# H. R. 9947

#### IN THE HOUSE OF REPRESENTATIVES

AUGUST 3, 1973

Mr. James V. Stanton introduced the following bill; which was referred to the Committee on the Judiciary

### A BILL

To reform consent decree procedures, to increase penalties for violation of the Sherman Act, and to revise the Expediting Act as it pertains to appellate review.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 That this Act may be cited as the "Antitrust Procedures and
- 4 Penalties Act".

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- CONSENT DECREE PROCEDURES
- 6 Sec. 2. Section 5 of the Act entitled "An Act to supple-
- 7 ment existing laws against unlawful restraints and monopo-
- 8 lies, and for other purposes", approved October 15, 1914
- 9 (38 Stat. 730; 15 U.S.C. 16), is amended by redesignating

- 1 subsection (b) as (i) and by inserting after subsection (a)
- 2 the following:
- 3 "(b) (1) Any consent judgment proposed by the
- 4 United States for entry in any civil proceeding brought by or
- 5 on behalf of the United States under the antitrust laws shall
- 6 be filed with the district court before which that proceeding
- 7 is pending and published in the Federal Register at least
- 8 sixty days prior to the effective date of such decree. Any
- 9 written comments relating to the proposed consent judgment
- 10 and any responses thereto, other than those which are ex-
- 11 empt from disclosure under section 552 (b) of title 5, United
- 12 States Code, shall also be filed with the same district court
- 13 and published in the Federal Register within the aforemen-
- 14 tioned sixty-day period.
- "(2) Copies of the proposed consent judgment and such
- 16 other materials and documents which the United States con-
- 17 sidered determinative in formulating the proposed consent
- 18 judgment, other than those which are exempt from dis-
- 19 closure under sections 552 (a) (4) and (5) of title 5,
- 20 United States Code, shall also be made available to mem-
- 21 bers of the public at the district court before which the
- 22 preceding is pending and in such other districts as the court
- 23 may subsequently direct. Simultaneously with the filing of
- 24 the proposed consent judgment, unless otherwise instructed
- 25 by the court, the United States shall file with the district

1	court, cause to be published in the Federal Register, and
2	thereafter furnish to any person upon request a public im-
3	pact statement which shall recite—
4	"(A) the nature and purpose of the proceeding;
5	"(B) a description of the practices or events giving
- 6	rise to the alleged violation of the antitrust laws;
. <b>7</b>	"(C) an explanation of the proposed judgment, re-
8	lief to be obtained thereby, and the anticipated effects on
9	competition of that relief, including an explanation of
10	any unusual circumstances giving rise to the proposed
11	judgment or any provision contained therein;
12	"(D) the remedies available to potential private
13	plaintiffs damaged by the alleged violation in the event
14	that the proposed judgment is entered;
15	"(E) a description of the procedures available for
16	modification of the proposed judgment;
17	"(F) a description and evaluation of alternatives
18	actually considered to the proposed judgment.
19,	"(3) In the case of a consent decree entered after
20	December 31, 1972, and before the date of enactment of this
21	subsection, copies of any consent judgment proposed by the
22	United States, and any other materials and documents and
23	the public impact statement with respect to such consent
24	decree, which would have been required under paragraph

(2) of this subsection had such consent decree been entered

- 1 after the date of enactment of this subsection, shall be filed
- 2 and made available to the public in the same manner as
- 3 specified under paragraph (2), to the maximum extent
- 4 practicable.
- 5 "(c) The United States shall also cause to be published,
- 6 commencing at least sixty days prior to the effective date of
- 7 such decree, for seven days over a period of two weeks in
- 8 newspapers of general circulation of the district in which the
- 9 case has been filed, in Washington, District of Columbia, and
- 10 in such other districts as the court may direct (i) a summary
- 11 of the terms of the proposed consent judgment, (ii) a sum-
- 12 mary of the public impact statement to be filed under sub-
- 13 section (b), (iii) and a list of the materials and documents
- 14 under subsection (b) which the United States shall make
- 15 available for purposes of meaningful public comment, and
- 16 the places where such material is available for public
- inspection.
- "(d) During the sixty-day period provided above, and
- 19 such additional time as the United States may request and
- 20 the court may grant, the United States shall receive and
- 21 consider any written comments relating to the proposed
- 22 consent judgment. The Attorney General or his designate
- 23 shall establish procedures to carry out the provisions of this
- 24 subsection, but the sixty-day time period set forth herein
- 25 shall not be shortened except by order of the district court

