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S. 782

IN THE HOUSE OF REPRESENTATIVES

JULY 23, 1973 Referred to the Committee on the Judiciary

AN ACT

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.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Antitrust Procedures and Penalties Act".

CONSENT DECREE PROCEDURES

6 SEC. 2. Section 5 of the Act entitled "An Act to supple7 ment existing laws against unlawful restraints and monopo8 lies, and for other purposes", approved October 15, 1914
9 (38 Stat. 730; 15 U.S.C. 16), is amended by redesignating
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1 subsection (b) as (i) and by inserting after subsection2 (a) the following:

"(b) Any consent judgment proposed by the United 3 States for entry in any civil proceeding brought by or on 4 behalf of the United States under the antitrust laws shall be 5filed with the district court before which that proceeding is 6 pending and published in the Federal Register at least sixty 7 days prior to the effective date of such decree. Any written 8 comments relating to the proposed consent judgment and any 9 responses thereto, other than those which are exempt from 10 disclosure under section 552 (b) of title 5, United States 11 Code, shall also be filed with the same district court and 12 published in the Federal Register within the aforementioned 13 sixty-day period. Copies of the proposed consent judgment 14 and such other materials and documents which the United 15States considered determinative in formulating the proposed 16 consent judgment, other than those which are exempt from 17 disclosure under sections 552(b) (4) and (5) of title 5, 18 United States Code, shall also be made available to members 19 of the public at the district court before which the preceding 20 is pending and in such other districts as the court may sub-21 sequently direct. Simultaneously with the filing of the pro- $\mathbf{22}$ posed consent judgment, unless otherwise instructed by the $\mathbf{23}$ court, the United States shall file with the district court. $\mathbf{24}$ 25 cause to be published in the Federal Register and thereafter

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furnish to any person upon request a public impact statement which shall recite-2

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"(1) the nature and purpose of the proceeding; "(2) a description of the practices or events giving rise to the alleged violation of the antitrust laws; 5

"(3) an explanation of the proposed judgment, relief to be obtained thereby, and the anticipated effects on competition of that relief, including an explanation of any unusual circumstances giving rise to the proposed judgment or any provision contained therein;

"(4) the remedies available to potential private 11 plaintiffs damaged by the alleged violation in the event that the proposed judgment is entered; 18

"(5) a description of the procedures available for 14 modification of the proposed judgment;

"(6) a description and evaluation of alternatives actually considered to the proposed judgment.

"(c) The United States shall also cause to be published, 18 commencing at least sixty days prior to the effective date of such decree, for seven days over a period of two weeks in newspapers of general circulation of the district in which the case has been filed, in Washington, District of Columbia, and in such other districts as the court may direct (i) a summary of the terms of the proposed consent judgment, (ii) a sum1 mary of the public impact statement to be filed under sub-2 section (b), (iii) and a list of the materials and documents 3 under subsection (b) which the United States shall make 4 available for purposes of meaningful public comment, and 5 the places where such material is available for public inspec-6 tion.

"(d) during the sixty-day period provided above, and 7 such additional time as the United States may request and 8 the court may grant, the United States shall receive and 9 consider any written comments relating to the proposed 10consent judgment. The Attorney General or his designate 11 shall establish procedures to carry out the provisions of this 12 subsection, but the sixty-day time period set forth herein 13 shall not be shortened except by order of the district court 14 upon a showing that extraordinary circumstances require 15such shortening and that such shortening of the time period 16 17 is not adverse to the public interest. At the close of the period during which such comments may be received, the 18 United States shall file with the district court and cause to 19 be published in the Federal Register a response to such 2021 comments.

22 "(e) Before entering any consent judgment proposed 23 by the United States under this section, the court shall 24 determine that entry of that judgment is in the public

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interest as defined by law. For the purpose of this determination, the court may consider-"(1) the public impact of the judgment, including
termination of alleged violation, provisions for enforcement and modification, duration of relief sought, anticipated effects of alternative remedies actually considered,
and any other considerations bearing upon the adequacy
of the judgment;
"(2) the public impact of entry of the judgment

upon the public generally and individuals alleging specific injury from the violations set forth in the complaint.
"(f) In making its determination under subsection (e),
the court may—

14 "(1) take testimony of Government officials or ex-15 perts or such other expert witnesses, upon motion of 16 any party or participant or upon its own motion, as 17 the court may deem appropriate;

18 "(2) appoint a special master, pursuant to rule
19 53 of the Federal Rules of Civil Procedure, and such
20 outside consultants or expert witnesses as the court
21 may deem appropriate; and request and obtain the
22 views, evaluations, or advice of any individual group
23 or agency of government with respect to any aspect
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- i of the proposed judgment of the effect thereof in such
 manner as the court deems appropriate;
- (3) authorize full or limited participation in pro-3 - ceedings before the court by interested persons or agen-4 5 cies, including appearance amicus curiae, intervention 6 as a party pursuant to rule 24 of the Federal Rules of Civil Procedure, examination of witnesses or docu-7 mentary materials, or participation in any other manner 8 and extent which serves the public interest as the court 9 may deem appropriate; 10
- "(4) review any comments or objections concerning the proposed judgment filed with the United States
 under subsection (d) and the response of the United
 States to such comments or objections;

