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[Report No. 772]

IN THE SENATE OF THE UNITED STATES

MARCH 15 (calendar day, MARCH 16), 1926

Read twice and referred to the Committee on Interstate Commerce

MAY 6 (calendar day, MAY 8), 1926

Reported by Mr. DILL, with an amendment

[Strike out all after the enacting clause and insert the part printed in *italic*]

AN ACT

the regulation of radio communications, 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 ~~(A) That it is hereby declared and reaffirmed that the~~
4 ~~ether within the limits of the United States, its Terri-~~
5 ~~ories and possessions, is the inalienable possession of the~~
6 ~~people thereof, and that the authority to regulate its use in~~
7 ~~interstate and foreign commerce is conferred upon the Con-~~
8 ~~gress of the United States by the Federal Constitution. No~~
9 ~~person, firm, company, or corporation shall use or operate~~
10 ~~any apparatus for the transmission of radio energy or radio~~
11 ~~communications or signals (a) from one place in any Terri-~~

1 tory or possession of the United States or in the District of
2 Columbia to another place in the same Territory, possession,
3 or District; or (b) from any State, Territory, or possession
4 of the United States, or from the District of Columbia to any
5 other State, Territory, or possession of the United States;
6 or (c) from any place in any State, Territory, or possession
7 of the United States, or in the District of Columbia, to any
8 place in any foreign country or to any vessel; or (d) within
9 any State when the effects of such use extend beyond the
10 borders of said State, or when interference is caused by
11 use or operation with the transmission of such energy, com-
12 munications, or signals from within said State
13 beyond its borders, or from any place beyond its
14 to any place within said State, or with the transmission
15 reception of such energy, communications, or signals from
16 and/or to places beyond the borders of said State; or (e)
17 upon any vessel of the United States, or (f) upon any air-
18 craft or other mobile stations within the United States,
19 except under and in accordance with this Act and with a
20 license in that behalf granted under this Act by the Secretary
of Commerce and except as hereinafter authorized.

(B) The Secretary of Commerce, from time to time,
22 for public convenience, interest, or necessity requires,
23 shall license radio stations and the operators thereof
24 and shall prescribe the nature of the service to be ren-

1 dered by each class and each station within any class; (c)
2 assign bands of frequencies or wave lengths to the various
3 classes of stations and assign frequencies or wave lengths
4 for each individual station and determine the power which
5 each station shall use and the time during which it may
6 operate; (d) determine the location of classes of stations
7 or individual stations (with due consideration of the right
8 of each State to have allocated to it, or to some person,
9 firm, company, or corporation within it, the use of a wave
10 length for at least one broadcasting station located or to
11 be located in such State, whenever application may be made
12 therefor) and the kind of apparatus to be used, with respect
13 to its external effects; (e) regulate the purity and sharpness
14 of the emissions from each station and of the apparatus
15 therein; (f) establish areas or zones to be served by any
16 station; (g) from time to time inspect licensed stations and
17 their apparatus; (h) make such regulations not inconsistent
18 with law as he may deem necessary to prevent interference
19 between stations and to carry out the provisions of this Act:
20 *Provided, however, That changes in the call letters, wave*
21 *lengths, authorized power, in the character of emitted sig-*
22 *nals, or in the times of operation of any station shall not*
23 *be made without the consent of the station licensee unless*
24 *in the judgment of the Secretary of Commerce such changes*
25 *will promote the public interest, or the provisions of this*

1 Act will be more fully complied with. The Secretary of
2 Commerce shall have authority to exclude from the require-
3 ments of any regulations any radio station upon railroad
4 rolling stock and the operators required thereon, or to
5 modify such regulations in his discretion: *Provided, That*
6 such stations shall not be used for sending communications
7 or signal for hire.

8 (C) In time of war or of threat of war or of public
9 peril or disaster or of national emergency or in order to
10 preserve the neutrality of the United States, the President
11 may cause the closing of any station for radio communica-
12 tion and the removal therefrom of its apparatus and equip-
13 ment, or he may authorize the use or control of any such sta-
14 tion and/or its apparatus and equipment by any depart-
15 ment of the Government under such regulations as he may
16 prescribe, upon just compensation to the owners, and every
17 license issued shall be subject in terms to such right.

18 (D) Radio stations belonging to and operated by the
19 United States shall not be subject to the provisions of para-
20 graphs (A) and (B) of this section. All such Govern-
21 ment stations shall use such frequencies or wave lengths as
22 shall be assigned to each or to each class by the President
23 All such stations, except stations on board naval and other
24 Government vessels while at sea or beyond the limits of the
25 continental United States, when transmitting any radio
26 communication or signal other than a communication or

1 signal relating to Government business shall conform to such
2 rules and regulations designed to prevent interference with
3 other radio stations and the rights of others as the Secretary
4 of Commerce may prescribe: *Provided*, That upon procla-
5 mation by the President that there exists war or a threat
6 of war or a state of public peril or disaster or other national
7 emergency, the President may suspend or amend, for such
8 time as he may see fit, the rules and regulations applicable to
9 any or all stations within the jurisdiction of the United States
10 as prescribed by the Secretary of Commerce, and may deal
11 with such stations as authorized by paragraph (C) hereof.
12 All stations owned and operated by the United States
13 except mobile stations of the Army of the United States and
14 all other stations on land and sea shall have special call
15 letters designated by the Secretary of Commerce, and the
16 Secretary is authorized to cause to be published such call
17 letters and such other announcements and data as in his
18 judgment may be required for the efficient operation of
19 radio stations subject to the jurisdiction of the United States
20 and for the proper enforcement of this Act. Radio sta-
21 tions on board vessels of the United States Shipping Board
22 or the United States Shipping Board Emergency Fleet
23 Corporation or the Inland and Coastwise Waterways Service
24 shall be subject to the provisions of this Act.

25 SEC. 2. (A) Paragraph (A) of Section 1 of this Act
26 shall not apply to any person, firm, company, or corporation

1 sending radio communications or signals on a foreign ship
2 while the same is within the jurisdiction of the United States,
3 but such communications or signals shall be transmitted only
4 in accordance with such regulations designed to prevent
5 interference as may be promulgated by the Secretary of
6 Commerce.

7 ~~(B)~~ The station license required hereby shall not be
8 granted to, or after the granting thereof such license shall
9 not be transferred in any manner, either voluntarily or
10 involuntarily, to ~~(a)~~ any alien or the representative of any
11 alien; ~~(b)~~ to any foreign government, or the representative
12 thereof; ~~(c)~~ to any company, corporation, or association
13 organized under the laws of any foreign government; ~~(d)~~
14 to any company, corporation, or association of which any
15 officer or director is an alien, or of which more than one-fifth
16 of the capital stock may be voted by aliens or their repre-
17 sentatives or by a foreign government or representative
18 thereof, or by any company, corporation, or association
19 organized under the laws of a foreign country.

20 The station license required hereby, the frequencies or
21 wave length or lengths authorized to be used by the licensee,
22 and the rights therein granted shall not be transferred,
23 assigned, or in any manner, either voluntarily or involun-
24 tarily, disposed of to any other person, firm, company, or

1 corporation without the consent in writing of the Secretary
2 of Commerce.

3 (C) The Secretary of Commerce, if public con-
4 venience, interest, or necessity will be served thereby, sub-
5 ject to the limitations of this Act, may grant to any applicant
6 therefor a station license provided for in sections 1 and 2
7 hereof.

8 In considering applications for licenses and renewals of
9 licenses, when and in so far as there is a demand for the same,
10 the Secretary of Commerce shall make an equitable distri-
11 bution of licenses, bands of frequency or wave lengths, and
12 of power among the different zones established in section
13 9 of this Act, and shall apply the same principle as between
14 applicants from the different States and communities within
15 each of said zones.

16 No license granted by the Secretary of Commerce shall
17 be for a longer term than five years, and any license granted
18 may be revoked as hereinafter provided. Upon the expira-
19 tion of any license the Secretary of Commerce, upon appli-
20 cation therefor, may grant from time to time renewals of
21 such license for a term not to exceed five years.

22 The Secretary of Commerce is hereby directed to
23 refuse a station license and/or the permit hereinafter re-
24 quired for the construction of a station to any person, firm,
25 company, or corporation, or any subsidiary thereof, which

1 has been found guilty by any Federal court of unlawfully
2 monopolizing or attempting unlawfully to monopolize after
3 this Act takes effect, radio communication, directly or indi-
4 rectly, through the control of the manufacture or sale of radio
5 apparatus, through exclusive traffic arrangements, or by any
6 other means or to have been using unfair methods of com-
7 petition. The granting of a license shall not estop the
8 United States or any person aggrieved from proceeding
9 against such person, firm, company, or corporation for vio-
10 lating the law against unfair methods of competition or for
11 a violation of the law against unlawful restraints and
12 monopolies and/or combinations, contracts, or agreements
13 in restraint of trade, or from instituting proceedings for the
14 dissolution of such firm, company, or corporation.

