show in detail the amount of capital stock issued, the
11 amount and privileges of each class of stock, the amounts
12 paid therefor, and the manner of payment for the same; the
13 dividends paid and the surplus fund, if any; the number of
14 stockholders (and the names of all holders of 5 per centum
15 or more of any class of stock) ; the funded and floating debts
16 and the interest paid thereon; the cost and value of the
17 carrier's property, franchises, and equipments; the number
18 of employees and the salaries paid each class; the names of
19 all officers and directors, and the amount of salary, bonus,
20 and all other compensation paid to each; the amounts ex-
21 pended for improvements each year, how expended, and the
22 character of such improvements; the earnings and receipts
23 from each branch of business and from all sources; the
24 operating and other expenses; the balances of profit and
25 loss; and a complete exhibit of the financial operations of the

1 carrier each year, including an annual balance sheet. Such
2 reports shall also contain such information in relation to
3 charges or regulations concerning charges, or agreements,
4 arrangements, or contracts affecting the same, as the Com-
5 mission may require.

6 (b) Such reports shall be for such twelve months'
7 period as the Commission shall designate and shall be filed with
8 the Commission at its office in Washington within three months
9 after the close of the year for which the report is made, unless
10 additional time is granted in any case by the Commission;
11 and if any person subject to the provisions of this section
12 shall fail to make and file said annual reports within the
13 time above specified, or within the time extended by the
14 Commission, for making and filing the same, or shall fail
15 to make specific answer to any question authorized by the
16 provisions of this section within thirty days from the time
17 it is lawfully required so to do, such person shall forfeit to
18 the United States the sum of \$100 for each and every day
19 it shall continue to be in default with respect thereto. The
20 Commission may by general or special orders require any
21 such carriers to file monthly reports of earnings and ex-
22 penses and to file periodical and/or special reports concern-
23 ing any matters with respect to which the Commission is
24 authorized or required by law to act; and such periodical or
25 special reports shall be under oath whenever the Commission

1 so requires. If any such carrier shall fail to make and file
2 any such periodical or special report within the time fixed by
3 the Commission, it shall be subject to the forfeitures above
4 provided.

5 ACCOUNTS, RECORDS, AND MEMORANDA; DEPRECIATION
6 CHARGES

7 SEC. 220. (a) The Commission may, in its discretion,
8 prescribe the forms of any and all accounts, records, and
9 memoranda to be kept by carriers subject to this Act, in-
10 cluding the accounts, records, and memoranda of the move-
11 ment of traffic, as well as of the receipts and expenditures
12 of moneys.

13 (b) The Commission shall, as soon as practicable,
14 prescribe for such carriers the classes of property for
15 which depreciation charges may be properly included under
16 operating expenses, and the percentages of depreciation
17 which shall be charged with respect to each of such classes
18 of property, classifying the carriers as it may deem proper
19 for this purpose. The Commission may, when it deems
20 necessary, modify the classes and percentages so pre-
21 scribed. Such carriers shall not, after the Commis-
22 sion has prescribed the classes of property for which
23 depreciation charges may be included, charge to operating
24 expenses any depreciation charges on classes of property
25 other than those prescribed by the Commission, or, after

1 the Commission has prescribed percentages of depreciation,
2 charge with respect to any class of property a percentage
3 of depreciation other than that prescribed therefor by the
4 Commission. No such carrier shall in any case include
5 in any form under its operating or other expenses any
6 depreciation or other charge or expenditure included else-
7 where as a depreciation charge or otherwise under its
8 operating or other expenses.

9 (c) The Commission shall at all times have access to
10 and the right of inspection and examination of all accounts,
11 records, and memoranda, including all documents, papers,
12 and correspondence now or hereafter existing, and kept or
13 required to be kept by such carriers, and the provisions of
14 this section respecting the preservation and destruction of
15 books, papers, and documents shall apply thereto. The
16 burden of proof to justify every accounting entry questioned
17 by the Commission shall be on the person making, author-
18 izing, or requiring such entry and the Commission may
19 suspend a charge or credit pending submission of proof by
20 such person. Any provision of law prohibiting the dis-
21 closure of the contents of messages or communications shall
22 not be deemed to prohibit the disclosure of any matter in
23 accordance with the provisions of this section.

24 (d) In case of failure or refusal on the part of any
25 such carrier to keep such accounts, records, and memo-

1 randa on the books and in the manner prescribed by the
2 Commission, or to submit such accounts, records, and memo-
3 randa as are kept to the inspection of the Commission or
4 any of its authorized agents, such carrier shall forfeit to the
5 United States the sum of \$500 for each day of the
6 continuance of each such offense.

7 (e) Any person who shall willfully make any false
8 entry in the accounts of any book of accounts or in any
9 record or memoranda kept by any such carrier, or who shall
10 willfully destroy, mutilate, alter, or by any other means or
11 device falsify any such account, record, or memoranda, or
12 who shall willfully neglect or fail to make full, true, and
13 correct entries in such accounts, records, or memoranda of
14 all facts and transactions appertaining to the business of the
15 carrier, shall be deemed guilty of a misdemeanor, and shall
16 be subject, upon conviction, to a fine of not less than \$1,000
17 nor more than \$5,000 or imprisonment for a term of not less
18 than one year nor more than three years, or both such fine
19 and imprisonment: *Provided*, That the Commission may in
20 its discretion issue orders specifying such operating, account-
21 ing, or financial papers, records, books, blanks, or documents
22 which may, after a reasonable time, be destroyed, and pre-
23 scribing the length of time such books, papers, or documents
24 shall be preserved.

1 (f) No member, officer, or employee of the Commis-
2 sion shall divulge any fact or information which may come
3 to his knowledge during the course of examination of
4 books or other accounts, as hereinbefore provided, except
5 insofar as he may be directed by the Commission or by a
6 court.

7 (g) After the Commission has prescribed the forms
8 and manner of keeping of accounts, records, and mem-
9 oranda to be kept by any person as herein provided,
10 it shall be unlawful for such person to keep any other
11 accounts, records, or memoranda than those so prescribed or
12 such as may be approved by the Commission or to keep the
13 accounts in any other manner than that prescribed or
14 approved by the Commission. Notice of alterations by the
15 Commission in the required manner or form of keeping
16 accounts shall be given to such persons by the Commission
17 at least six months before the same are to take effect.

18 (h) The Commission may classify carriers subject to
19 this Act and prescribe different requirements under this
20 section for different classes of carriers.

21 (i) The Commission, before prescribing any require-
22 ments as to accounts, records, or memoranda, shall notify
23 each State commission having jurisdiction with respect to
24 any carrier involved, and shall give reasonable opportunity

1 to each such commission to present its views, and shall
2 receive and consider such views and recommendations.

3 (j) The Commission shall investigate and report to
4 the Congress whether in its opinion legislation is desirable
5 (1) authorizing the Commission to except the carriers of
6 any particular class or classes in any State from any of the
7 requirements under this section in cases where such carriers
8 are subject to State commission regulation with respect to
9 matters to which this section relates; and (2) permitting the
10 State commissions, in pursuance of authority granted under
11 State law, to prescribe their own percentage rates of depre-
12 ciation or systems of accounts, records, or memoranda to
13 be kept by carriers.

14 SPECIAL PROVISIONS RELATING TO TELEPHONE COMPANIES

15 SEC. 221. (a) Upon application of one or more tele-
16 phone companies for authority to consolidate their prop-
17 erties or a part thereof into a single company, or for au-
18 thority for one or more such companies to acquire the whole
19 or any part of the property of another telephone company
20 or other telephone companies or the control thereof by the
21 purchase of securities or by lease or in any other like man-
22 ner, when such consolidated company would be subject to
23 this Act, the Commission shall fix a time and place for a
24 public hearing upon such application and shall thereupon
25 give reasonable notice in writing to the Governor of each of

1 the States in which the physical property affected, or any
2 part thereof, is situated, and to the State commission having
3 jurisdiction over telephone companies, and to such other
4 persons as it may deem advisable. After such public hear-
5 ing, if the Commission finds that the proposed consolidation,
6 acquisition, or control will be of advantage to the persons
7 to whom service is to be rendered and in the public interest,
8 it shall certify to that effect; and thereupon any Act or
9 Acts of Congress making the proposed transaction unlawful
10 shall not apply. Nothing in this subsection shall be con-
11 strued as in any wise limiting or restricting the powers of
12 the several States to control and regulate telephone
13 companies.

14 (b) Nothing in this Act shall be construed to apply,
15 or to give the Commission jurisdiction, with respect to
16 charges, classifications, practices, or regulations for or in
17 connection with wire telephone exchange service, even
18 though a portion of such exchange service constitutes inter-
19 state or foreign communication, in any case where such
20 matters are subject to regulation by a State commission.

21 (c) For the purpose of administering this Act as
22 to carriers engaged in wire telephone communication, the
23 Commission may classify the property of any such carrier
24 used for wire telephone communication, and determine what
25 property of said carrier shall be considered as used in inter-

1 state or foreign telephone toll service. Such classification
2 shall be made after hearing, upon notice to the carrier, the
3 State commission (or the Governor, if the State has no State
4 commission) of any State in which the property of said
5 carrier is located, and such other persons as the Commission
6 may prescribe.

7 (d) In making a valuation of the property of any wire
8 telephone carrier the Commission, after making the classi-
9 fication authorized in this section, may in its discretion
10 value only that part of the property of such carrier deter-
11 mined to be used in interstate or foreign telephone toll
12 service.

13 **TITLE III—SPECIAL PROVISIONS RELATING TO**
14 **RADIO**

15 **LICENSE FOR RADIO COMMUNICATION OR TRANSMISSION**
16 **OF ENERGY**

17 **SEC. 301.** It is the purpose of this Act, among other
18 things, to maintain the control of the United States over
19 all the channels of interstate and foreign radio transmission;
20 and to provide for the use of such channels, but not the
21 ownership thereof, by persons for limited periods of time,
22 under licenses granted by Federal authority, and no such
23 license shall be construed to create any right, beyond the
24 terms, conditions, and periods of the license. No person

1 shall use or operate any apparatus for the transmission of
2 energy or communications or signals by radio (a) from
3 one place in any Territory or possession of the United States
4 or in the District of Columbia to another place in the same
5 Territory, possession, or District; or (b) from any State,
6 Territory, or possession of the United States, or from the
7 District of Columbia to any other State, Territory, or pos-
8 session of the United States; or (c) from any place in any
9 State, Territory, or possession of the United States, or in
10 the District of Columbia, to any place in any foreign country
11 or to any vessel; or (d) within any State when the effects
12 of such use extend beyond the borders of said State, or when
13 interference is caused by such use or operation with the
14 transmission of such energy, communications, or signals
15 from within said State to any place beyond its borders, or
16 from any place beyond its borders to any place within said
17 State, or with the transmission or reception of such energy,
18 communications, or signals from and/or to places beyond
19 the borders of said State; or (e) upon any vessel or aircraft
20 within the jurisdiction of the United States; or (f) upon
21 any other mobile stations within the jurisdiction of the
22 United States, except under and in accordance with this
23 Act and with a license in that behalf granted under the
24 provisions of this Act.