1 upon a showing that extraordinary circumstances require
2 such shortening and that such shortening of the time period
3. is not adverse to the public interest. At the close of the
4 period during which such comments may be received, the
5 United States shall file with the district court and cause to
6 be published in the Federal Register, a response to such
7(meents.). The solution of animaliave same v
8 (e) Before entering any consent judgment proposed
9 by the United States under this section, the court shall
10 determine that entry of that judgment is in the publication
11- interest as defined by laws For the purpose of this deter-1.1
12 mination, the court may consider - no graded equilibrium gr
13. direct of the judgment, including
14 termination of alleged violation, provisions for enforce t
15 ment and modification, duration of relief sought, antici-it
16 particle pated effects of alternative remedies actually considered;
17 and any other considerations bearing upon the adequacy.
of the judgment; the language was the grant of the state of the judgment;
19 (2) the public impact of entry of the judgment)
20 upon the public generally and individuals alleging spens
21 cific injury from the violations set forth in the complaint.
"(f) In making its determination under subsection (e)
23 <sub>10</sub> the court may be a court court out of the wife (4) " RC
"(1) take testimony of Government officials or ex-
perts or such other expert witnesses, upon motion of
H.R. 99472

- any party or participant or upon its own motion, as the court may deem appropriate;
- "(2) appoint a special master, pursuant to rule
  53 of the Federal Rules of Civil Procedure, and such
  outside consultants or expert witnesses as the court
  may deem appropriate; and request and obtain the
  views, evaluations, or advice of any individual group
  or agency of government with respect to any aspect
  of the proposed judgment of the effect thereof in such
  manner as the court deems appropriate;
- ceedings before the court by interested persons or agencies, including appearance amicus curiae, intervention
  as a party pursuant to rule 24 of the Federal Rules
  of Civil Procedure, examination of witnesses or documentary materials, or participation in any other manner
  may deem appropriate;
- 19 "(4) review any comments or objections concern-20 ing the proposed judgment filed with the United States 21 under subsection (d) and the response of the United 22 States to such comments or objections;
- 23 "(5) take such other action in the public interest 24 as the court may deem appropriate.

"(g) Not later than ten days following the filing of 1 any proposed consent judgment under subsection (b), each 2 3 defendant shall file with the district court a description of any and all written or oral communications by or on behalf 4 of such defendant, including any officer, director, employee, 5 or agent thereof, or other person with any officer or employee 6 of the United States concerning or relevant to the proposed consent judgment: Provided, That communications made by or in the presence of counsel of record with the Attorney General or the employees of the Department of Justice shall 10 be excluded from the requirements of this subsection. Prior 11 to the entry of any consent judgment pursuant to the anti-12 trust laws, each defendant shall certify to the district court 13 14 that the requirements of this section have been complied 15 with and that such filing is a true and complete description 16 of such communications known to the defendant or which the defendant reasonably should have known. "(h) Proceedings before the district court under subsec-18 19 tions (e) and (f), and public impact statements filed under subsection (b) hereof, shall not be admissible against any defendant in any action or proceeding brought by any other 21 party against such defendant under the antitrust laws or by 22 the United States under section 4A of this Act nor constitute 23 24 a basis for the introduction of the consent judgment as prima