15 The Secretary of Commerce in granting any license
16 for a station intended or used for commercial communication
17 between the United States or any Territory or possession,
18 continental or insular, subject to the jurisdiction of the
19 United States, the Canal Zone, or the Philippine Islands,
20 and any foreign country, may impose any terms, condi-
21 tions, or restrictions authorized to be imposed with respect
22 to submarine-cable licenses by section 2 of an Act entitled
23 "An Act relating to the landing and the operation of sub-
24 marine cables in the United States," approved May 24,
25 1921.

1 ~~(D)~~ The Secretary of Commerce may grant station
2 licenses only upon written application therefor addressed
3 to him, which application shall set forth such facts as he by
4 regulations may prescribe as to the citizenship, character, and
5 financial, technical, and other qualifications of the applicant
6 to receive a license and to operate the station; the owner-
7 ship and location of the proposed station and of the stations,
8 if any, with which it is proposed to communicate; the fre-
9 quencies or wave lengths and the power desired to be used;
10 the 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 he
13 may require. The Secretary of Commerce, at any time after
14 the filing of such original application and during the term
15 of any such license, may require from an applicant or licensee
16 further written statements of fact to enable him to determine
17 whether such original application should be granted or
18 denied or such license revoked. Such application and/or
19 such statement of fact shall be signed by the applicant and/or
20 licensee under oath or affirmation.

21 ~~(E)~~ Such station licenses as the Secretary of Com-
22 merce may grant shall be in such general form as he may
23 prescribe, but each license shall contain, in addition to other
24 provisions, a statement of the following conditions to which
25 such license shall be subject: (a) The ownership or man-

1 agement of the station or apparatus therein shall not be
2 transferred in violation of this Act; ~~(b)~~ there shall be no
3 vested property right in the license issued for such station
4 or in the frequencies or wave lengths authorized to be used
5 therein; and ~~(c)~~ neither the license nor the right granted
6 thereunder shall be assigned or otherwise transferred in vio-
7 lation of this Act.

8 ~~(F)~~ Any station license granted by the Secretary
9 of Commerce shall be revocable by him for false statements
10 either in the application or in the statement of fact which
11 may be required by paragraph ~~(D)~~ hereof, or because of con-
12 ditions revealed by such statement of fact which would war-
13 rant the Secretary of Commerce in refusing to grant a
14 license on an original application, or for failure to op-
15 erate substantially as set forth in the license, for violation
16 of or failure to observe any of the restrictions and conditions
17 of this Act, or of any regulation of the Secretary of Com-
18 merce authorized by this Act or by the provisions of any
19 international radio convention ratified or adhered to by the
20 United States, or whenever the Interstate Commerce Com-
21 mission, or any other Federal body in the exercise of au-
22 thority conferred upon it by law, shall find and shall certify
23 to the Secretary of Commerce that any licensee bound so
24 to do, has failed to provide reasonable facilities for the
25 transmission of radio communications, or has made any un-

1 just and unreasonable charge, or has been guilty of any dis-
2 crimination, either as to charge or as to service or has made
3 or prescribed any unjust and unreasonable classification,
4 regulation, or practice with respect to the transmission of radio
5 communications or service: *Provided*, That no such order of
6 revocation shall take effect until thirty days' notice in writing
7 thereof, stating the cause for the proposed revocation, has been
8 given to the parties known by the Secretary of Commerce to
9 be interested in such license. Any person in interest
10 aggrieved by said order may make written application to the
11 Secretary of Commerce at any time within said thirty days
12 for a hearing upon such order, and upon the filing of such
13 written application said order of revocation shall stand
14 suspended until the conclusion of the hearing herein directed.
15 Notice in writing of said hearing shall be given by the Secre-
16 tary of Commerce to all the parties known to him to be
17 interested in such license twenty days prior to the time of
18 said hearing. Said hearing shall be conducted under such
19 rules and in such manner as the Secretary of Commerce may
20 prescribe. Upon the conclusion hereof the Secretary of
21 Commerce may affirm, modify, or revoke said orders of
22 revocation.

23 Whenever the Interstate Commerce Commission or
24 other Federal body under authority of law, shall find that
25 any licensee bound so to do has failed to provide reasonable

1 facilities for the transmission of radio communications or has
2 made any unjust and unreasonable charge, or has been
3 guilty of any discrimination, either as to charge or as to
4 service or has made or prescribed any unjust and unreason-
5 able classification, regulation, or practice with respect to
6 the transmission of radio communications or service, it shall
7 certify such finding to the Secretary of Commerce.

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

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

6 SEC. 3. Any applicant for a permit or license whose
7 application is refused by the Secretary of Commerce, and
8 any holder of a license revoked by the Secretary of Com-
9 merce, shall have the right to appeal from such refusal or
10 revocation to the Court of Appeals of the District of Co-
11 lumbia by filing with said court within twenty days after
12 the decision complained of is effective, notice in writing of
13 said appeal and of the reasons therefor.

14 The Secretary of Commerce shall be notified of said
15 appeal by service upon him, prior to the filing thereof, of a
16 certified copy of said appeal and of the reasons therefor.
17 Within twenty days after the filing of said appeal the Secre-
18 tary of Commerce shall file with the court the originals or
19 certified copies of all papers and evidence presented to him
20 upon the original application for a permit or license or in
21 the hearing upon said order of revocation, and also a like
22 copy of his decision thereon and a full statement in writing
23 of the facts and the grounds for his decision as found and
24 given by him. Within twenty days after the filing of said
25 statement by the Secretary of Commerce either party may

1 give notice to the court of his desire to adduce additional
2 evidence. Said notice shall be in the form of a sworn peti-
3 tion stating the nature and character of said additional
4 evidence, and the court may thereupon order such evidence
5 to be taken in such manner and upon such terms and con-
6 ditions as it may deem proper.

7 At the earliest convenient time the court shall hear,
8 review, and determine the appeal upon said record and evi-
9 dence, and may alter or revise the decision appealed from
10 and enter such judgment as to it may seem just. The revision
11 by the court shall be confined to the points set forth in the
12 reasons of appeal.

13 SEC. 4. No person, firm, company, or corporation now
14 or hereafter engaged directly or indirectly through any sub-
15 sidiary, associated, or affiliated person, firm, company, corpo-
16 ration, or agent, or otherwise, in the business of transmitting
17 and/or receiving for hire radio communications or signals
18 (a) between any place in any State, Territory, or possession
19 of the United States or in the District of Columbia, and any
20 place in any other State, Territory, or possession of the
21 United States; or (b) between any place in any State,
22 Territory, or possession of the United States or in the District
23 of Columbia, and any place in any foreign country, shall
24 by purchase, lease, construction, or otherwise, directly
25 or indirectly, acquire, own, control, or operate any cable

1 or wire telegraph or telephone line or system between any
2 place in any State, Territory, or possession of the United
3 States or in the District of Columbia, and any place in any
4 foreign country, or shall acquire, own, or control any part
5 of the stock or other capital share of any interest in the
6 physical property and/or other assets of any such cable,
7 wire telegraph, or telephone line or system, if in either case
8 the purpose is and/or the effect thereof may be to substan-
9 tially lessen competition or to restrain commerce between
10 any place in any State, Territory, or possession of the United
11 States or in the District of Columbia and any place in any
12 foreign country, or unlawfully to create monopoly in any
13 line of commerce; nor shall any person, firm, company,
14 or corporation now or hereafter engaged directly or indi-
15 rectly through any subsidiary, associated or affiliated person,
16 company, corporation, or agent, or otherwise, in the busi-
17 ness of transmitting and/or receiving for hire messages
18 by any cable, wire, telegraph, or telephone line or system
19 (a) between any place in any State, Territory, or posses-
20 sion of the United States or in the District of Columbia, and
21 any place in any other State, Territory, or possession of the
22 United States; or (b) between any place in any State,
23 Territory, or possession of the United States or the District
24 of Columbia, and any place in any foreign country, by pur-
25 chase, lease, construction, or otherwise, directly or indi-

1 rectly acquire, own, control, or operate any station or the
2 apparatus therein, or any system for transmitting and/or
3 receiving radio communications or signals between any
4 place in any State, Territory, or possession of the United
5 States or in the District of Columbia, and any place in any
6 foreign country, or shall acquire, own, or control any part
7 of the stock or other capital share or any interest in the
8 physical property and/or other assets of any such radio
9 station, apparatus, or system, if in either case the purpose
10 is and/or the effect thereof may be to substantially lessen
11 competition or to restrain commerce between any place
12 in any State, Territory, or possession of the United States
13 or in the District of Columbia, and any place in any foreign
14 country, or unlawfully to create monopoly in any line of
15 commerce.