1

ZONES

2 SEC. 302. (a) For the purposes of this Act the United
3 States is divided into five zones, as follows: The first zone
4 shall embrace the States of Maine, New Hampshire, Ver-
5 mont, Massachusetts, Connecticut, Rhode Island, New York,
6 New Jersey, Delaware, Maryland, and the District of Colum-
7 bia; the second zone shall embrace the States of Pennsyl-
8 vania, Virginia, West Virginia, Ohio, Michigan, and Ken-
9 tucky; the third zone shall embrace the States of North
10 Carolina, South Carolina, Georgia, Florida, Alabama, Ten-
11 nessee, Mississippi, Arkansas, Louisiana, Texas, and Okla-
12 homa; the fourth zone shall embrace the States of Indiana,
13 Illinois, Wisconsin, Minnesota, North Dakota, South
14 Dakota, Iowa, Nebraska, Kansas, and Missouri; and the
15 fifth zone shall embrace the States of Montana, Idaho, Wyo-
16 ming, Colorado, New Mexico, Arizona, Utah, Nevada,
17 Washington, Oregon, and California.

18 (b) The Virgin Islands, Puerto Rico, Alaska, Guam,
19 American Samoa, and the Territory of Hawaii are expressly
20 excluded from the zones herein established.

21

GENERAL POWERS OF COMMISSION

22 SEC. 303. Except as otherwise provided in this Act,
23 the Commission from time to time, as public convenience,
24 interest, or necessity requires, shall—

25 (a) Classify radio stations;

1 (b) Prescribe the nature of the service to be rendered
2 by each class of licensed stations and each station within
3 any class;

4 (c) Assign bands of frequencies to the various classes
5 of stations, and assign frequencies for each individual station
6 and determine the power which each station shall use and
7 the time during which it may operate;

8 (d) Determine the location of classes of stations or
9 individual stations;

10 (e) Regulate the kind of apparatus to be used with
11 respect to its external effects and the purity and sharpness
12 of the emissions from each station and from the apparatus
13 therein;

14 (f) Make such regulations not inconsistent with law as
15 it may deem necessary to prevent interference between sta-
16 tions and to carry out the provisions of this Act: *Provided,*
17 *however,* That changes in the frequencies, authorized power,
18 or in the times of operation of any station, shall not be made
19 without the consent of the station licensee unless, after a
20 public hearing, the Commission shall determine that such
21 changes will promote public convenience or interest or will
22 serve public necessity, or the provisions of this Act will be
23 more fully complied with;

24 (g) Study new uses for radio, provide for experimental
25 uses of frequencies, and generally encourage the larger and
26 more effective use of radio in the public interest;

1 (h) Have authority to establish areas or zones to be
2 served by any station;

3 (i) Have authority to make special regulations appli-
4 cable to radio stations engaged in chain broadcasting;

5 (j) Have authority to make general rules and regula-
6 tions requiring stations to keep such records of programs,
7 transmissions of energy, communications, or signals as it
8 may deem desirable;

9 (k) Have authority to exclude from the requirements
10 of any regulations in whole or in part any radio station
11 upon railroad rolling stock, or to modify such regulations in
12 its discretion;

13 (l) Have authority to prescribe the qualifications of
14 station operators, to classify them according to the duties
15 to be performed, to fix the forms of such licenses, and to
16 issue them to such citizens of the United States as the Com-
17 mission finds qualified;

18 (m) Have authority to suspend the license of any oper-
19 ator for a period not exceeding two years upon proof suffi-
20 cient to satisfy the Commission that the licensee (1) has
21 violated any provision of any Act or treaty binding on the
22 United States which the Commission is authorized by this
23 Act to administer or any regulation made by the Com-
24 mission under any such Act or treaty; or (2) has failed

1. to carry out the lawful orders of the master of the vessel on
2. which he is employed; or (3) has willfully damaged or per-
3. mitted radio apparatus to be damaged; or (4) has trans-
4. mitted superfluous radio communications or signals or radio
5. communications containing profane or obscene words or
6. language; or (5) has willfully or maliciously interfered with
7. any other radio communications or signals;

8. (n) Have authority to inspect all transmitting ap-
9. paratus to ascertain whether in construction and operation
10. it conforms to the requirements of this Act, the rules and
11. regulations of the Commission, and the license under which
12. it is constructed or operated;

13. (o) Have authority to designate call letters of all
14. stations;

15. (p) Have authority to cause to be published such
16. call letters and such other announcements and data as in
17. the judgment of the Commission may be required for the
18. efficient operation of radio stations subject to the jurisdiction
19. of the United States and for the proper enforcement of this
20. Act;

21. (q) Have authority to require the painting and/or
22. illumination of radio towers if and when in its judgment
23. such towers constitute, or there is a reasonable possibility
24. that they may constitute, a menace to air navigation.

1 WAIVER BY LICENSEE

2 SEC. 304. No station license shall be granted by the
3 Commission until the applicant therefor shall have signed a
4 waiver of any claim to the use of any particular frequency
5 or of the ether as against the regulatory power of the United
6 States because of the previous use of the same, whether by
7 license or otherwise.

8 GOVERNMENT-OWNED STATIONS

9 SEC. 305. (a) Radio stations belonging to and operated
10 by the United States shall not be subject to the provisions
11 of sections 301 and 303 of this Act. All such Government
12 stations shall use such frequencies as shall be assigned to
13 each or to each class by the President. All such stations,
14 except stations on board naval and other Government vessels
15 while at sea or beyond the limits of the continental United
16 States, when transmitting any radio communication or signal
17 other than a communication or signal relating to Government
18 business, shall conform to such rules and regulations designed
19 to prevent interference with other radio stations and the
20 rights of others as the Commission may prescribe.

21 (b) Radio stations on board vessels of the United
22 States Shipping Board Bureau or the United States Shipping
23 Board Merchant Fleet Corporation or the Inland and Coast-
24 wise Waterways Service shall be subject to the provisions
25 of this Act.

1 applications therefor; and shall make a fair and equitable
2 allocation of licenses, frequencies, time for operation, and
3 station power to each of the States and the District of
4 Columbia, within each zone, according to population. The
5 Commission shall carry into effect the equality of broadcast-
6 ing service hereinbefore directed, whenever necessary or
7 proper, by granting or refusing licenses or renewals of
8 licenses, by changing periods of time for operation, and by
9 increasing or decreasing station power, when applications
10 are made for licenses or renewals of licenses: *Provided*,
11 That if and when there is a lack of applications from
12 any zone for the proportionate share of licenses, fre-
13 quencies, time of operation, or station power to which such
14 zone is entitled, the Commission may issue licenses for the
15 balance of the proportion not applied for from any zone, to
16 applicants from other zones for a temporary period of
17 ninety days each, and shall specifically designate that
18 said apportionment is only for said temporary period.
19 Allocations shall be charged to the State or District
20 wherein the studio of the station is located and not where
21 the transmitter is located: *Provided further*, That the Com-
22 mission may, without regard to the requirements of this sub-
23 section, grant applications for additional licenses for stations
24 if the Commission finds that such stations are required in
25 order to furnish adequate radio broadcasting service and that

1 their operation will not interfere with the fair and efficient
2 radio service of licensed stations.

3 (c) The Commission shall study the proposal that
4 Congress by statute allocate fixed percentages of radio broad-
5 casting facilities to particular types or kinds of non-profit
6 radio programs or to persons identified with particular types
7 or kinds of non-profit activities, and shall report to Congress,
8 not later than February 1, 1935, its recommendations
9 together with the reasons for the same.

10 (d) No license granted for the operation of a broad-
11 casting station shall be for a longer term than one year and no
12 license so granted for any other class of station shall be for
13 a longer term than three years, and any license granted may
14 be revoked as hereinafter provided. Upon the expiration
15 of any license, upon application therefor, a renewal of such
16 license may be granted from time to time for a term of not
17 to exceed one year in the case of broadcasting licenses and
18 not to exceed three years in the case of other licenses, but
19 action of the Commission with reference to the granting of
20 such application for the renewal of a license shall be limited
21 to and governed by the same considerations and practice
22 which affect the granting of original applications.

23 (e) No renewal of an existing station license shall
24 be granted more than thirty days prior to the expiration of
25 the original license.

1 (f) In granting applications for licenses or renewal of
2 licenses for frequencies to be used for broadcasting, the Com-
3 mission shall so distribute such licenses that no one licensee
4 nor organization of licensees, whether effected by purchase,
5 lease, chain broadcasting, or other method, shall be able to
6 monopolize or exercise dominant control over the broadcast-
7 ing facilities of any community, city, or State, or over the
8 country as a whole; and the Commission shall, so far as
9 possible, by its distribution of licenses, provide for broad
10 diversification and free competition in broadcast programs
11 to be presented to radio listeners.

12 APPLICATIONS FOR LICENSES; CONDITIONS IN LICENSE FOR
13 FOREIGN COMMUNICATION

14 SEC. 308. (a) The Commission may grant licenses,
15 renewal of licenses, and modification of licenses only upon
16 written application therefor received by it: *Provided, how-*
17 *ever,* That in cases of emergency found by the Commission,
18 licenses, renewals of licenses, and modifications of licenses,
19 for stations on vessels or aircraft of the United States, may
20 be issued under such conditions as the Commission may
21 impose, without such formal application. Such licenses,
22 however, shall in no case be for a longer term than three
23 months: *Provided further,* That the Commission may issue
24 by cable, telegraph, or radio a permit for the operation of a
25 station on a vessel of the United States at sea, effective in

1 lieu of a license until said vessel shall return to a port of
2 the continental United States.