- facie evidence against such defendant in any such action or 2 proceeding.". 3 PENALTIES SEC. 3. Sections 1, 2, and 3 of the Act entitled "An Act to protect trade and commerce against unlawful restraints. and monopolies", approved July 2, 1890 (26 Stat. 209; 15 U.S.C. 1, 2, and 3) are each amended by striking out "fifty thousand dollars" and inserting "five hundred thousand 9 dollars if a corporation, or, if any other person, one hundred 10 thousand dollars". EXPEDITING ACT REVISIONS 12 SEC. 4. Section 1 of the Act of February 11, 1903 (32 13 Stat. 823), as amended (15 U.S.C. 28; 49 U.S.C. 44), 14 commonly known as the Expediting Act, is amended to read 15 as follows: The second of the second party desired as follows: 16 "Section 1. In any civil action brought in any district court of the United States under the Act entitled 'An Act 18 to protect trade and commerce against unlawful restraints and monopolies', approved July 2, 1890, or any other Acts 20 having like purpose that have been or hereafter may be 21 enacted, wherein the United States is plaintiff and equitable
- 24 in his opinion, the case is of a general public importance.

22 relief is sought, the Attorney General may file with the

23 court, prior to the entry of final judgment, a certificate that,

Upon filing of such certificate, it shall be the duty of the

- 1 judge designated to hear and determine the case, or the chief
- 2 judge of the district court if no judge has as yet been desig-
- 3 nated, to assign the case for hearing at the earliest practicable
- 4 date and to cause the case to be in every way expedited.".
- 5 SEC. 5. Section 2 of that Act (15 U.S.C. 29; 49 U.S.C.

"(a) Except as otherwise expressly provided by this

6 45) is amended to read as follows:

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States Code.

section, in every civil action brought in any district court 8 of the United States under the Act entitled 'An Act to pro-9 tect trade and commerce against unlawful restraints and 10 monopolies', approved July 2, 1890, or any other Acts hav-11 ing like purpose that have been or hereafter may be enacted. 12 in which the United States is the complainant and equitable 13 relief is sought, any appeal from a final judgment entered in 14 any such action shall be taken to the court of appeals pur-15 suant to sections 1291 and 2107 of title 28 of the United 16 States Code. Any appeal from an interlocutory order entered 17 in any such action shall be taken to the court of appeals pur-18 suant to sections 1292 (a) (1) and 2107 of title 28 of the 19 United States Code but not otherwise. Any judgment entered 20 by the court of appeals in any such action shall be subject 21

to review by the Supreme Court upon a writ of certiorari

as provided in section 1254(1) of title 28 of the United

- "(b) An appeal from a final judgment pursuant to 1 subsection (a) shall lie directly to the Supreme Court if, 2 upon application of a party filed within fifteen days of the 3 filing of a notice of appeal, the district judge who adjudicated the case enters an order stating that immediate con-5 sideration of the appeal by the Supreme Court is of general 6 public importance in the administration of justice. Such order shall be filed within thirty days after the filing of a notice of appeal. When such an order is filed, the appeal and any cross appeal shall be docketed in the time and manner prescribed by the rules of the Supreme Court. The Supreme Court shall thereupon either (1) dispose of the 12 appeal and any cross appeal in the same manner as any 14 other direct appeal authorized by law, or (2) in its discre-15 tion, deny the direct appeal and remand the case to the 16 court of appeals, which shall then have jurisdiction to hear and determine the same as if the appeal and any cross appeal 18 therein had been docketed in the court of appeals in the 19 first instance pursuant to subsection (a).".
- 20 SEC. 6. (a) Section 401 (d) of the Communications 21 Act of 1934 (47 U.S.C. 401 (d)) is repealed.
- 22 (b) The proviso in section 3 of the Act of February 19, 23 1903, as amended (32 Stat. 848, 849; 49 U.S.C. 43), is 24 repealed and the colon preceding it is changed to a period.

- SEC. 7. The amendment made by section 2 of this Act
- 2 shall not apply to an action in which a notice of appeal to
- 3 the Supreme Court has been filed on or before the fifteenth
- 4 day following the date of enactment of this Act. Appeal in
- 5 any such action shall be taken pursuant to the provisions
- 6 of section 2 of the Act of February 11, 1903 (32 Stat. 823),
- 7 as amended (15 U.S.C. 29; 49 U.S.C. 45) which were in
- 8 effect on the day preceding the date of enactment of this Act.

93d CONGRESS 1st Session

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