16 SEC. 5. All matter broadcast by any radio station for
17 which service, money, or any other valuable consideration is
18 directly or indirectly paid, or promised to or charged or
19 accepted by, the station so broadcasting, from any person,
20 firm, company, or corporation, shall, at the time the same is
21 so broadcast, be announced as paid for or furnished, as the
22 case may be, by such person, firm, company, or corporation.

23 SEC. 6. (A) The actual operation of all transmitting
24 apparatus in any radio station for which a station license
25 is required by this Act shall be carried on only by a person

1 holding an operator's license issued hereunder. No person
2 shall operate any such apparatus in such station except under
3 and in accordance with an operator's license issued to him by
4 the Secretary of Commerce.

5 (B) The Secretary of Commerce, in his discretion,
6 may grant special temporary operator's licenses to operators
7 of radio apparatus under such regulations, in such form and
8 under such conditions as he may prescribe whenever an
9 emergency arises requiring prompt employment of such an
10 operator. He may also, in his discretion, grant such tem-
11 porary licenses to students and to persons engaged as
12 instructors and in conducting experiments for the develop-
13 ment of the science of radio communication.

14 (C) An operator's license shall be issued by the Secre-
15 tary of Commerce only in response to a written application
16 therefor addressed to him, which shall set forth (a) the
17 name, age, and address of the applicant; (b) the date and
18 place of birth; (c) the country of which he is a citizen and,
19 if a naturalized citizen of the United States, the date and
20 place of naturalization; (d) the previous experience of the
21 applicant in operating radio apparatus; and (e) such other
22 facts or information as may be required by the Secretary of
23 Commerce. Every application shall be signed by the appli-
24 cant under oath or affirmation.

1 ~~(D)~~ An operator's license shall be issued only to a
2 person who in the judgment of the Secretary of Commerce is
3 proficient in the use and operation of radio apparatus.

4 ~~(E)~~ An operator's license shall be in such form as the
5 Secretary of Commerce shall prescribe and may be sus-
6 pended by him for a period not exceeding two years upon
7 proof sufficient to satisfy him that the licensee ~~(a)~~ has vio-
8 lated any provision of any Act or treaty binding on the
9 United States which the Secretary of Commerce is author-
10 ized by this Act to administer or by any regulation made
11 by the Secretary of Commerce under any such Act or treaty;
12 or ~~(b)~~ has failed to compel compliance therewith by any
13 person under his supervision; or ~~(c)~~ has failed to carry out
14 the lawful orders of the master of the vessel on which he is
15 employed; or ~~(d)~~ has willfully damaged or permitted radio
16 apparatus to be damaged; or ~~(e)~~ has transmitted superflu-
17 ous radio communications or signals or radio communications
18 containing profane or obscene words or language; or ~~(f)~~
19 has willfully or maliciously interfered with any other radio
20 communications or signals.

21 ~~(F)~~ An operator's license may be revoked by the
22 Secretary of Commerce upon proof sufficient to satisfy him
23 that the licensee was at the date his license was granted to
24 him, or is at the time of revocation, ineligible or unfit for a
25 license.

1 SEC. 7. (A) No license shall be issued under the
2 authority of this Act for the operation of any station the con-
3 struction of which is begun or is continued after this Act takes
4 effect, unless a permit for its construction has been granted
5 by the Secretary of Commerce upon written application
6 therefor. The Secretary may grant such permit if public
7 convenience, interest, or necessity will be served by the con-
8 struction of the station. This application shall set forth such
9 facts as the Secretary of Commerce by regulation may pre-
10 scribe as to the citizenship, character, and the financial, tech-
11 nical, and other ability of the applicant to construct and oper-
12 ate the station, the ownership and location of the proposed
13 station and of the station or stations with which it is proposed
14 to communicate, the frequencies and wave length or wave
15 lengths desired to be used, the hours of the day or other
16 periods of time during which it is proposed to operate the
17 station, the purpose for which the station is to be used, the
18 type of transmitting apparatus to be used, the power to be
19 used, the date upon which the station is expected to be com-
20 pleted and in operation, and such other information as the
21 Secretary of Commerce may require. Such application shall
22 be signed by the applicant under oath or affirmation.

23 (B) Such permit for construction shall show specif-
24 ically the earliest and latest dates between which the actual
25 operation of such station is expected to begin, and shall

1 provide that said permit will be automatically forfeited if
2 the station is not ready for operation within the time speci-
3 fied or within such further time as the Secretary of Com-
4 merce may allow, unless prevented by causes not under the
5 control of the grantee. The rights under any such permit
6 shall not be assigned or otherwise transferred to any person,
7 firm, company, or corporation without the approval of the
8 Secretary of Commerce. A permit for construction shall not
9 be required for Government stations, amateur stations, or sta-
10 tions upon mobile vessels, railroad rolling stock, or aircraft.
11 Upon the completion of any station for the construction or
12 continued construction for which a permit has been granted,
13 and upon it being made to appear to the Secretary of Com-
14 merce that all the terms, conditions, and obligations set
15 forth in the application and permit have been fully met,
16 and that no cause or circumstance arising or first coming to
17 the knowledge of the Secretary of Commerce since the
18 granting of the permit would, in the judgment of the Secre-
19 tary of Commerce make the operation of such station against
20 the public interest, the Secretary of Commerce shall issue a
21 license to the lawful holder of said permit for the operation
22 of said station. Said license shall conform generally to the
23 terms of said permit.

24 SEC. 8. For the purposes of this Act, the United
25 States is divided into five zones, as follows: The First Zone

1 shall embrace the States of Maine, New Hampshire, Ver-
2 ment, Massachusetts, Connecticut, Rhode Island, New York,
3 New Jersey, Delaware, Maryland, the District of Columbia,
4 Porto Rico, and the Virgin Islands; the Second Zone shall
5 embrace the States of Pennsylvania, Virginia, West Vir-
6 ginia, Ohio, Michigan, and Kentucky; the Third Zone shall
7 embrace the States of North Carolina, South Carolina,
8 Georgia, Florida, Alabama, Tennessee, Mississippi, Arkan-
9 sas, Louisiana, Texas, and Oklahoma; the Fourth Zone shall
10 embrace the States of Indiana, Illinois, Wisconsin, Min-
11 nesota, North Dakota, South Dakota, Iowa, Nebraska,
12 Kansas, and Missouri; and the Fifth Zone shall embrace
13 the States of Montana, Idaho, Wyoming, Colorado, New
14 Mexico, Arizona, Utah, Nevada, Washington, Oregon,
15 California, the Territory of Hawaii, and Alaska.

16 That a commission is hereby created and established
17 to be known as the Federal Radio Commission, herein-
18 after referred to as the commission, which shall be composed
19 of five commissioners, appointed by the President, by and
20 with the advice and consent of the Senate, and one of whom
21 the President shall designate as chairman: *Provided*, That
22 chairmen thereafter elected shall be chosen by the com-
23 mission itself. The membership of the commission shall con-
24 sist of resident citizens at the time of appointment of each of
25 the five respective zones. No member of the commission

1 shall be financially interested in the manufacture or sale of
2 radio apparatus or in the transmission or operation of radio
3 telegraphy, radio telephony, or radio broadcasting. Not
4 more than three commissioners shall be members of the same
5 political party. The first commissioners shall be appointed
6 for the terms of three, four, five, six, and seven years,
7 respectively, from the date of the taking effect of this Act,
8 the term of each to be designated by the President, but
9 their successors shall be appointed for terms of seven years,
10 except that any person chosen to fill a vacancy shall be
11 appointed only for the unexpired term of the commissioner
12 whom he shall succeed.

13 The first meeting of the commission shall be held in
14 the city of Washington at such time and place as the chair-
15 man of the commission may fix. The commission shall
16 convene at such times and places as a majority of the com-
17 mission may determine, or upon call of the chairman thereof,
18 or the Secretary of Commerce. Whenever the Secretary
19 desires to refer to the commission for its decision any
20 matter authorized to be submitted, he may call subsequent
21 meetings thereof at such places in the United States and
22 at such times as he may deem proper.