3 (b) All such applications shall set forth such facts as
4 the Commission by regulation may prescribe as to the citi-
5 zenship, character, and financial, technical, and other quali-
6 fications of the applicant to operate the station; the owner-
7 ship and location of the proposed station and of the sta-
8 tions, if any, with which it is proposed to communicate;
9 the frequencies and the power desired to be used; the
10 hours of the day or other periods of time during which
11 it is proposed to operate the station; the purposes for which
12 the station is to be used; and such other information as it
13 may require. The Commission, at any time after the filing
14 of such original application and during the term of any such
15 license, may require from an applicant or licensee further
16 written statements of fact to enable it to determine whether
17 such original application should be granted or denied or
18 such license revoked. Such application and/or such state-
19 ment of fact shall be signed by the applicant and/or licensee
20 under oath or affirmation.

21 (c) The Commission in granting any license for a
22 station intended or used for commercial communication
23 between the United States or any Territory or possession,
24 continental or insular, subject to the jurisdiction of the
25 United States, and any foreign country, may impose any

1 terms, conditions, or restrictions authorized to be imposed
2 with respect to submarine-cable licenses by section 2 of an
3 Act entitled "An Act relating to the landing and the opera-
4 tion of submarine cables in the United States", approved
5 May 24, 1921.

6 HEARINGS ON APPLICATIONS FOR LICENSES; FORM OF
7 LICENSES; CONDITIONS ATTACHED TO LICENSES

8 SEC. 309. (a) If upon examination of any application
9 for a station license or for the renewal or modification of a
10 station license the Commission shall determine that public
11 interest, convenience, or necessity would be served by the
12 granting thereof, it shall authorize the issuance, renewal,
13 or modification thereof in accordance with said finding. In
14 the event the Commission upon examination of any such
15 application does not reach such decision with respect there-
16 to, it shall notify the applicant thereof, shall fix and give
17 notice of a time and place for hearing thereon, and shall
18 afford such applicant an opportunity to be heard under such
19 rules and regulations as it may prescribe.

20 (b) Such station licenses as the Commission may
21 grant shall be in such general form as it may prescribe, but
22 each license shall contain, in addition to other provisions,
23 a statement of the following conditions to which such license
24 shall be subject:

1 (1) The station license shall not vest in the licensee
2 any right to operate the station nor any right in the use of
3 the frequencies designated in the license beyond the term
4 thereof nor in any other manner than authorized therein.

5 (2) Neither the license nor the right granted there-
6 under shall be assigned or otherwise transferred in violation
7 of this Act.

8 (3) Every license issued under this Act shall be sub-
9 ject in terms to the right of use or control conferred by
10 section 606 hereof.

11 **LIMITATION ON HOLDING AND TRANSFER OF LICENSES**

12 **SEC. 310.** (a) The station license required hereby shall
13 not be granted to or held by—

14 (1) Any alien or the representative of any alien;

15 (2) Any foreign government or the representa-
16 tive thereof;

17 (3) Any corporation organized under the laws
18 of any foreign government;

19 (4) Any corporation of which any officer or
20 director is an alien or of which more than one fifth of
21 the capital stock is owned of record or voted by aliens
22 or their representatives or by a foreign government or
23 representative thereof, or by any corporation organized
24 under the laws of a foreign country;

1 (5) Any corporation directly or indirectly con-
2 trolled by any other corporation of which any officer
3 or more than one fourth of the directors are aliens, or of
4 which more than one fourth of the capital stock is owned
5 of record or voted, after June 1, 1935, by aliens, their
6 representatives, or by a foreign government or repre-
7 sentative thereof, or by any corporation organized under
8 the laws of a foreign country.

9 Nothing in this subsection shall prevent the licensing of
10 radio apparatus on board any vessel, aircraft, or other mobile
11 station of the United States when the installation and use of
12 such apparatus is required by Act of Congress or any treaty
13 to which the United States is a party.

14 (b) The station license required hereby, the frequencies
15 authorized to be used by the licensee, and the rights therein
16 granted shall not be transferred, assigned, or in any manner
17 either voluntarily or involuntarily disposed of, or indirectly
18 by transfer of control of any corporation holding such
19 license, to any person, unless the Commission shall, after
20 securing full information, decide that said transfer is in the
21 public interest, and shall give its consent in writing.

22 REFUSAL OF LICENSES AND PERMITS IN CERTAIN CASES

23 SEC. 311. The Commission is hereby directed to refuse
24 a station license and/or the permit hereinafter required for
25 the construction of a station to any person (or to any person

1 directly or indirectly controlled by such person) whose
2 license has been revoked by a court under section 313, and
3 is hereby authorized to refuse such station license and/or
4 permit to any other person (or to any person directly or
5 indirectly controlled by such person) which has been finally
6 adjudged guilty by a Federal court of unlawfully monopoliz-
7 ing or attempting unlawfully to monopolize, radio com-
8 munication, directly or indirectly, through the control of
9 the manufacture or sale of radio apparatus, through exclu-
10 sive traffic arrangements, or by any other means, or to
11 have been using unfair methods of competition. The grant-
12 ing of a license shall not estop the United States or any
13 person aggrieved from proceeding against such person for
14 violating the law against unfair methods of competition or
15 for a violation of the law against unlawful restraints and
16 monopolies and/or combinations, contracts, or agreements
17 in restraint of trade, or from instituting proceedings for the
18 dissolution of such corporation.

19 REVOCATION AND SUSPENSION OF LICENSES

20 SEC. 312. (a) Any station license may be revoked,
21 or suspended for such period as the Commission may pre-
22 scribe, for false statements either in the application or in
23 the statement of fact which may be required by section
24 308 hereof, or because of conditions revealed by such state-
25 ments of fact as may be required from time to time which

1 would warrant the Commission in refusing to grant a license
2 on an original application, or for failure to operate substan-
3 tially as set forth in the license, for violation of or failure
4 to observe any of the restrictions and conditions of this Act,
5 or of any regulation of the Commission authorized by this
6 Act or by a treaty ratified by the United States: *Provided,*
7 *however,* That no such order of revocation or suspension
8 shall take effect until fifteen days' notice in writing thereof,
9 stating the cause for the proposed revocation or suspension,
10 has been given to the licensee. Such licensee may make
11 written application to the Commission at any time within
12 said fifteen days for a hearing upon such order, and upon
13 the filing of such written application said order of revoca-
14 tion or suspension shall stand suspended until the conclusion
15 of the hearing conducted under such rules as the Commission
16 may prescribe. Upon the conclusion of said hearing the
17 Commission may affirm, modify, or revoke said order of
18 revocation or suspension.

19 (b) Any station license hereafter granted under the
20 provisions of this Act or the construction permit required
21 hereby and hereafter issued, may be modified by the Com-
22 mission either for a limited time or for the duration of the
23 term thereof, if in the judgment of the Commission such
24 action will promote the public interest, convenience, and
25 necessity, or the provisions of this Act or of any treaty

1 ratified by the United States will be more fully complied
2 with: *Provided, however,* That no such order of modifica-
3 tion shall become final until the holder of such outstanding
4 license or permit shall have been notified in writing of the
5 proposed action and the grounds or reasons therefor and
6 shall have been given reasonable opportunity to show cause
7 why such an order of modification should not issue.

8 APPLICATION OF ANTITRUST LAWS

9 SEC. 313. All laws of the United States relating to
10 unlawful restraints and monopolies and to combinations,
11 contracts, or agreements in restraint of trade are hereby
12 declared to be applicable to the manufacture and sale of
13 and to trade in radio apparatus and devices entering into
14 or affecting interstate or foreign commerce and to interstate
15 or foreign radio communications. Whenever in any suit,
16 action, or proceeding, civil or criminal, brought under the
17 provisions of any of said laws or in any proceedings brought
18 to enforce or to review findings and orders of the Federal
19 Trade Commission or other governmental agency in respect
20 of any matters as to which said Commission or other govern-
21 mental agency is by law authorized to act, any licensee shall
22 be found guilty of the violation of the provisions of such
23 laws or any of them, the court, in addition to the penalties
24 imposed by said laws, may adjudge, order, and/or decree
25 that the license of such licensee shall, as of the date the

1 decree or judgment becomes finally effective or as of such
2 other date as the said decree shall fix, be revoked and that
3 all rights under such license shall thereupon cease: *Provided,*
4 *however,* That such licensee shall have the same right of
5 appeal or review as is provided by law in respect of other
6 decrees and judgments of said court.

7 PRESERVATION OF COMPETITION IN COMMERCE

8 SEC. 314. After the passage of this Act no per-
9 son engaged directly, or indirectly through any person
10 directly or indirectly controlling or controlled by, or
11 under direct or indirect common control with, such person,
12 or through an agent, or otherwise, in the business of trans-
13 mitting and/or receiving for hire energy, communi-
14 cations, or signals by radio in accordance with the
15 terms of the license issued under this Act, shall by
16 purchase, lease, construction, or otherwise, directly or in-
17 directly, acquire, own, control, or operate any cable or
18 wire telegraph or telephone line or system between any
19 place in any State, Territory, or possession of the United
20 States or in the District of Columbia, and any place in any
21 foreign country, or shall acquire, own, or control any part
22 of the stock or other capital share or any interest in the
23 physical property and/or other assets of any such cable,
24 wire, telegraph, or telephone line or system, if in either
25 case the purpose is and/or the effect thereof may be to

1 substantially lessen competition or to restrain commerce
2 between any place in any State, Territory, or possession
3 of the United States, or in the District of Columbia, and
4 any place in any foreign country, or unlawfully to create
5 monopoly in any line of commerce; nor shall any person
6 engaged directly, or indirectly through any person directly
7 or indirectly controlling or controlled by, or under direct or
8 indirect common control with, such person, or through an
9 agent, or otherwise, in the business of transmitting and/or
10 receiving for hire messages by any cable, wire, telegraph, or
11 telephone line or system (a) between any place in any State,
12 Territory, or possession of the United States, or in the District
13 of Columbia, and any place in any other State, Territory,
14 or possession of the United States; or (b) between any
15 place in any State, Territory, or possession of the United
16 States, or the District of Columbia, and any place in any
17 foreign country, by purchase, lease, construction, or other-
18 wise, directly or indirectly acquire, own, control, or operate
19 any station or the apparatus therein, or any system for
20 transmitting and/or receiving radio communications or
21 signals between any place in any State, Territory, or
22 possession of the United States, or in the District of
23 Columbia, and any place in any foreign country, or shall
24 acquire, own, or control any part of the stock or other
25 capital share or any interest in the physical property and/or

1 other assets of any such radio station, apparatus, or system,
2 if in either case the purpose is and/or the effect thereof
3 may be to substantially lessen competition or to restrain
4 commerce between any place in any State, Territory, or
5 possession of the United States, or in the District of
6 Columbia, and any place in any foreign country, or unlaw-
7 fully to create monopoly in any line of commerce.

8 FACILITIES FOR CANDIDATES FOR PUBLIC OFFICE

9 SEC. 315. (a) If any licensee shall permit any person
10 who is a legally qualified candidate for any public office to
11 use a broadcasting station, he shall afford equal opportunities
12 to all other such candidates for that office in the use of such
13 station; and if any licensee shall permit any person to use a
14 broadcasting station in support of or in opposition to any
15 candidate for public office, or in the presentation of views on
16 a public question to be voted upon at an election, he shall
17 afford equal opportunity to an equal number of other per-
18 sons to use such station in support of an opposing candidate
19 for such public office, or to reply to a person who has used
20 such broadcasting station in support of or in opposition
21 to a candidate, or for the presentation of opposite views
22 on such public questions. Furthermore, it shall be con-
23 sidered in the public interest for a licensee, so far as pos-
24 sible, to permit equal opportunity for the presentation of
25 both sides of public questions.

1 (b) The Commission shall make rules and regulations
2 to carry this provision into effect. No such licensee shall
3 exercise censorship over any material broadcast in accord-
4 ance with the provisions of this section. No obligation is
5 imposed upon any licensee to allow the use of his station by
6 any candidate, or in support of or in opposition to any candi-
7 date, or for the presentation of views on any side of a public
8 question.

9 (c) The rates charged for the use of any station for
10 any of the purposes set forth in this section shall not exceed
11 the regular rates charged for the use of said station to adver-
12 tisers furnishing regular programs, and shall not be dis-
13 criminatory as between persons using the station for such
14 purposes.

15 LOTTERIES AND OTHER SIMILAR SCHEMES

16 SEC. 316. No person shall broadcast by means of any
17 radio station for which a license is required by any law
18 of the United States, and no person operating any such
19 station shall knowingly permit the broadcasting of, any
20 advertisement of or information concerning any lottery, gift
21 enterprise, or similar scheme, offering prizes dependent in
22 whole or in part upon lot or chance, or any list of the prizes
23 drawn or awarded by means of any such lottery, gift enter-
24 prise, or scheme, whether said list contains any part or all
25 of such prizes. Any person violating any provision of this

1 section shall, upon conviction thereof, be fined not more than
2 \$1,000 or imprisoned not more than one year, or both, for
3 each and every day during which such offense occurs.

4 ANNOUNCEMENT THAT MATTER IS PAID FOR

5 SEC. 317. All matter broadcast by any radio station for
6 which service, money, or any other valuable consideration
7 is directly or indirectly paid, or promised to or charged or
8 accepted by, the station so broadcasting, from any per-
9 son, shall, at the time the same is so broadcast, be announced
10 as paid for or furnished, as the case may be, by such person.

11 OPERATION OF TRANSMITTING APPARATUS

12 SEC. 318. The actual operation of all transmitting
13 apparatus in any radio station for which a station license is
14 required by this Act shall be carried on only by a person
15 holding an operator's license issued hereunder. No person
16 shall operate any such apparatus in such station except under
17 and in accordance with an operator's license issued to him
18 by the Commission.

19 CONSTRUCTION PERMITS

20 SEC. 319. (a) No license shall be issued under the
21 authority of this Act for the operation of any station the
22 construction of which is begun or is continued after this Act
23 takes effect, unless a permit for its construction has been
24 granted by the Commission upon written application there-
25 for. The Commission may grant such permit if public

1 convenience, interest, or necessity will be served by the
2 construction of the station. This application shall set forth
3 such facts as the Commission by regulation may prescribe
4 as to the citizenship, character, and the financial, technical,
5 and other ability of the applicant to construct and operate
6 the station, the ownership and location of the proposed
7 station and of the station or stations with which it is pro-
8 posed to communicate, the frequencies desired to be used,
9 the hours of the day or other periods of time during which
10 it is proposed to operate the station, the purpose for which
11 the station is to be used, the type of transmitting apparatus
12 to be used, the power to be used, the date upon which the
13 station is expected to be completed and in operation, and
14 such other information as the Commission may require.
15 Such application shall be signed by the applicant under oath
16 or affirmation.

17 (b) Such permit for construction shall show specifi-
18 cally the earliest and latest dates between which the actual
19 operation of such station is expected to begin, and shall
20 provide that said permit will be automatically forfeited if
21 the station is not ready for operation within the time speci-
22 fied or within such further time as the Commission may
23 allow, unless prevented by causes not under the control of
24 the grantee. The rights under any such permit shall not
25 be assigned or otherwise transferred to any person without

1 the approval of the Commission. A permit for construction
2 shall not be required for Government stations, amateur sta-
3 tions, or stations upon mobile vessels, railroad rolling stock,
4 or aircraft. Upon the completion of any station for the con-
5 struction or continued construction of which a permit has
6 been granted, and upon it being made to appear to the
7 Commission that all the terms, conditions, and obligations
8 set forth in the application and permit have been fully met,
9 and that no cause or circumstance arising or first coming to
10 the knowledge of the Commission since the granting of the
11 permit would, in the judgment of the Commission, make the
12 operation of such station against the public interest, the
13 Commission shall issue a license to the lawful holder of said
14 permit for the operation of said station. Said license shall
15 conform generally to the terms of said permit.

16 DESIGNATION OF STATIONS LIABLE TO INTERFERE WITH
17 DISTRESS SIGNALS

18 SEC. 320. The Commission is authorized to designate
19 from time to time radio stations the communications or sig-
20 nals of which, in its opinion, are liable to interfere with the
21 transmission or reception of distress signals of ships. Such
22 stations are required to keep a licensed radio operator listen-
23 ing in on the frequencies designated for signals of
24 distress and radio communications relating thereto during
25 the entire period the transmitter of such station is in
26 operation.

1 DISTRESS SIGNALS AND COMMUNICATIONS

2 SEC. 321. (a) Every radio station on shipboard shall
3 be equipped to transmit radio communications or signals
4 of distress on the frequency specified by the Com-
5 mission, with apparatus capable of transmitting and
6 receiving messages over a distance of at least one hundred
7 miles by day or night. When sending radio communica-
8 tions or signals of distress and radio communications relating
9 thereto the transmitting set may be adjusted in such a man-
10 ner as to produce a maximum of radiation irrespective of
11 the amount of interference which may thus be caused.

12 (b) All radio stations, including Government stations
13 and stations on board foreign vessels when within the terri-
14 torial waters of the United States, shall give absolute priority
15 to radio communications or signals relating to ships in
16 distress; shall cease all sending on frequencies which
17 will interfere with hearing a radio communication or
18 signal of distress, and, except when engaged in answer-
19 ing or aiding the ship in distress, shall refrain from sending
20 any radio communications or signals until there is assurance
21 that no interference will be caused with the radio com-
22 munications or signals relating thereto, and shall assist the
23 vessel in distress, so far as possible, by complying with
24 its instructions.

1 INTERCOMMUNICATION IN MOBILE SERVICE

2 SEC. 322. Every land station open to general public
3 service between the coast and vessels at sea shall be bound
4 to exchange radio communications or signals with any ship
5 station without distinction as to radio systems or instruments
6 adopted by such stations, respectively, and each station on
7 shipboard shall be bound to exchange radio communications
8 or signals with any other station on shipboard without dis-
9 tinction as to radio systems or instruments adopted by each
10 station.

11 INTERFERENCE BETWEEN GOVERNMENT AND COMMERCIAL
12 STATIONS

13 SEC. 323. (a) At all places where Government and
14 private or commercial radio stations on land operate in such
15 close proximity that interference with the work of Govern-
16 ment stations cannot be avoided when they are operating
17 simultaneously, such private or commercial stations as do in-
18 terfere with the transmission or reception of radio com-
19 munications or signals by the Government stations con-
20 cerned shall not use their transmitters during the first fifteen
21 minutes of each hour, local standard time.

22 (b) The Government stations for which the above-
23 mentioned division of time is established shall transmit radio
24 communications or signals only during the first fifteen min-

1 utes of each hour, local standard time, except in case of
2 signals or radio communications relating to vessels in dis-
3 tress and vessel requests for information as to course, loca-
4 tion, or compass direction.

5 USE OF MINIMUM POWER

6 SEC. 324. In all circumstances, except in case of
7 radio communications or signals relating to vessels in dis-
8 tress, all radio stations, including those owned and operated
9 by the United States, shall use the minimum amount of
10 power necessary to carry out the communication desired.

11 FALSE DISTRESS SIGNALS; REBROADCASTING; STUDIOS OF

12 FOREIGN STATIONS

13 SEC. 325. (a) No person within the jurisdiction of the
14 United States shall knowingly utter or transmit, or cause
15 to be uttered or transmitted, any false or fraudulent signal
16 of distress, or communication relating thereto, nor shall any
17 broadcasting station rebroadcast the program or any part
18 thereof of another broadcasting station without the express
19 authority of the originating station.

20 (b) No person shall be permitted to locate, use, or
21 maintain a radio broadcast studio or other place or apparatus
22 from which or whereby sound waves are converted into
23 electrical energy, or mechanical or physical reproduction of
24 sound waves produced, and caused to be transmitted or de-

1 livered to a radio station in a foreign country for the purpose
2 of being broadcast from any radio station there having
3 a power output of sufficient intensity and/or being so located
4 geographically that its emissions may be received con-
5 sistently in the United States, without first obtaining a per-
6 mit from the Commission upon proper application therefor.

7 (c) Such application shall contain such information as
8 the Commission may by regulation prescribe, and the grant-
9 ing or refusal thereof shall be subject to the requirements
10 of section 309 hereof with respect to applications for station
11 licenses or renewal or modification thereof, and the license
12 or permission so granted shall be revocable for false state-
13 ments in the application so required or when the Commission,
14 after hearings, shall find its continuation no longer in the
15 public interest.