23 The Secretary of Commerce may refer to the commis-
24 sion any applications for licenses or for the use of wave
25 lengths or for power in connection therewith, or any other

1 matter, the determination of which is vested in him under
2 the terms of this Act. Any person, firm, company, or cor-
3 poration interested in or aggrieved by any decision of the
4 Secretary of Commerce may appeal therefrom to the com-
5 mission. The commission shall hear appeals or references
6 by the Secretary of Commerce de novo, and is authorized to
7 adopt general rules and regulations fixing the time and form
8 of appeals and governing the proceedings before it. Any
9 person, firm, company, or corporation interested in or ag-
10 grieved by any decision of the commission with respect to
11 the granting or refusal of a permit or license or the revocation
12 of or the refusal to revoke a license, may appeal therefrom to
13 the Court of Appeals of the District of Columbia. Notice of
14 said appeal shall be given by service upon the secretary
15 of said commission, prior to the filing thereof, of a certified
16 copy of said appeal and the reasons therefor. Procedure
17 upon said appeal shall be the same as in cases of appeal
18 from decisions of the Secretary of Commerce.

19 The commission may appoint a secretary, and such
20 clerks, experts, examiners, and other employees as it may
21 from time to time find necessary for the proper performance
22 of its duties and as from time to time may be appropriated
23 for by Congress.

24 The members of the commission shall receive a com-
25 pensation of \$25 per day for each days' attendance at

1 sessions of the commission and while traveling to and
2 from such session, but not to exceed one hundred and twenty
3 days' pay in any calendar year, and also their necessary
4 traveling expenses.

5 SEC. 9. The Secretary of Commerce is authorized to
6 designate from time to time radio stations, the communi-
7 cations or signals of which, in his opinion, are liable to inter-
8 fere with the transmission or reception of distress signals
9 of ships. Such stations are required to keep a licensed
10 radio operator, of a class to be determined by the Secretary
11 of Commerce, listening in on the wave length designated for
12 radio communications or signals of distress during the entire
13 period the transmitter of such station is in operation.

14 SEC. 10. Every radio station on shipboard shall
15 be equipped to transmit radio communications or
16 signals of distress on the frequency or wave length
17 specified by the Secretary of Commerce, with apparatus
18 capable of transmitting and receiving messages over a dis-
19 tance of at least one hundred miles day or night.

20 When sending radio communications or signals of dis-
21 tress and radio communications relating thereto the trans-
22 mitting set may be adjusted in such a manner as to produce
23 a maximum of radiation irrespective of the amount of inter-
24 ference which may thus be caused.

1 All radio stations, including Government stations and
2 stations on board foreign vessels when within the territorial
3 waters of the United States, shall give absolute priority to
4 radio communications or signals relating to ships in distress;
5 shall cease all sending on frequencies or wave lengths which
6 will interfere with hearing a radio communication or signal
7 of distress and, except when engaged in answering or aiding
8 the ship in distress, shall refrain from sending any radio com-
9 munications or signals until there is assurance that no inter-
10 ference will be caused with the radio communications or
11 signals relating thereto, and shall assist the vessel in distress
12 so far as possible by complying with its instructions.

13 SEC. 11. Every shore station open to general public
14 service between the coast and vessels at sea shall be bound
15 to exchange radio communications or signals with any ship
16 station without distinction as to radio systems or instru-
17 ments adopted by such stations, respectively, and each sta-
18 tion on shipboard shall be bound to exchange radio com-
19 munications or signals with any other station on shipboard
20 without distinction as to radio systems or instruments adopted
21 by each station.

22 SEC. 12. At all places where Government and private
23 or commercial radio stations on land operate in such close
24 proximity that interference with the work of Government
25 stations can not be avoided when they are operating simulta-

1 neously such private or commercial stations as do interfere
2 with the transmission or reception of radio communications
3 or signals by the Government stations concerned shall not
4 use their transmitters during the first fifteen minutes of each
5 hour, local standard time.

6 The Government stations for which the above-men-
7 tioned division of time is established shall transmit radio
8 communications or signals only during the first fifteen minutes
9 of each hour, local standard time, except in case of signals
10 or radio communications relating to vessels in distress, and
11 vessel requests for information as to course, location, or
12 compass direction.

13 SEC. 13. In all circumstances, except in case of radio
14 communications or signals relating to vessels in distress, all
15 radio stations, including those owned and operated by the
16 United States, shall use the minimum amount of power
17 necessary to carry out the communication desired.

18 SEC. 14. No person receiving or assisting in receiving
19 any radio communication shall divulge or publish the con-
20 tents, substance, purport, effect, or meaning thereof except
21 through authorized channels of transmission or reception to
22 any person other than the addressee, his agent, or attor-
23 ney, or to a telephone, telegraph, cable, or radio station
24 employed or authorized to forward such radio communi-
25 cation to its destination, or to proper accounting or dis-

1 tributing officers of the various communicating centers over
2 which the radio communication may be passed, or to the
3 master of a ship under whom he is serving, or in response
4 to a subpoena issued by a court of competent jurisdiction,
5 or on demand of other lawful authority; and no person
6 not being authorized by the sender shall intercept any mes-
7 sage and divulge or publish the contents, substance, pur-
8 port, effect, or meaning of such intercepted message to
9 any person; and no person not being entitled thereto shall
10 receive or assist in receiving any radio communication and
11 use the same or any information therein contained for his
12 own benefit or for the benefit of another not entitled thereto;
13 and no person having received such intercepted radio com-
14 munication or having become acquainted with the con-
15 tents, substance, purport, effect, or meaning of the same
16 or any part thereof, knowing that such information was so
17 obtained, shall divulge or publish the contents, substance,
18 purport, effect, or meaning of the same or any part thereof,
19 or use the same or any information therein contained for
20 his own benefit or for the benefit of another not entitled
21 thereto: *Provided*, That this section shall not apply to the
22 receiving, divulging, publishing, or utilizing the contents of
23 any radio communication broadcasted or transmitted by
24 amateurs or others for the use of the general public or
25 relating to ships in distress.

1 SEC. 15. No person, firm, company, or corporation
2 within the jurisdiction of the United States shall knowingly
3 utter or transmit, or cause to be uttered or transmitted, any
4 false or fraudulent radio communication, signal of distress, or
5 signal of any kind, nor shall any broadcasting station
6 rebroadcast the program or any part thereof of another
7 broadcasting station without the express authority of the
8 originating station.

9 SEC. 16. The expression "radio communication" or
10 "radio communications" wherever used in this Act means
11 any intelligence, message, signal, power, pictures, or com-
12 munication of any nature transferred by electrical energy
13 from one point to another without the aid of any wire con-
14 necting the points from and at which the electrical energy
15 is sent or received and any system by means of which such
16 transfer of energy is effected.

17 SEC. 17. Any person, firm, company, or corporation
18 failing or refusing to observe or violating any rule, regula-
19 tion, restriction, or condition made or imposed by the Secre-
20 tary of Commerce under the authority of this Act or of any
21 international radio convention or treaty ratified or adhered
22 to by the United States, in addition to any other penalties
23 provided by law, upon conviction thereof by a court of com-
24 petent jurisdiction, shall be punished by a fine of not more
25 than \$500 for each and every such offense.

1 SEC. 18. Any person, firm, company, or corporation
2 who shall violate any provision of this Act, or shall know-
3 ingly make any false oath or affirmation in any affidavit
4 required or authorized by this Act, or shall knowingly swear
5 falsely to a material matter in any hearing authorized by
6 this Act, upon conviction thereof in any court of competent
7 jurisdiction shall be punished by a fine of not more than
8 \$5,000 or by imprisonment for a term of not more than
9 five years or both for each and every such offense.

10 SEC. 19. The trial of any offense under this Act shall
11 be in the district in which it is committed; or if the offense
12 is committed upon the high seas, or out of the jurisdiction of
13 any particular State or district, the trial shall be in the
14 district where the offender may be found or into which he
15 shall be first brought.

16 SEC. 20. This Act shall not apply to the Philippine
17 Islands or to the Canal Zone. In international radio matters
18 the Philippine Islands and the Canal Zone shall be repre-
19 sented by the Secretary of State.

20 SEC. 21. The Secretary of Commerce is authorized to
21 designate any officer or employee of any other department
22 of the Government on duty in any Territory or possession
23 of the United States other than the Philippine Islands and
24 the Canal Zone, to render therein such services in connection
25 with the administration of the radio laws of the United States

1 as the Secretary of Commerce may prescribe: *Provided,*
2 That such designation shall be approved by the head of the
3 department in which such person is employed.