16 CENSORSHIP; INDECENT LANGUAGE

17 SEC. 326. Nothing in this Act shall be understood or
18 construed to give the Commission the power of censorship
19 over the radio communications or signals transmitted by any
20 radio station, and no regulation or condition shall be pro-
21 mulgated or fixed by the Commission which shall interfere
22 with the right of free speech by means of radio communi-
23 cation. No person within the jurisdiction of the United
24 States shall utter any obscene, indecent, or profane language
25 by means of radio communication.

1 USE OF NAVAL STATIONS FOR COMMERCIAL MESSAGES

2 SEC. 327. The Secretary of the Navy is hereby author-
3 ized, unless restrained by international agreement, under the
4 terms and conditions and at rates prescribed by him, which
5 rates shall be just and reasonable, and which, upon com-
6 plaint, shall be subject to review and revision by the
7 Commission, to use all radio stations and apparatus,
8 wherever located, owned by the United States and under
9 the control of the Navy Department, (a) for the reception
10 and transmission of press messages offered by any news-
11 paper published in the United States, its Territories or pos-
12 sessions, or published by citizens of the United States in
13 foreign countries, or by any press association of the United
14 States, and (b) for the reception and transmission of private
15 commercial messages between ships, between ship and shore,
16 between localities in Alaska and between Alaska and the
17 continental United States: *Provided*, That the rates fixed
18 for the reception and transmission of all such messages, other
19 than press messages between the Pacific coast of the United
20 States, Hawaii, Alaska, Guam, American Samoa, the
21 Philippine Islands, and the Orient, and between the United
22 States and the Virgin Islands, shall not be less than the
23 rates charged by privately owned and operated stations for
24 like messages and service: *Provided further*, That the right
25 to use such stations for any of the purposes named in this

1 section shall terminate and cease as between any countries
2 or localities or between any locality and privately operated
3 ships whenever privately owned and operated stations are
4 capable of meeting the normal communication requirements
5 between such countries or localities or between any locality
6 and privately operated ships, and the Commission shall have
7 notified the Secretary of the Navy thereof.

8 SPECIAL PROVISION AS TO PHILIPPINE ISLANDS AND
9 CANAL ZONE

10 SEC. 328. This Act shall not apply to the Philippine
11 Islands or to the Canal Zone. In international radio matters
12 the Philippine Islands and the Canal Zone shall be rep-
13 resented by the Secretary of State.

14 ADMINISTRATION OF RADIO LAWS IN TERRITORIES AND
15 POSSESSIONS

16 SEC. 329. The Commission is authorized to designate
17 any officer or employee of any other department of the
18 Government on duty in any Territory or possession of the
19 United States other than the Philippine Islands and the
20 Canal Zone, to render therein such services in connection
21 with the administration of the radio laws of the United
22 States as the Commission may prescribe: *Provided, That*
23 such designation shall be approved by the head of the
24 department in which such person is employed.

1 **TITLE IV—PROCEDURAL AND ADMINISTRATIVE**
2 **PROVISIONS**

3 **JURISDICTION TO ENFORCE ACT AND ORDERS OF**
4 **COMMISSION**

5 SEC. 401. (a) The district courts of the United States
6 shall have jurisdiction, upon application of the Attorney
7 General of the United States at the request of the Commis-
8 sion, alleging a failure to comply with or a violation of any
9 of the provisions of this Act by any person, to issue a writ
10 or writs of mandamus commanding such person to comply
11 with the provisions of this Act.

12 (b) If any person fails or neglects to obey any order
13 of the Commission other than for the payment of money,
14 while the same is in effect, the Commission or any
15 party injured thereby, or the United States, by its Attorney
16 General, may apply to the appropriate district court of the
17 United States for the enforcement of such order. If, after
18 hearing, that court determines that the order was regularly
19 made and duly served, and that the person is in disobedience
20 of the same, the court shall enforce obedience to such order
21 by a writ of injunction or other proper process, mandatory
22 or otherwise, to restrain such person or the officers, agents,
23 or representatives of such person, from further disobedience
24 of such order, or to enjoin upon it or them obedience to the
25 same.

1 (c) Upon the request of the Commission it shall be
2 the duty of any district attorney of the United States to whom
3 the Commission may apply to institute in the proper court
4 and to prosecute under the direction of the Attorney General
5 of the United States all necessary proceedings for the
6 enforcement of the provisions of this Act and for the punish-
7 ment of all violations thereof, and the costs and expenses
8 of such prosecutions shall be paid out of the appropriations
9 for the expenses of the courts of the United States.

10 (d) The provisions of the Expediting Act, approved
11 February 11, 1903, as amended, and of section 238 (1) of
12 the Judicial Code, as amended, shall be held to apply to any
13 suit in equity arising under title II of this Act, wherein the
14 United States is complainant.

15 PROCEEDINGS TO ENFORCE OR SET ASIDE THE COMMIS-
16 SION'S ORDERS—APPEAL IN CERTAIN CASES

17 SEC. 402. (a) The provisions of the Act of October 22,
18 1913 (38 Stat. 219), relating to the enforcing or setting
19 aside of the orders of the Interstate Commerce Commission,
20 are hereby made applicable to suits to enforce, enjoin, set
21 aside, annul, or suspend any order of the Commission under
22 this Act (except any order of the Commission granting or
23 refusing an application for a construction permit for a radio
24 station, or for a radio station license, or for renewal of an
25 existing radio station license, or for modification of an exist-

1 ing radio station license), and such suits are hereby author-
2 ized to be brought as provided in that Act.

3 (b) An appeal may be taken, in the manner hereinafter
4 provided, from decisions of the Commission to the Court of
5 Appeals of the District of Columbia in any of the following
6 cases:

7 (1) By any applicant for a construction permit for a
8 radio station, or for a radio station license, or for renewal
9 of an existing radio station license, or for modification of an
10 existing radio station license, whose application is refused
11 by the Commission.

12 (2) By any other person aggrieved or whose interests
13 are adversely affected by any decision of the Commission
14 granting or refusing any such application.

15 (c) Such appeal shall be taken by filing with said
16 court within twenty days after the decision complained of
17 is effective, notice in writing of said appeal and a statement
18 of the reasons therefor, together with proof of service of a
19 true copy of said notice and statement upon the Commission.
20 Unless a later date is specified by the Commission as part
21 of its decision, the decision complained of shall be considered
22 to be effective as of the date on which public announcement
23 of the decision is made at the office of the Commission in
24 the city of Washington. The Commission shall thereupon
25 immediately, and in any event not later than five days from

1 the date of such service upon it, mail or otherwise deliver a
2 copy of said notice of appeal to each person shown by the
3 records of the Commission to be interested in such appeal
4 and to have a right to intervene therein under the provisions
5 of this section, and shall at all times thereafter permit any
6 such person to inspect and make copies of the appellant's
7 statement of reasons for said appeal at the office of the
8 Commission in the city of Washington. Within thirty days
9 after the filing of said appeal the Commission shall file with
10 the court the originals or certified copies of all papers and
11 evidence presented to it upon the application involved,
12 and also a like copy of its decision thereon, and shall within
13 thirty days thereafter file a full statement in writing of the
14 facts and grounds for its decision as found and given by it,
15 and a list of all interested persons to whom it has mailed
16 or otherwise delivered a copy of said notice of appeal.

17 (d) Within thirty days after the filing of said appeal
18 any interested person may intervene and participate in the
19 proceedings had upon said appeal by filing with the court
20 a notice of intention to intervene and a verified statement
21 showing the nature of the interest of such party, together
22 with proof of service of true copies of said notice and state-
23 ment, both upon appellant and upon the Commission. Any
24 person who would be aggrieved or whose interests would be
25 adversely affected by a reversal or modification of the

1 decision of the Commission complained of shall be considered
2 an interested party.

3 (e) At the earliest convenient time the court shall hear
4 and determine the appeal upon the record before it, and
5 shall have power, upon such record, to enter a judgment
6 affirming or reversing the decision of the Commission, and,
7 in event the court shall render a decision and enter an order
8 reversing the decision of the Commission, it shall remand the
9 case to the Commission to carry out the judgment of the
10 court: *Provided, however,* That the review by the court shall
11 be limited to questions of law and that findings of fact by
12 the Commission, if supported by substantial evidence, shall
13 be conclusive unless it shall clearly appear that the findings
14 of the Commission are arbitrary or capricious. The court's
15 judgment shall be final, subject, however, to review by the
16 Supreme Court of the United States upon writ of certiorari
17 on petition therefor under section 240 of the Judicial Code,
18 as amended, by appellant, by the Commission, or by any
19 interested party intervening in the appeal.

20 (f) The court may, in its discretion, enter judgment for
21 costs in favor of or against an appellant, and/or other inter-
22 ested parties intervening in said appeal, but not against the
23 Commission, depending upon the nature of the issues involved
24 upon said appeal and the outcome thereof.

1 INQUIRY BY COMMISSION ON ITS OWN MOTION

2 SEC. 403. The Commission shall have full authority
3 and power at any time to institute an inquiry, on its own
4 motion, in any case and as to any matter or thing con-
5 cerning which complaint is authorized to be made, to or
6 before the Commission by any provision of this Act, or
7 concerning which any question may arise under any of
8 the provisions of this Act, or relating to the enforce-
9 ment of any of the provisions of this Act. The Com-
10 mission shall have the same powers and authority to pro-
11 ceed with any inquiry instituted on its own motion as
12 though it had been appealed to by complaint or petition
13 under any of the provisions of this Act, including the
14 power to make and enforce any order or orders in the case,
15 or relating to the matter or thing concerning which the
16 inquiry is had, excepting orders for the payment of money.

17 REPORTS OF INVESTIGATIONS

18 SEC. 404. Whenever an investigation shall be made
19 by the Commission it shall be its duty to make a report
20 in writing in respect thereto, which shall state the conclu-
21 sions of the Commission, together with its decision, order,
22 or requirement in the premises; and in case damages are
23 awarded such report shall include the findings of fact on
24 which the award is made.