4 SEC. 22. The Act to regulate radio communication
5 approved August 13, 1912, and all other Acts or parts of
6 Acts in conflict with this Act are hereby repealed. Such
7 repeal, however, shall not affect any act done or any right
8 accrued or any suit or proceeding had or commenced in
9 any civil cause prior to said repeal, but all liabilities under
10 said laws shall continue and may be enforced in the same
11 manner as if committed, and all penalties, forfeitures, or
12 liabilities incurred prior to taking effect hereof, under any
13 law embraced in, changed, modified, or repealed by this
14 Act, may be prosecuted and punished in the same manner
15 and with the same effect as if this Act had not been passed:
16 *Provided, however,* That nothing contained in this section
17 shall be construed as authorizing any person, firm, com-
18 pany, or corporation now using or operating any apparatus
19 for the transmission of radio energy or radio communica-
20 tions or signals, to continue such use, except under and in
21 accordance with this Act and with a license in that behalf
22 hereafter granted by the Secretary of Commerce and except
23 as hereinbefore authorized.

24 SEC. 23. If any provision of this Act or the applica-
25 tion thereof to any person, firm, company, or corporation,

1 or to any circumstances, is held invalid, the remainder of
2 the Act and the application of such provision to other per-
3 sons, firms, companies, or corporations, or to other cir-
4 cumstances, shall not be affected thereby.

5 SEC. 24. This Act shall take effect and be in force on
6 and after sixty days from its approval.

7 (A) That the Congress hereby declares, asserts, and
8 reaffirms that it is the policy of the United States to exercise
9 jurisdiction over all forms of interstate transmission of
10 energy, communications, or signals by radio within the
11 United States, its Territories and possessions; that the
12 Federal Government intends forever to preserve and main-
13 tain the channels of radio transmission as perpetual mediums
14 under the control and for the people of the United States;
15 that such channels are not to be subject to acquisition by any
16 individual, firm, or corporation, and only the use, but not
17 the ownership thereof, may be allowed, for limited periods,
18 under licenses in that behalf, granted by Federal authority,
19 and no such license, whether heretofore or hereafter issued,
20 shall be construed to create any right, title, or interest,
21 proprietary or usufructuary, in or to any such channel,
22 beyond the terms, conditions, and periods of such licenses.

23 No person, firm, company, or corporation shall use or
24 operate any apparatus for the transmission of energy or
25 communications or signals by radio (a) from one place in

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

22 (B) There is hereby created and established a com-
23 mission to be known as the Radio Commission, hereinafter
24 referred to as the commission, which shall be composed of
25 five members appointed by the President, by and with the

1 *advice and consent of the Senate, and who may be removed*
 2 *by the President for neglect of duty, or malfeasance in office,*
 3 *but for no other cause.*

4 *Not more than three commissioners shall be members*
 5 *of the same political party.*

6 *The commission shall be composed of citizens of the*
 7 *United States, and* } *no person shall be eligible to appoint-*
 8 *ment who is or has been at any time within a period of one*
 9 *year preceding, financially interested in or an officer of a*
 10 *corporation financially interested in the manufacture or sale*
 11 *of radio apparatus or the transmission or operation of radio*
 12 *communications or the transmission of radio energy in any*
 13 *form whatsoever.* }

14 *The first two commissioners shall be appointed for a*
 15 *term of two years, the second two for a term of three years,*
 16 *and the fifth for a term of five years from the date of taking*
 17 *effect of this Act, the term of each to be designated by the*
 18 *President, but the successors shall be appointed for terms of*
 19 *five years, except when any person chosen to fill a vacancy*
 20 *shall be appointed he shall serve only for the unexpired*
 21 *term of the commissioner whom he shall succeed.* }

22 *Any commissioner in office at the expiration of the term*
 23 *for which he was appointed may continue in office until*
 24 *his successor takes office: Provided, That a vacancy in the*
 25 *commission shall not impair the power of the remaining com-*

1 *missioners to execute the functions of the commission and a*
2 *majority of the commissioners in office shall constitute a*
3 *quorum for the transaction of the business of the commission.*

4 *Each commissioner shall receive a salary of \$12,000*
5 *per year. The commission shall annually designate a com-*
6 *missioner to act as chairman, shall maintain its principal*
7 *office in the District of Columbia, shall have an official seal*
8 *which shall be judicially noticed, shall make an annual*
9 *report to Congress, and may make such regulations as are*
10 *necessary to execute the functions vested in it by this Act.*

11 *The commission may appoint a secretary, who shall re-*
12 *ceive a salary of \$7,500 a year, appoint and fix the salaries*
13 *of a clerk for each commissioner, said clerks' salaries not to*
14 *exceed \$3,600 each per year, and such special counsel as the*
15 *commission may require, and shall appoint, in accordance*
16 *with the Classification Act of 1923 and subject to the provi-*
17 *sions of the civil service laws, clerks, engineers, experts,*
18 *inspectors, assistants, and such other officers and employees,*
19 *and make such expenditures (including expenditures for rent*
20 *and personal services at the seat of government and elsewhere,*
21 *for law books, periodicals, and books of reference, and for*
22 *printing and binding) as may be necessary for the execu-*
23 *tion of the functions vested in the commission. All ex-*
24 *penditures of the commission shall be allowed and paid upon*

1 the presentation of itemized vouchers therefor approved by
2 the chairman.

3 It shall be the purpose and duty of the Radio Commis-
4 sion at all times in the administration of this Act, in so far
5 as possible, to encourage and assist in the development and
6 improvement of the use of radio.

7 (C) The commission, from time to time, as public
8 convenience, interest, or necessity requires, shall—

9 (a) Classify licensed radio stations and the operators
10 required therein.

11 (b) Prescribe the nature of the service to be rendered
12 by each class and each station within any class.

13 (c) Designate call letters or names, assign bands of
14 frequencies or wave lengths to the various classes of stations,
15 and assign frequencies or wave lengths for each individual
16 station and determine the power which each station shall use
17 and the time during which it may operate.

18 (d) Determine the location of classes of stations or
19 individual stations (with due consideration of the right of
20 each State to have allocated to it, or to some person, firm,
21 company, or corporation within it, the use of a wave length
22 for at least one broadcasting station located or to be located
23 in such State, whenever application may be made therefor)
24 and the kind of apparatus to be used, with respect to its
25 external effects.

1 (e) Regulate the purity and sharpness of the emissions
2 from each station and of the apparatus therein.

3 (f) Establish areas or zones to be served by any
4 station.

5 (g) From time to time inspect licensed stations and
6 their apparatus.

7 (h) Make such regulations not inconsistent with law
8 as it may deem necessary to prevent interference between
9 stations and to carry out the provisions of this Act: Pro-
10 vided, however, That changes in the call letter or names,
11 wave lengths, authorized power, in the character of emitted
12 signals, or in the times of operation of any station, shall
13 not be made without the consent of the station licensee
14 unless, in the judgment of the commission, such changes
15 will promote the public interest, or the provisions of this
16 Act will be more fully complied with.

17 (i) Have authority to exclude from the requirements
18 of any regulations any radio station upon railroad rolling
19 stock and the operators required thereon, or to modify
20 such regulations, in its discretion, when such stations are
21 not used for sending communications or signals for hire.

22 (j) When stations are connected by wire for chain
23 broadcasting, determine the power each station shall use
24 and the wave lengths to be used during the time stations
25 are so connected and so operated, and make all other

1 regulations necessary in the interest of equitable radio
2 service to the listeners in the communities or areas affected
3 by chain broadcasting.

4 (k) Regulate and control any and all methods of
5 transmitting energy, communications, or signals by radio
6 where a charge is made to the listeners by the use of any
7 apparatus, device, or connection by wire, and prohibit all
8 unjust and unreasonable charges to listeners.

9 (D) In time of war or of threat of war or of public
10 peril or disaster or of national emergency or in order to
11 preserve the neutrality of the United States, the President
12 may cause the closing of any station for radio communica-
13 tion, or he may authorize the use or control of any station for
14 radio communication and/or its apparatus and equipment by
15 any department of the Government under such regulations
16 as he may prescribe, upon compensation to the owners:
17 Provided, That the mere closing of a station shall not
18 entitle an owner to compensation, and that in the case of
19 the Government commandeering a station for use the com-
20 pensation shall be limited to a fair rate of return upon the
21 physical value thereof, and every license issued shall be sub-
22 ject in terms to such right and conditions.