1 REHEARING BEFORE COMMISSION

2 SEC. 405. After a decision, order, or requirement has
3 been made by the Commission in any proceeding, any party
4 thereto may at any time make application for rehearing of
5 the same, or any matter determined therein, and it shall be
6 lawful for the Commission in its discretion to grant such
7 a rehearing if sufficient reason therefor be made to appear:
8 *Provided, however,* That in the case of a decision, order,
9 or requirement made under title III, the time within which
10 application for rehearing may be made shall be limited to
11 twenty days after the effective date thereof, and such
12 application may be made by any party or any person
13 aggrieved or whose interests are adversely affected
14 thereby. Applications for rehearing shall be governed
15 by such general rules as the Commission may establish.
16 No such application shall excuse any person from com-
17 plying with or obeying any decision, order, or require-
18 ment of the Commission, or operate in any manner to stay
19 or postpone the enforcement thereof, without the special
20 order of the Commission. In case a rehearing is granted,
21 the proceedings thereupon shall conform as nearly as may
22 be to the proceedings in an original hearing, except as the
23 Commission may otherwise direct; and if, in its judgment,
24 after such rehearing and the consideration of all facts, in-

1 cluding those arising since the former hearing, it shall appear
2 that the original decision, order, or requirement is in any
3 respect unjust or unwarranted, the Commission may reverse,
4 change, or modify the same accordingly. Any decision,
5 order, or requirement made after such rehearing, reversing,
6 changing, or modifying the original determination, shall be
7 subject to the same provisions as an original order.

8 MANDAMUS TO COMPEL FURNISHING OF FACILITIES

9 SEC. 406. The district courts of the United States shall
10 have jurisdiction upon the relation of any person alleging
11 any violation, by a carrier subject to this Act, of any of the
12 provisions of this Act which prevent the relator from receiv-
13 ing service in interstate or foreign communication by wire or
14 radio, or in interstate or foreign transmission of energy by
15 radio, from said carrier at the same charges, or upon
16 terms or conditions as favorable as those given by said
17 carrier for like communication or transmission under
18 similar conditions to any other person, to issue a writ
19 or writs of mandamus against said carrier commanding
20 such carrier to furnish facilities for such communication
21 or transmission to the party applying for the writ: *Pro-*
22 *vided*, That if any question of fact as to the proper com-
23 pensation to the carrier for the service to be enforced by
24 the writ is raised by the pleadings, the writ of peremptory
25 mandamus may issue, notwithstanding such question of fact

1 is undetermined, upon such terms as to security, payment
2 of money into the court, or otherwise, as the court may
3 think proper pending the determination of the question
4 of fact: *Provided further*, That the remedy hereby given
5 by writ of mandamus shall be cumulative and shall not be
6 held to exclude or interfere with other remedies provided
7 by this Act.

8 PETITION FOR ENFORCEMENT OF ORDER FOR PAYMENT OF
9 MONEY

10 SEC. 407. If a carrier does not comply with an order
11 for the payment of money within the time limit in such
12 order, the complainant, or any person for whose benefit such
13 order was made, may file in the district court of the United
14 States for the district in which he resides or in which is
15 located the principal operating office of the carrier, or
16 through which the line of the carrier runs, or in any State
17 court of general jurisdiction having jurisdiction of the parties,
18 a petition setting forth briefly the causes for which he claims
19 damages, and the order of the Commission in the premises.
20 Such suit in the district court of the United States shall
21 proceed in all respects like other civil suits for damages,
22 except that on the trial of such suits the findings and order
23 of the Commission shall be prima facie evidence of the facts
24 therein stated, except that the petitioner shall not be liable
25 for costs in the district court nor for costs at any subsequent

1 stage of the proceedings unless they accrue upon his appeal.
2 If the petitioner shall finally prevail, he shall be allowed a
3 reasonable attorney's fee, to be taxed and collected as a
4 part of the costs of the suit.

5 ORDERS NOT FOR PAYMENT OF MONEY—WHEN EFFECTIVE

6 SEC. 408. Except as otherwise provided in this Act, all
7 orders of the Commission, other than orders for the payment
8 of money, shall take effect within such reasonable time, not
9 less than thirty days after service of the order, and shall
10 continue in force until its further order, or for a specified
11 period of time, according as shall be prescribed in the order,
12 unless the same shall be suspended or modified or set aside
13 by the Commission, or be suspended or set aside by a court
14 of competent jurisdiction.

15 GENERAL PROVISIONS RELATING TO PROCEEDINGS—

16 WITNESSES AND DEPOSITIONS

17 SEC. 409. (a) Any member or examiner of the Com-
18 mission, or the director of any division, when duly designated
19 by the Commission for such purpose, may hold hearings, sign
20 and issue subpoenas, administer oaths, examine witnesses, and
21 receive evidence at any place in the United States desig-
22 nated by the Commission; except that in the administration
23 of title III an examiner may not be authorized to exercise
24 such powers with respect to a matter involving (1) a
25 change of policy by the Commission, (2) the revocation of

1 a station license, (3) new devices or developments in radio
2 or (4) a new kind of use of frequencies. In all cases heard
3 by an examiner the Commission shall hear oral arguments
4 on request of either party.

5 (b) For the purposes of this Act the Commission shall
6 have the power to require by subpoena the attendance and
7 testimony of witnesses and the production of all books,
8 papers, schedules of charges, contracts, agreements, and
9 documents relating to any matter under investigation. Wit-
10 nesses summoned before the Commission shall be paid the
11 same fees and mileage that are paid witnesses in the courts
12 of the United States.

13 (c) Such attendance of witnesses, and the production
14 of such documentary evidence, may be required from any
15 place in the United States, at any designated place of
16 hearing. And in case of disobedience to a subpoena the
17 Commission, or any party to a proceeding before the Com-
18 mission, may invoke the aid of any court of the United
19 States in requiring the attendance and testimony of wit-
20 nesses and the production of books, papers, and documents
21 under the provisions of this section.

22 (d) Any of the district courts of the United States
23 within the jurisdiction of which such inquiry is carried on
24 may, in case of contumacy or refusal to obey a subpoena
25 issued to any common carrier or licensee or other person,

1 issue an order requiring such common carrier, licensee, or
2 other person to appear before the Commission (and pro-
3 duce books and papers if so ordered) and give evidence
4 touching the matter in question; and any failure to obey
5 such order of the court may be punished by such court as
6 a contempt thereof.

7 (e) The testimony of any witness may be taken, at
8 the instance of a party, in any proceeding or investigation
9 pending before the Commission, by deposition, at any time
10 after a cause or proceeding is at issue on petition and
11 answer. The Commission may also order testimony to be
12 taken by deposition in any proceeding or investigation
13 pending before it, at any stage of such proceeding or in-
14 vestigation. Such depositions may be taken before any
15 judge of any court of the United States, or any United
16 States commissioner, or any clerk of a district court, or
17 any chancellor, justice, or judge of a supreme or superior
18 court, mayor, or chief magistrate of a city, judge of a
19 county court, or court of common pleas of any of the United
20 States, or any notary public, not being of counsel or attor-
21 ney to either of the parties, nor interested in the event
22 of the proceeding or investigation. Reasonable notice must
23 first be given in writing by the party or his attorney pro-
24 posing to take such deposition to the opposite party or his
25 attorney of record, as either may be nearest, which notice

1 shall state the name of the witness and the time and place
2 of the taking of his deposition. Any person may be com-
3 pelled to appear and depose, and to produce documentary
4 evidence, in the same manner as witnesses may be compelled
5 to appear and testify and produce documentary evidence
6 before the Commission, as hereinbefore provided.

7 (f) Every person deposing as herein provided shall
8 be cautioned and sworn (or affirm, if he so request) to testify
9 the whole truth, and shall be carefully examined. His
10 testimony shall be reduced to writing by the magistrate tak-
11 ing the deposition, or under his direction, and shall, after
12 it has been reduced to writing, be subscribed by the deponent.

13 (g) If a witness whose testimony may be desired to
14 be taken by deposition be in a foreign country, the deposi-
15 tion may be taken before an officer or person designated by
16 the Commission, or agreed upon by the parties by stipula-
17 tion in writing to be filed with the Commission. All depo-
18 sitions must be promptly filed with the Commission.

19 (h) Witnesses whose depositions are taken as author-
20 ized in this Act, and the magistrate or other officer taking
21 the same, shall severally be entitled to the same fees as are
22 paid for like services in the courts of the United States.

23 (i) No person shall be excused from attending and tes-
24 tifying or from producing books, papers, schedules of charges,
25 contracts, agreements, and documents before the Commission,

1 or in obedience to the subpoena of the Commission, whether such
2 subpoena be signed or issued by one or more commissioners,
3 or in any cause or proceeding, criminal or otherwise, based
4 upon or growing out of any alleged violation of this Act,
5 or of any amendments thereto, on the ground or for the
6 reason that the testimony or evidence, documentary or
7 otherwise, required of him may tend to criminate him or
8 subject him to a penalty or forfeiture; but no individual
9 shall be prosecuted or subjected to any penalty or forfeiture
10 for or on account of any transaction, matter, or thing con-
11 cerning which he is compelled, after having claimed his
12 privilege against self-incrimination, to testify or produce
13 evidence, documentary or otherwise, except that any indi-
14 vidual so testifying shall not be exempt from prosecution
15 and punishment for perjury committed in so testifying.

16 (j) Any person who shall neglect or refuse to attend
17 and testify, or to answer any lawful inquiry, or to produce
18 books, papers, schedules of charges, contracts, agreements,
19 and documents, if in his power to do so, in obedience
20 to the subpoena or lawful requirement of the Commission,
21 shall be guilty of a misdemeanor and upon conviction thereof
22 by a court of competent jurisdiction shall be punished by a
23 fine of not less than \$100 nor more than \$5,000, or by im-
24 prisonment for not more than one year, or by both such
25 fine and imprisonment.

1 accounts, charges, practices, classifications, and regulations
2 of carriers subject to the jurisdiction of such State com-
3 mission and of the Commission; and the Commission is
4 authorized under such rules and regulations as it shall pre-
5 scribe to hold joint hearings with any State commission in
6 connection with any matter with respect to which the Com-
7 mission is authorized to act. The Commission is authorized
8 in the administration of this Act to avail itself of such
9 cooperation, services, records, and facilities as may be
10 afforded by any State commission.

11 JOINDER OF PARTIES

12 SEC. 411. (a) In any proceeding for the enforcement of
13 the provisions of this Act, whether such proceeding be insti-
14 tuted before the Commission or be begun originally in any
15 district court of the United States, it shall be lawful to include
16 as parties, in addition to the carrier, all persons interested in
17 or affected by the charge, regulation, or practice under con-
18 sideration, and inquiries, investigations, orders, and decrees
19 may be made with reference to and against such additional
20 parties in the same manner, to the same extent, and subject
21 to the same provisions as are or shall be authorized by law
22 with respect to carriers.