23 (E) Radio stations belonging to and operated by the
24 United States shall not be subject to the provisions of para-
25 graphs (A) and (C) of this section. All such Govern-

1 *ment stations shall use such frequencies or wave lengths*
2 *as shall be assigned to each or to each class by the Presi-*
3 *dent. All such stations, except stations on board naval*
4 *and other Government vessels while at sea or beyond the*
5 *limits of the continental United States, when transmitting*
6 *any radio communication or signal other than a communica-*
7 *tion or signal relating to Government business shall con-*
8 *form to such rules and regulations designed to prevent inter-*
9 *ference with other radio stations and the rights of others*
10 *as the commission may prescribe: Provided, That upon*
11 *proclamation by the President that there exists war or a*
12 *threat of war or a state of public peril or disaster or other*
13 *national emergency, the President may suspend or amend,*
14 *for such time as he may see fit, the rules and regulations*
15 *applicable to any or all stations within the jurisdiction of the*
16 *United States as prescribed by the commission, and may*
17 *deal with such stations as authorized by paragraph (D)*
18 *hereof.*

19 *(F) Every license issued by the commission under*
20 *this Act shall be subject in terms to such right of use or*
21 *control. The President shall ascertain the just compensa-*
22 *tion for such use or control and certify the amount ascer-*
23 *tained to Congress for appropriation and payment to the*
24 *person entitled thereto. If the amount so certified is unsat-*
25 *isfactory to the person entitled thereto, such person shall be*

1 paid only 75 per centum of the amount and shall be entitled
2 to sue the United States to recover such further sum as
3 added to such payment of 75 per centum which will make
4 such amount as will be just compensation for the use and
5 control. Such suit shall be brought in the manner pro-
6 vided by paragraph 20 of section 24, or by section 145 of
7 the Judicial Code, as amended. All stations owned and
8 operated by the United States, except mobile stations of the
9 Army of the United States and all other stations on land
10 and sea, shall have special names or call letters designated
11 by the commission, and the commission is authorized to
12 cause to be published such names or call letters and such
13 other announcements and data as in its judgment may be
14 required for the efficient operation of radio stations subject
15 to the jurisdiction of the United States and for the proper
16 enforcement of this Act. Radio stations on board vessels of
17 the United States Shipping Board or the United States
18 Shipping Board Emergency Fleet Corporation or the inland
19 and coastwise waterways service shall be subject to the
20 provisions of this Act.

21 SEC. 2. (A) Paragraph (A) of section 1 of this
22 Act shall not apply to any person, firm, company, or cor-
23 poration sending radio communications or signals on a for-
24 eign ship while the same is within the jurisdiction of the
25 United States, but such communications or signals shall be

1 transmitted only in accordance with such regulations
2 designed to prevent interference as may be promulgated
3 by the commission.

4 (B) The station license required hereby shall not be
5 granted to, or after the granting thereof such license shall
6 not be transferred in any manner, either voluntarily or
7 involuntarily, to (a) any alien or the representative of any
8 alien; (b) to any foreign government, or the representa-
9 tive thereof; (c) to any company, corporation, or associa-
10 tion organized under the laws of any foreign government;
11 (d) to any company, corporation, or association of which
12 any officer or director is an alien, or of which more than
13 one-fifth of the capital stock may be voted by aliens or their
14 representatives or by a foreign government or representative
15 thereof, or by any company, corporation, or association
16 organized under the laws of a foreign country.

17 The station license required hereby, the frequencies
18 or wave length or lengths authorized to be used by the
19 licensee, and the rights therein granted shall not be trans-
20 ferred, assigned, or in any manner, either voluntarily or
21 involuntarily, disposed of to any person, firm, company, or
22 corporation without the consent in writing of the commission:
23 Provided, That the commission shall not approve any trans-
24 fer or assignment or disposition of the station license required
25 hereby, voluntarily or involuntarily, if the consideration be

1 greater than the reasonable value of the apparatus for which
2 said license has been issued, and said exchange value shall in
3 no case exceed the original cost of the apparatus, and the
4 same provision shall apply to fixtures, studio, and equipment
5 thereof if they are transferred with the apparatus. In case
6 the commission shall find there has been any violation or
7 evasion of this provision it shall have power to terminate
8 irrevocably the license of such station.

9 (C) The commission shall, subject to the provisions of
10 this Act, issue to each applicant therefor, a station license,
11 if public convenience, interest, or necessity will be served
12 thereby, as provided for in sections 1 and 2 hereof.

13 In considering applications for licenses and renewals
14 of licenses, when and in so far as there is a demand for
15 the same, the commission shall make such a distribution of
16 licenses, bands of frequency or wave lengths, periods of
17 time for operation, and of power among the different States
18 and communities as to give fair, efficient, and equitable radio
19 service to each of the same: Provided, That in said distribu-
20 tion the commission shall give due regard to the requests
21 of educational institutions for opportunities to broadcast edu-
22 cational programs in each State and community.

23 No license granted by the commission shall be for a
24 longer term than two years, and any license granted may
25 be revoked as hereinafter provided. Upon the expiration

1 of any license the commission, upon application therefor,
2 may grant from time to time renewals of such license for a
3 term not to exceed two years, and no license shall be granted
4 until the applicant either for a license or for a renewal of a
5 license has signed under oath a waiver of any claim of right
6 to any wave length or to the use of the ether because of any
7 previous use of the same, whether by license or otherwise.

8 (D) Before the commission shall issue any license to
9 an applicant as herein provided, the applicant shall file with
10 the commission a written application therefor, stating under
11 oath the following:

12 (a) All traffic and other agreements between the appli-
13 cant and any person engaged in the business of the trans-
14 mission of energy communications and signals by radio or in
15 the business of manufacturing, using, purchasing, selling, or
16 operating of apparatus, patented or unpatented, for the
17 transmission or receipt of energy communication or signals
18 by radio, or in the acquisition, purchase, use, or sale of
19 patents, or rights or licenses thereunder, in respect of radio
20 communication, together with copies of such agreements if
21 in writing, or a statement of the substance thereof if not in
22 writing. //

23 (b) The shares directly or indirectly owned or con-
24 trolled by the applicant in any corporation or association
25 engaged in the business of manufacturing, using, purchasing,

1 or selling apparatus for the transmission or reception of
2 radio communications.

3 (c) Such facts relating to the citizenship, character,
4 and financial, technical, or other ability of the applicant to
5 operate the station, as the commission may by regulation
6 prescribe.

7 (d) The ownership and location of the station, and
8 of the stations, if any, with which it is proposed to com-
9 municate, the wave lengths and the power desired to be
10 used, the periods of time during which it is proposed to
11 operate the station, and the purposes for which the station
12 is to be operated.

13 (e) Such other information as the commission may
14 require either by specific order after the application is made
15 or by general regulation: Provided, That the commission
16 may require any or all such information hereinbefore pro-
17 vided at any time during the period for which the license
18 has been granted, for the purpose of determining whether
19 or not the license should be revoked.

20 (E) The commission shall prescribe the form of license
21 to be issued to the different kinds and classes of stations, but
22 all such licenses shall contain a statement of the following
23 conditions, to which the licensee shall be subject:

24 (a) The license shall not be transferred in violation of
25 this Act.

1 (b) *The license does not grant any vested property*
2 *right in the ether, the wave lengths, or other rights author-*
3 *ized under it except for the period of time covered by its*
4 *terms.*

5 (c) *The license shall require the keeping of a log of*
6 *all programs, messages, or transmissions of radio energy,*
7 *communications, or signals for each twenty-four-hour period*
8 *for the hours the station is operated.*

9 (F) *The commission may in its discretion waive the*
10 *requirements hereinbefore stated for the purpose of granting*
11 *a temporary experimental license for a period not to exceed*
12 *ninety days, for purposes of experimentation, but such ex-*
13 *perimental licenses shall prohibit broadcasting at such hours*
14 *as will interfere with stations duly licensed.*

15 (G) *The commission is hereby directed to refuse a*
16 *station license and/or the permit hereinafter required for the*
17 *construction of a station to any person, firm, company, or*
18 *corporation, or any subsidiary thereof, which has been found*
19 *guilty by any Federal court of unlawfully monopolizing*
20 *or attempting unlawfully to monopolize after this Act takes*
21 *effect radio communication, directly or indirectly, through*
22 *the control of the manufacture or sale of radio apparatus,*
23 *through exclusive traffic arrangements, or by any other means,*
24 *or which has been using unfair methods of competition.*

1 *The granting of a license shall not estop the United*
2 *States or any person aggrieved from proceeding against such*
3 *person, firm, company, or corporation for violating the law*
4 *against unfair methods of competition or for a violation of*
5 *the law against unlawful restraints and monopolies and/or*
6 *combinations, contracts, or agreements in restraint of trade,*
7 *or from instituting proceedings for the dissolution of such*
8 *firm, company, or corporation.*

9 *The commission in granting any license for a station*
10 *intended or used for commercial communication between*
11 *the United States or any Territory or possession, continental*
12 *or insular, subject to the jurisdiction of the United States,*
13 *and any foreign country, may impose any terms, conditions,*
14 *or restrictions authorized to be imposed with respect to sub-*
15 *marine-cable licenses by section 2 of an Act entitled "An*
16 *Act relating to the landing and the operation of submarine*
17 *cables in the United States," approved May 24, 1921.*

18 *(H) Any station license granted by the commission*
19 *shall be revocable by it for false statements either in the*
20 *application or in the statement of fact which may be required*
21 *under paragraph (D) hereof, or because of conditions*
22 *revealed by such statements of fact as may be required from*
23 *time to time which would warrant the commission in refus-*
24 *ing to grant a license on an original application, or for*
25 *failure to operate substantially as set forth in the license,*

1 for violation of or failure to observe any of the restrictions
2 and conditions of this Act, or of any regulation of the com-
3 mission authorized by this Act or by a treaty ratified by
4 the United States, or whenever the commission shall find
5 that any licensee bound so to do, has failed to provide rea-
6 sonable facilities for the transmission of radio communica-
7 tions, or has made any unjust and unreasonable charge, or
8 has been guilty of any discrimination, either as to charge
9 or as to service or has made or prescribed any unjust and
10 unreasonable classification, regulation, or practice with
11 respect to the transmission of radio communications or serv-
12 ice: "Provided, That no such order of revocation shall take
13 effect until thirty days' notice in writing thereof, stating
14 the cause for the proposed revocation, has been given to
15 the parties known by the commission to be interested in
16 such license.

17 Any person in interest aggrieved by said order may
18 make written application to the commission at any time
19 within said thirty days for a hearing upon such order, and
20 upon the filing of such written application said order of
21 revocation shall stand suspended until the conclusion of
22 the hearing herein directed. Notice in writing of said hear-
23 ing shall be given by the commission to all the parties
24 known to it to be interested in such license twenty days
25 prior to the time of said hearing. Said hearing shall be

1 conducted under such rules and in such manner as the
2 commission may prescribe. Upon the conclusion hereof
3 the commission may affirm, modify, or revoke said orders
4 of revocation.

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

1 *have the same right of appeal or review as is provided*
2 *by law in respect of other decrees and judgments of said*
3 *court. //*

4 *SEC. 3. After the passage of this Act no person, firm,*
5 *company, or corporation now or hereafter directly or indi-*
6 *rectly through any subsidiary, associated, or affiliated per-*
7 *son, firm, company, corporation, or agent, or otherwise, in*
8 *the business of transmitting and/or receiving for hire energy,*
9 *communications, or signals by radio in accordance with the*
10 *terms of the license issued in accordance with this Act, shall*
11 *by purchase, lease, construction, or otherwise, directly or*
12 *indirectly, acquire, own, control, or operate any cable or*
13 *wire telegraph or telephone line or system between any place*
14 *in any State, Territory, or possession of the United States*
15 *or in the District of Columbia, and any place in any foreign*
16 *country, or shall acquire, own, or control any part of the*
17 *stock or other capital share of any interest in the physical*
18 *property and/or other assets of any such cable, wire,*
19 *telegraph, or telephone line or system, if in either case*
20 *the purpose is and/or the effect thereof may be to substan-*
21 *tially lessen competition or to restrain commerce between*
22 *any place in any State, Territory, or possession of the United*
23 *States or in the District of Columbia and any place in any*
24 *foreign country, or unlawfully to create monopoly in any*
25 *line of commerce; nor shall any person, firm, company,*

1 or corporation now or hereafter engaged directly or indi-
2 rectly through any subsidiary, associated or affiliated person,
3 company, corporation, or agent, or otherwise, in the busi-
4 ness of transmitting and/or receiving for hire messages by
5 any cable, wire, telegraph, or telephone line or system
6 (a) between any place in any State, Territory, or possession
7 of the United States or in the District of Columbia, and
8 any place in any other State, Territory, or possession of the
9 United States; or (b) between any place in any State,
10 Territory, or possession of the United States or the District
11 of Columbia, and any place in any foreign country, by pur-
12 chase, lease, construction, or otherwise, directly or indi-
13 rectly acquire, own, control, or operate any station or the
14 apparatus therein, or any system for transmitting and/or
15 receiving radio communications or signals between any
16 place in any State, Territory, or possession of the United
17 States or in the District of Columbia, and any place in any
18 foreign country, or shall acquire, own, or control any part
19 of the stock or other capital share or any interest in the
20 physical property and/or other assets of any such radio
21 station, apparatus, or system, if in either case the purpose
22 is and/or the effect thereof may be to substantially lessen
23 competition or to restrain commerce between any place
24 in any State, Territory, or possession of the United States
25 or in the District of Columbia, and any place in any foreign

1 country, or unlawfully to create monopoly in any line of
2 commerce.

3 *SEC. 4. All matter broadcast by any radio station for*
4 *which service, money, or any other valuable consideration is*
5 *directly or indirectly paid, or promised to or charged or*
6 *accepted by, the station so broadcasting, from any person,*
7 *firm, company, or corporation; shall, at the time the same is*
8 *so broadcast, be announced as paid for or furnished, as the*
9 *case may be, by such person, firm, company, or corporation.*

10 *If any licensee shall permit a broadcasting station to be*
11 *used as aforesaid, or by a candidate or candidates for any*
12 *public office, or for the discussion of any question affect-*
13 *ing the public, he shall make no discrimination as to the use*
14 *of such broadcasting station, and with respect to said matters*
15 *the licensee shall be deemed a common carrier in interstate*
16 *commerce: Provided, That such licensee shall have no power*
17 *to censor the material broadcast.*

18 *It shall be the duty of the commission to adopt and*
19 *promulgate rules and regulations that will carry the above*
20 *provisions into effect.*

21 *SEC. 5. The commission shall have the power to require*
22 *the owner of any station to have its apparatus operated by*
23 *a competent operator.*

24 *SEC. 6. The commission is authorized to designate from*
25 *time to time radio stations, the communications or signals*

1 of which, in its opinion, are liable to interfere with the
2 transmission or reception of distress signals of ships. Such
3 stations are required to keep a competent radio operator, of
4 a class to be determined by the commission, listening in on
5 the wave length designated for radio communications or sig-
6 nals of distress during the entire period the transmitter of
7 such station is in operation.

8 *SEC. 7. No person within the jurisdiction of the United*
9 *States shall knowingly utter any false or fraudulent radio*
10 *communication, nor any libelous or slanderous communica-*
11 *tion by radio, and the violation of this section shall be pun-*
12 *ishable by a fine not exceeding \$1,000 or one year in jail,*
13 *or both.*

14 *SEC. 8. Nothing in this Act shall be understood or*
15 *construed to give the commission the power of censorship*
16 *over the radio communications or signals transmitted by*
17 *any radio station except as herein stated and declared, and*
18 *no regulation or condition shall be promulgated or fixed*
19 *by the commission which shall interfere with the right of*
20 *free speech by means of radio communications except as*
21 *specifically stated and declared in this Act: Provided, That*
22 *no person within the jurisdiction of the United States shall*
23 *utter any obscene, indecent, or profane language by means*
24 *of radio communication.*

1 *SEC. 9. Every radio station on shipboard shall be*
2 *equipped to transmit radio communications or signals of*
3 *distress on the frequency or wave length specified by the*
4 *commission, with apparatus capable of transmitting and*
5 *receiving messages over a distance of at least one hundred*
6 *miles by day or night.*

7 *When sending radio communications or signals of dis-*
8 *tress and radio communications relating thereto the trans-*
9 *mitting set may be adjusted in such a manner as to produce*
10 *a maximum of radiation irrespective of the amount of inter-*
11 *ference which may thus be caused.*

12 *SEC. 10. Every shore station open to general public*
13 *service between the coast and vessels at sea shall be bound*
14 *to exchange radio communications or signals with any ship*
15 *station without distinction as to radio systems or instru-*
16 *ments adopted by such stations, respectively, and each*
17 *station on shipboard shall be bound to exchange radio com-*
18 *munications or signals with any other station on shipboard*
19 *without distinction as to radio systems or instruments adopted*
20 *by each station.*

21 *SEC. 11. At all places where Government and pri-*
22 *vate or commercial radio stations on land operate in such*
23 *close proximity that interference with the work of Govern-*
24 *ment stations can not be avoided when they are operating*
25 *simultaneously, such private or commercial stations as do*

1 *interfere with the transmission or reception of radio com-*
2 *munications or signals by the Government stations concerned*
3 *shall not use their transmitters during the first fifteen minutes*
4 *of each hour, local standard time.*