23 (b) In any suit for the enforcement of an order for
24 the payment of money all parties in whose favor the Com-
25 mission may have made an award for damages by a single

1 order may be joined as plaintiffs, and all of the carriers
2 parties to such order awarding such damages may be joined
3 as defendants, and such suit may be maintained by such joint
4 plaintiffs and against such joint defendants in any district
5 where any one of such joint plaintiffs could maintain such
6 suit against any one of such joint defendants; and service
7 of process against any one of such defendants as may not be
8 found in the district where the suit is brought may be made in
9 any district where such defendant carrier has its principal oper-
10 ating office. In case of such joint suit, the recovery, if any,
11 may be by judgment in favor of any one of such plaintiffs,
12 against the defendant found to be liable to such plaintiff.

13 DOCUMENTS FILED TO BE PUBLIC RECORDS—USE IN
14 PROCEEDINGS

15 SEC. 412. The copies of schedules of charges, classi-
16 fications, and of all contracts, agreements, and arrange-
17 ments between common carriers filed with the Com-
18 mission as herein provided, and the statistics, tables, and
19 figures contained in the annual or other reports of carriers and
20 other persons made to the Commission as required under the
21 provisions of this Act shall be preserved as public records
22 in the custody of the secretary of the Commission, and
23 shall be received as prima facie evidence of what they
24 purport to be for the purpose of investigations by the Com-
25 mission and in all judicial proceedings; and copies of and

1 extracts from any of said schedules, classifications, contracts,
2 agreements, arrangements, or reports, made public records
3 as aforesaid, certified by the secretary, under the Commis-
4 sion's seal, shall be received in evidence with like effect as
5 the originals: *Provided*, That the Commission may, if the
6 public interest will be served thereby, keep confidential any
7 contract, agreement, or arrangement relating to foreign wire
8 or radio communication when the publication of such con-
9 tract, agreement, or arrangement would place American
10 communication companies at a disadvantage in meeting the
11 competition of foreign communication companies.

12 DESIGNATION OF AGENT FOR SERVICE

13 SEC. 413. It shall be the duty of every carrier subject
14 to this Act, within sixty days after the taking effect of this
15 Act, to designate in writing an agent in the District of
16 Columbia, upon whom service of all notices and process
17 and all orders, decisions, and requirements of the Com-
18 mission may be made for and on behalf of said
19 carrier in any proceeding or suit pending before the
20 Commission, and to file such designation in the office of the
21 secretary of the Commission, which designation may from
22 time to time be changed by like writing similarly filed;
23 and thereupon service of all notices and process and orders,
24 decisions, and requirements of the Commission may be made
25 upon such carrier by leaving a copy thereof with such desig-

1 nated agent at his office or usual place of residence in the
2 District of Columbia, with like effect as if made personally
3 upon such carrier, and in default of such designation of
4 such agent, service of any notice or other process in any
5 proceeding before said Commission, or of any order, decision,
6 or requirement of the Commission, may be made by posting
7 such notice, process, order, requirement, or decision in the
8 office of the secretary of the Commission.

9 REMEDIES IN THIS ACT NOT EXCLUSIVE

10 SEC. 414. Nothing in this Act contained shall in any
11 way abridge or alter the remedies now existing at common
12 law or by statute, but the provisions of this Act are in addi-
13 tion to such remedies.

14 LIMITATIONS AS TO ACTIONS

15 SEC. 415. (a) All actions at law by carriers for
16 recovery of their lawful charges, or any part thereof, shall be
17 begun within one year from the time the cause of action
18 accrues, and not after.

19 (b) All complaints against carriers for the recovery
20 of damages not based on overcharges shall be filed with the
21 Commission within one year from the time the cause of ac-
22 tion accrues, and not after, subject to subsection (d) of this
23 section.

24 (c) For recovery of overcharges action at law shall
25 be begun or complaint filed with the Commission against

1 carriers within one year from the time the cause of action
2 accrues, and not after, subject to subsection (d) of this
3 section, except that if claim for the overcharge has been
4 presented in writing to the carrier within the one-year period
5 of limitation said period shall be extended to include one
6 year from the time notice in writing is given by the carrier
7 to the claimant of disallowance of the claim, or any part or
8 parts thereof, specified in the notice.

9 (d) If on or before expiration of the period of limita-
10 tion in subsection (b) or (c) a carrier begins action under
11 subsection (a) for recovery of lawful charges in respect of
12 the same service, or, without beginning action, collects
13 charges in respect of that service, said period of limitation
14 shall be extended to include ninety days from the time such
15 action is begun or such charges are collected by the carrier.

16 (e) The cause of action in respect of the transmission
17 of a message shall, for the purposes of this section, be deemed
18 to accrue upon delivery or tender of delivery thereof by
19 the carrier, and not after.

20 (f) A petition for the enforcement of an order of the
21 Commission for the payment of money shall be filed in the
22 district court or the State court within one year from the
23 date of the order, and not after.

24 (g) The term "overcharges" as used in this section
25 shall be deemed to mean charges for services in excess of

1 those applicable thereto under the schedules of charges law-
2 fully on file with the Commission.

3 PROVISIONS RELATING TO ORDERS

4 SEC. 416. (a) Every order of the Commission shall
5 be forthwith served upon the designated agent of the car-
6 rier in the city of Washington or in such other manner
7 as may be provided by law.

8 (b) Except as otherwise provided in this Act, the
9 Commission is hereby authorized to suspend or modify its
10 orders upon such notice and in such manner as it shall deem
11 proper.

12 (c) It shall be the duty of every person, its agents and
13 employees, and any receiver or trustee thereof, to observe
14 and comply with such orders so long as the same shall
15 remain in effect.

16 **TITLE V—PENAL PROVISIONS—FORFEITURES**

17 GENERAL PENALTY

18 SEC. 501. Any person who willfully does or causes or
19 suffers to be done any act, matter, or thing, in this Act pro-
20 hibited or declared to be unlawful, or who willfully omits or
21 fails to do any act, matter, or thing in this Act required to be
22 done, or willfully causes or suffers such omission or failure,
23 shall, upon conviction thereof, be punished for such offense,
24 for which no penalty (other than a forfeiture) is provided

1 herein, by a fine of not more than \$10,000 or by imprison-
2 ment for a term of not more than three years, or both.

3 VIOLATIONS OF RULES, REGULATIONS, ETC.

4 SEC. 502. Any person who violates any rule, regula-
5 tion, restriction, or condition made or imposed by the Com-
6 mission under authority of this Act, or any rule, regulation,
7 restriction, or condition made or imposed by any inter-
8 national radio or wire communications treaty or conven-
9 tion, or regulations annexed thereto, to which the United
10 States is or may hereafter become a party, shall, in addition
11 to any other penalties provided by law, be punished, upon
12 conviction thereof, by a fine of not more than \$500 for each
13 and every day during which such offense occurs.

14 FORFEITURE IN CASES OF REBATES AND OFFSETS

15 SEC. 503. Any person who shall deliver messages for
16 interstate or foreign transmission to any carrier, or for
17 whom as sender or receiver, any such carrier shall trans-
18 mit any interstate or foreign wire or radio communication,
19 who shall knowingly by employee, agent, officer, or other-
20 wise, directly or indirectly, by or through any means or device
21 whatsoever, receive or accept from such common carrier any
22 sum of money or any other valuable consideration as a
23 rebate or offset against the regular charges for transmission
24 of such messages as fixed by the schedules of charges pro-
25 vided for in this Act, shall in addition to any other penalty

1 provided by this Act forfeit to the United States a sum of
2 money three times the amount of money so received or
3 accepted and three times the value of any other consideration
4 so received or accepted, to be ascertained by the trial court;
5 and in the trial of said action all such rebates or other con-
6 siderations so received or accepted for a period of six years
7 prior to the commencement of the action, may be included
8 therein, and the amount recovered shall be three times the
9 total amount of money, or three times the total value of such
10 consideration, so received or accepted, or both, as the case
11 may be.

12 PROVISIONS RELATING TO FORFEITURES

13 SEC. 504. The forfeitures provided for in this Act
14 shall be payable into the Treasury of the United States, and
15 shall be recoverable in a civil suit in the name of the United
16 States, brought in the district where the person or carrier has
17 its principal operating office, or in any district through which
18 the line or system of the carrier runs. Such forfeitures shall
19 be in addition to any other general or specific penalties herein
20 provided. It shall be the duty of the various district attor-
21 neys, under the direction of the Attorney General of the
22 United States, to prosecute for the recovery of forfeitures
23 under this Act. The costs and expenses of such prosecutions
24 shall be paid from the appropriation for the expenses of the
25 courts of the United States.

1

VENUE OF OFFENSES

2

3 SEC. 505. The trial of any offense under this Act shall
4 be in the district in which it is committed; or if the offense is
5 committed upon the high seas, or out of the jurisdiction of
6 any particular State or district, the trial shall be in the
7 district where the offender may be found or into which he
8 shall be first brought. Whenever the offense is begun in
9 one jurisdiction and completed in another it may be dealt
10 with, inquired of, tried, determined, and punished in either
11 jurisdiction in the same manner as if the offense had been
12 actually and wholly committed therein.

12

TITLE VI—MISCELLANEOUS PROVISIONS

13

TRANSFER TO COMMISSION OF DUTIES, POWERS, AND

14

FUNCTIONS UNDER EXISTING LAW

15

16 SEC. 601. (a) All duties, powers, and functions of the
17 Interstate Commerce Commission under the Act of August
18 7, 1888 (25 Stat. 382), relating to operation of telegraph
19 lines by railroad and telegraph companies granted Govern-
20 ment aid in the construction of their lines, are hereby
21 imposed upon and vested in the Commission: *Provided*, That
22 such transfer of duties, powers, and functions shall not be
23 construed to affect the duties, powers, functions, or jurisdic-
24 tion of the Interstate Commerce Commission under, or to
25 interfere with or prevent the enforcement of, the Interstate
26 Commerce Act and all Acts amendatory thereof or supple-
mental thereto.

1 (b) All duties, powers, and functions of the Post-
2 master General with respect to telegraph companies and tele-
3 graph lines under any existing provision of law are hereby
4 imposed upon and vested in the Commission.

5 REPEALS AND AMENDMENTS

6 SEC. 602. (a) The Radio Act of 1927, as amended,
7 is hereby repealed.

8 (b) The provisions of the Interstate Commerce Act,
9 as amended, insofar as they relate to communication by wire
10 or wireless, or to telegraph, telephone, or cable companies
11 operating by wire or wireless, are hereby repealed.

12 (c) The last sentence of section 2 of the Act entitled
13 "An Act relating to the landing and operation of submarine
14 cables in the United States", approved May 27, 1921, is
15 amended to read as follows: "Nothing herein contained
16 shall be construed to limit the power and jurisdiction of
17 the Federal Communications Commission with respect to
18 the transmission of messages."

19 (d) The first paragraph of section 11 of the Act
20 entitled "An Act to supplement existing laws against
21 unlawful restraints and monopolies, and for other purposes",
22 approved October 15, 1914, is amended to read as follows:

23 "SEC. 11. That authority to enforce compliance with
24 sections 2, 3, 7, and 8 of this Act by the persons respec-
25 tively subject thereto is hereby vested: In the Interstate

1 Commerce Commission where applicable to common carriers
2 subject to the Interstate Commerce Act, as amended; in
3 the Federal Communications Commission where applicable
4 to common carriers engaged in wire or radio communica-
5 tion or radio transmission of energy; in the Federal Reserve
6 Board where applicable to banks, banking associations, and
7 trust companies; and in the Federal Trade Commission
8 where applicable to all other character of commerce, to be
9 exercised as follows:".

10 TRANSFER OF EMPLOYEES, RECORDS, PROPERTY, AND
11 APPROPRIATIONS

12 SEC. 603. (a) All officers and employees of the Federal
13 Radio Commission (except the members thereof, whose
14 offices are hereby abolished) whose services in the judgment
15 of the Commission are necessary to the efficient operation
16 of the Commission are hereby transferred to the Commis-
17 sion, without change in classification or compensation; ex-
18 cept that the Commission may provide for the adjustment
19 of such classification or compensation to conform to the
20 duties to which such officers and employees may be assigned.

21 (b) There are hereby transferred to the jurisdiction
22 and control of the Commission (1) all records and prop-
23 erty (including office furniture and equipment, and includ-
24 ing monitoring radio stations) under the jurisdiction of the
25 Federal Radio Commission, and (2) all records under the

1 jurisdiction of the Interstate Commerce Commission and of
2 the Postmaster General relating to the duties, powers, and
3 functions imposed upon and vested in the Commission by
4 this Act.

5 (c) All appropriations and unexpended balances of
6 appropriations available for expenditure by the Federal
7 Radio Commission shall be available for expenditure by
8 the Commission in the same manner and to the same extent
9 as if the Commission had been named in the laws making
10 such appropriations.

11 EFFECT OF TRANSFERS, REPEALS, AND AMENDMENTS

12 SEC. 604. (a) All orders, determinations, rules, regu-
13 lations, permits, contracts, licenses, and privileges which
14 have been issued, made, or granted by the Interstate Com-
15 merce Commission, the Federal Radio Commission, or the
16 Postmaster General, under any provision of law repealed or
17 amended by this Act or in the exercise of duties, powers, or
18 functions transferred to the Commission by this Act, and
19 which are in effect at the time this section takes effect, shall
20 continue in effect until modified, terminated, superseded, or
21 repealed by the Commission or by operation of law.

22 (b) Any proceeding, hearing, or investigation com-
23 menced or pending before the Federal Radio Commission,
24 the Interstate Commerce Commission, or the Postmaster
25 General, at the time of the organization of the Commission,

1 shall be continued by the Commission in the same manner
2 as though originally commenced before the Commission, if
3 such proceeding, hearing, or investigation (1) involves the
4 administration of duties, powers, and functions transferred
5 to the Commission by this Act, or (2) involves the exercise
6 of jurisdiction similar to that granted to the Commission
7 under the provisions of this Act.

8 (c) All records transferred to the Commission under
9 this Act shall be available for use by the Commission to the
10 same extent as if such records were originally records of
11 the Commission. All final valuations and determinations
12 of depreciation charges by the Interstate Commerce Com-
13 mission with respect to common carriers engaged in radio or
14 wire communications, and all orders of the Interstate Com-
15 merce Commission with respect to such valuations and de-
16 terminations, shall have the same force and effect as though
17 made by the Commission under this Act.

18 (d) The provisions of this Act shall not affect suits
19 commenced prior to the date of the organization of the
20 Commission; and all such suits shall be continued, proceed-
21 ings therein had, appeals therein taken, and judgments
22 therein rendered, in the same manner and with the same
23 effect as if this Act had not been passed. No suit, action,
24 or other proceeding lawfully commenced by or against any
25 agency or officer of the United States, in relation to the

1 discharge of official duties, shall abate by reason of any
2 transfer of authority, power, and duties from such agency
3 or officer to the Commission under the provisions of this
4 Act, but the court, upon motion or supplemental petition
5 filed at any time within twelve months after such transfer,
6 showing the necessity for a survival of such suit, action,
7 or other proceeding to obtain a settlement of the questions
8 involved, may allow the same to be maintained by or
9 against the Commission.

10 UNAUTHORIZED PUBLICATION OF COMMUNICATIONS

11 SEC. 605. No person receiving or assisting in receiving
12 any interstate or foreign communication by wire or radio
13 shall divulge or publish the existence, contents, substance,
14 purpose, effect, or meaning thereof, except through
15 authorized channels of transmission or reception, to any
16 person other than the addressee, his agent, or attorney,
17 or to a person employed or authorized to forward such
18 communication to its destination, or to proper account-
19 ing or distributing officers of the various communicating
20 centers over which the communication may be passed,
21 or to the master of a ship under whom he is serving,
22 or in response to a subpoena issued by a court of competent
23 jurisdiction, or on demand of other lawful authority; and no
24 person not being authorized by the sender shall intercept any
25 communication and divulge or publish the existence, con-

1 tents, substance, purport, effect, or meaning of such inter-
2 cepted communication to any person; and no person not
3 being entitled thereto shall receive or assist in receiving any
4 interstate or foreign communication by wire or radio and use
5 the same or any information therein contained for his own
6 benefit or for the benefit of another not entitled thereto; and
7 no person having received such intercepted communication
8 or having become acquainted with the contents, substance,
9 purport, effect, or meaning of the same or any part thereof,
10 knowing that such information was so obtained, shall divulge
11 or publish the existence, contents, substance, purport, effect,
12 or meaning of the same or any part thereof, or use the same
13 or any information therein contained for his own benefit or
14 for the benefit of another not entitled thereto: *Provided,*
15 That this section shall not apply to the receiving, divulging,
16 publishing, or utilizing the contents of any radio communi-
17 cation broadcast, or transmitted by amateurs or others for
18 the use of the general public, or relating to ships in distress.

19 WAR EMERGENCY—POWERS OF PRESIDENT

20 SEC. 606. (a) During the continuance of a war in which
21 the United States is engaged, the President is authorized,
22 if he finds it necessary for the national defense and security,
23 to direct that such communications as in his judgment may
24 be essential to the national defense and security shall have
25 preference or priority with any carrier subject to this Act.

1 He may give these directions at and for such times as he may
2 determine, and may modify, change, suspend, or annul
3 them and for any such purpose he is hereby authorized to
4 issue orders directly, or through such person or persons as he
5 designates for the purpose, or through the Commission. Any
6 carrier complying with any such order or direction for pref-
7 erence or priority herein authorized shall be exempt from
8 any and all provisions in existing law imposing civil or
9 criminal penalties, obligations, or liabilities upon carriers by
10 reason of giving preference or priority in compliance with
11 such order or direction.

12 (b) It shall be unlawful for any person during any
13 war in which the United States is engaged to knowingly
14 or willfully, by physical force or intimidation by threats of
15 physical force, obstruct or retard or aid in obstructing or
16 retarding interstate or foreign communication by radio or
17 wire. The President is hereby authorized, whenever in his
18 judgment the public interest requires, to employ the armed
19 forces of the United States to prevent any such obstruction
20 or retardation of communication: *Provided*, That nothing
21 in this section shall be construed to repeal, modify, or affect
22 either section 6 or section 20 of an Act entitled "An Act to
23 supplement existing laws against unlawful restraints and
24 monopolies, and for other purposes", approved October 15,
25 1914.

1 (c) Upon proclamation by the President that there
2 exists war or a threat of war or a state of public peril or
3 disaster, or in order to preserve the neutrality of the United
4 States, the President may suspend or amend, for such time
5 as he may see fit, the rules and regulations applicable to
6 any or all offices and stations for wire or radio communi-
7 cation within the jurisdiction of the United States as pre-
8 scribed by the Commission, and may cause the closing
9 of any such office or station and the removal therefrom of
10 its apparatus and equipment, or he may authorize the use
11 or control of any such office or station and/or its apparatus
12 and equipment by any department of the Government under
13 such regulations as he may prescribe, upon just compen-
14 sation to the owners.

15 (d) The President shall ascertain the just compensa-
16 tion for such use or control and certify the amount ascer-
17 tained to Congress for appropriation and payment to the
18 person entitled thereto, but no allowance shall be included
19 for the use of any radio frequency. If the amount so cer-
20 tified is unsatisfactory to the person entitled thereto, such
21 person shall be paid only 75 per centum of the amount and
22 shall be entitled to sue the United States to recover such
23 further sum as added to such payment of 75 per centum will
24 make such amount as will be just compensation for the use
25 and control. Such suit shall be brought in the manner

1 provided by paragraph 20 of section 24, or by section 145
2 of the Judicial Code, as amended.

3 **EFFECTIVE DATE OF ACT**

4 **SEC. 607.** This Act shall take effect upon the organi-
5 zation of the Commission, except that this section and sec-
6 tions 1 and 4 shall take effect upon the enactment of this
7 Act. The Commission shall be deemed to be organized
8 upon such date as three members of the Commission have
9 taken office.

10 **SEPARABILITY CLAUSE**

11 **SEC. 608.** If any provision of this Act or the applica-
12 tion thereof to any person or circumstance is held invalid,
13 the remainder of the Act and the application of such pro-
14 visions to other persons or circumstances shall not be affected
15 thereby.

16 **SHORT TITLE**

17 **SEC. 609.** This Act may be cited as the "Communi-
18 cations Act of 1934."

Passed the Senate May 10 (calendar day, May 15),
1934.

Attest:

EDWIN A. HALSEY,

Secretary.

73^D CONGRESS }
2^D SESSION }

S. 3285

AN ACT

To provide for the regulation of interstate and foreign communications by wire or radio, and for other purposes.

MAY 21, 1934

Referred to the Committee on Interstate and Foreign
Commerce