5 *The Government stations for which the above-men-*
6 *tioned division of time is established shall transmit radio*
7 *communications or signals only during the first fifteen*
8 *minutes of each hour, local standard time, except in case of*
9 *signals or radio communications relating to vessels in dis-*
10 *tress, and vessel requests for information as to course, loca-*
11 *tion, or compass direction.*

12 *SEC. 12. In all circumstances, except in case of*
13 *radio communications or signals relating to vessels in dis-*
14 *tress, all radio stations, including those owned and operated*
15 *by the United States, shall use the minimum amount of*
16 *power necessary to carry out the communication desired.*

17 *SEC. 13. Any Government station engaged in trans-*
18 *mitting or receiving radio communications relating to Govern-*
19 *ment business, compass reports, the safety of ships, or*
20 *press messages, including Government stations in the Philip-*
21 *pine Islands, is hereby authorized to be used for general*
22 *commercial business when such use does not interfere with*
23 *the use for Government purposes as aforesaid, but Govern-*
24 *ment business shall have precedence over commercial busi-*
25 *ness: Provided, That rates fixed for such commercial busi-*

1 *ness, except press rates, shall be substantially the same as*
2 *the rates charged by privately owned and operated radio*
3 *stations for like communications and services, and no Gov-*
4 *ernment station shall be permitted to make unjust charges*
5 *or show discrimination, and that said rates, including press,*
6 *shall be subject to control by the commission: And provided*
7 *further, That receipts from such commercial business shall*
8 *be covered into the Treasury as miscellaneous receipts.*
9 *Whenever in the judgment of the commission the enforce-*
10 *ment of this section within the Territory of Alaska, or the*
11 *Virgin Islands, Porto Rico, American Samoa, Guam, or the*
12 *Territory of Hawaii would not be in the public interest, and*
13 *the commission shall so certify to the head of the Govern-*
14 *ment department operating any radio station in such Terri-*
15 *tories and insular possessions, the application of the section*
16 *within such Territories and insular possessions shall be*
17 *suspended for such time as said certificate remains in force.*

18 *SEC. 14. No person receiving or assisting in receiv-*
19 *ing any radio communication shall divulge or publish the*
20 *contents, substance, purport, effect, or meaning thereof ex-*
21 *cept through authorized channels of transmission or recep-*
22 *tion to any person other than the addressee, his agent, or*
23 *attorney, or to a telephone, telegraph, cable, or radio station*
24 *employed or authorized to forward such radio communi-*
25 *cation to its destination, or to proper accounting or dis-*

1 tributing officers of the various communicating centers over
2 which the radio communication may be passed, or to the
3 master of a ship under whom he is serving, or in response
4 to a subpœna issued by a court of competent jurisdiction,
5 or on demand of other lawful authority; and no person
6 not being authorized by the sender shall intercept any mes-
7 sage and divulge or publish the contents, substance, pur-
8 port, effect, or meaning of such intercepted message to
9 any person; and no person not being entitled thereto shall
10 receive or assist in receiving any radio communication and
11 use the same or any information therein contained for his
12 own benefit or for the benefit of another not entitled thereto;
13 and no person having received such intercepted radio com-
14 munication or having become acquainted with the con-
15 tents, substance, purport, effect, or meaning of the same
16 or any part thereof, knowing that such information was so
17 obtained, shall divulge or publish the contents, substance,
18 purport, effect, or meaning of the same or any part thereof,
19 or use the same or any information therein contained for
20 his own benefit or for the benefit of another not entitled
21 thereto: Provided, That this section shall not apply to the
22 receiving, divulging, publishing, or utilizing the contents of
23 any radio communication broadcasted or transmitted by
24 amateurs or others for the use of the general public or
25 relating to ships in distress, and/or of any news bulletin

1 received aboard any American vessel without the territorial
2 waters of the United States.

3 *SEC. 15. The expression "radio communication" or*
4 *"radio communications" wherever used in this Act means*
5 *any intelligence, message, signal, power, pictures, or com-*
6 *munication of any nature transferred by electrical energy*
7 *from one point to another without the aid of any wire con-*
8 *necting the points from and at which the electrical energy*
9 *is sent or received and any system by means of which such*
10 *transfer of energy is effected.*

11 *SEC. 16. Any person, firm, company, or corporation*
12 *failing or refusing to observe or violating any rule, regula-*
13 *tion, restriction, or condition made or imposed by the com-*
14 *mission under the authority of this Act or of any international*
15 *radio convention or treaty ratified or adhered to by the*
16 *United States, in addition to any other penalties provided by*
17 *law, upon conviction thereof by a court of competent juris-*
18 *dition, shall be punished by a fine of not more than \$500,*
19 *for each and every offense.*

20 *SEC. 17. Any person, firm, company, or corporation*
21 *who shall violate any provision of this Act, or shall know-*
22 *ingly make any false oath or affirmation in any affidavit*
23 *required or authorized by this Act, or shall knowingly swear*
24 *falsely to a material matter in any hearing authorized by*
25 *this Act, upon conviction thereof in any court of competent*

1 jurisdiction shall be punished by a fine of not more than
2 \$5,000 or by imprisonment for a term of not more than five
3 years or both for each and every such offense.

4 *SEC. 18. The trial of any offense under this Act shall*
5 *be in the district in which it is committed; or if the offense*
6 *is committed upon the high seas, or out of the jurisdiction*
7 *of any particular State or district, the trial shall be in the*
8 *district where the offender may be found or into which he*
9 *shall be first brought.*

10 *SEC. 19. Except as provided in section 13 this Act*
11 *shall not apply to the Philippine Islands or to the Canal*
12 *Zone. In international radio matters the Philippine Islands*
13 *and the Canal Zone, except as to local radio broadcasting*
14 *and in radio matters which concern only Panama and the*
15 *Canal Zone, shall be represented by the Secretary of State.*

16 *SEC. 20. 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 States*
22 *as the commission may prescribe: Provided, That such*
23 *designation shall be approved by the head of the depart-*
24 *ment in which such person is employed.*

1 *SEC. 21. All officers and employees of the Department*
2 *of Commerce exclusively engaged, on the effective date of*
3 *this Act, in the administration of the existing radio laws*
4 *of the United States, shall as of such date be transferred*
5 *to, and become officers and employees, respectively, of the*
6 *commission without change in classification or compensation.*

7 *SEC. 22. There is hereby authorized to be appropriated,*
8 *out of any money in the Treasury not otherwise appropriated,*
9 *the sum of \$350,000 for the fiscal year ending June 30,*
10 *1927, for expenditures incurred in the administration of*
11 *this Act.*

12 *SEC. 23. (A) The Act entitled "An Act to regulate*
13 *radio communication," approved August 13, 1912, and*
14 *sections 2 and 3 of the resolution entitled "Joint resolu-*
15 *tion to authorize the operation of Government-owned radio*
16 *stations for the use of the general public, and for other*
17 *purposes," approved June 5, 1920, as amended, are hereby*
18 *repealed.*

19 *(B) Upon the passage of this Act the provisions of*
20 *the Interstate Commerce Act, as amended, shall cease to*
21 *apply to the transmission of intelligence by wireless.*

22 *(C) Any offense in violation of, and any right,*
23 *liability, penalty, or forfeiture based upon, any provision of*
24 *law repealed or made inapplicable by this Act, if com-*
25 *mitted, accrued, or incurred prior to the passage of this Act,*

1 *may be prosecuted or enforced in the same manner and to*
2 *the same effect as if this Act had not been passed.*

3 *(D) Nothing in this section shall be construed as*
4 *authorizing any person now using or operating any apparatus*
5 *for the transmission of radio energy or radio communications*
6 *or signals to continue such use except under and in accord-*
7 *ance with this Act and with a license granted by the*
8 *commission in accordance with the authority hereinbefore*
9 *conferred.*

10 *SEC. 24. If any provision of this Act or the application*
11 *thereof to any person, firm, company, or corporation, or to*
12 *any circumstances, is held invalid, the remainder of the*
13 *Act and the application of such provision to other persons,*
14 *firms, companies, or corporations, or to other circumstances*
15 *shall not be affected thereby.*

16 *SEC. 25. This Act shall take effect and be in force on*
17 *and after ninety days from its approval.*

Passed the House of Representatives March 15, 1926.

Attest:

WM. TYLER PAGE,

Clerk.

CALENDAR NO. 774

69TH CONGRESS } H. R. 9971
1ST SESSION }

[Report No. 772]

AN ACT

For the regulation of radio communications,
and for other purposes.

MARCH 15 (calendar day, MARCH 16), 1926
Read twice and referred to the Committee on
Interstate Commerce

MAY 6 (calendar day, MAY 8), 1926
Reported with an amendment