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- 15 "(5) take such other action in the public interest
 16 as the court may deem appropriate.
- 17 "(g) Not later than ten days following the filing of 18 any proposed consent judgment under subsection (b), each 19 defendant shall file with the district court a description of 20 any and all written or oral communications by or on behalf 21 of such defendant, including any officer, director, employee, 22 or agent thereof, or other person with any officer or employee 23 of the United States concerning or relevant to the proposed 24 consent judgment: *Provided*, That communications made 25 by or in the presence of counsel of record with the Attorney

1 General or the employees of the Department of Justice shall 2 be excluded from the requirements of this subsection. Prior 3 to the entry of any consent judgment pursuant to the anti-4 trust laws, each defendant shall certify to the district court 5 that the requirements of this section have been complied 6 with and that such filing is a true and complete description 7 of such communications known to the defendant or which the 8 defendant reasonably should have known.

9 "(h) Proceedings before the district court under subsec-10 tions (e) and (f), and public impact statements filed under 11 subsection (b) hereof, shall not be admissible against any de-12 fendant in any action or proceeding brought by any other 13 party against such defendant under the antitrust laws or by 14 the United States under section 4A of this Act nor constitute 15 a basis for the introduction of the consent judgment as prima 16 facie evidence against such defendant in any such action or 17 proceeding."

PENALTIES

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19 SEC. 3. Sections 1, 2, and 3 of the Act entitled "An Act 20 to protect trade and commerce against unlawful restraints 21 and monopolies", approved July 2, 1890 (26 Stat. 209; 22 15 U.S.C. 1, 2, and 3) are each amended by striking out 23 "fifty thousand dollars" and inserting "five hundred thousand 24 dollars if a corporation, or, if any other person, one hundred 25 thousand dollars". 1 EXPEDITING ACT REVISIONS 2 SEC. 4. Section 1 of the Act of February 11, 1903 (32 3 Stat. 823), as amended (15 U.S.C. 28; 49 U.S.C. 44), 4 commonly known as the Expediting Act, is amended to read 5 as follows:

"SECTION 1. In any civil action brought in any district 6 court of the United States under the Act entitled 'An Act 7 to protect trade and commerce against unlawful restraints 8 and monopolies', approved July 2, 1890, or any other Acts 9 , having like purpose that have been or hereafter may be 10 enacted, wherein the United States is plaintiff and equitable 11 relief is sought, the Attorney General may file with the 12court, prior to the entry of final judgment, a certificate that, 13 in his opinion, the case is of a general public importance. 14 Upon filing of such certificate, it shall be the duty of the 15 judge designated to hear and determine the case, or the chief 16 judge of the district court if no judge has as yet been desig-17 nated, to assign the case for hearing at the earliest practicable 18 date and to cause the case to be in every way expedited." 19SEC. 5. Section 2 of that Act (15 U.S.C. 29; 49 U.S.C. 2045) is amended to read as follows: 21

"(a) Except as otherwise expressly provided by this section, in every civil action brought in any district court of the United States under the Act entitled 'An Act to protect trade and commerce against unlawful restraints and

monopolies', approved July 2, 1890, or any other Acts hav-1 ing like purpose that have been or hereafter may be enacted, $\mathbf{2}$ in which the United States is the complainant and equitable 3 relief is sought, any appeal from a final judgment entered in 4 any such action shall be taken to the court of appeals pur-5 suant to sections 1291 and 2107 of title 28 of the United 6 States Code. Any appeal from an interlocutory order entered 7 in any such action shall be taken to the court of appeals pur-8 suant to sections 1292(a) (1) and 2107 of title 28 of the 9 United States Code but not otherwise. Any judgment entered 10by the court of appeals in any such action shall be subject 11 * to review by the Supreme Court upon a writ of certiorari 12as provided in section 1254(1) of title 28 of the United 13 States Code. 14

"(b) An appeal from a final judgment pursuant to 15 subsection (a) shall lie directly to the Supreme Court if, 16 upon application of a party filed within fifteen days of the 17 filing of a notice of appeal, the district judge who adjudi-18 cated the case enters an order stating that immediate con-19 sideration of the appeal by the Supreme Court is of general 20public importance in the administration of justice. Such 21order shall be filed within thirty days after the filing of a 22notice of appeal. When such an order is filed, the appeal 23and any cross appeal shall be docketed in the time and 24manner prescribed by the rules of the Supreme Court. The 25

Supreme Court shall thereupon either (1) dispose of the 1 appeal and any cross appeal in the same manner as any $\mathbf{2}$ other direct appeal authorized by law, or (2) in its discre-3 tion, deny the direct appeal and remand the case to the 4 court of appeals, which shall then have jurisdiction to hear $\mathbf{5}$ and determine the same as if the appeal and any cross appeal 6 therein had been docketed in the court of appeals in the 7 first instance pursuant to subsection (a)." 8

9 SEC. 6. (a) Section 401 (d) of the Communications 10 Act of 1934 (47 U.S.C. 401 (d)) is repealed.

(b) The proviso in section 3 of the Act of February
12 19, 1903, as amended (32 Stat. 848, 849; 49 U.S.C. 43),
13 is repealed and the colon preceding it is changed to a
14 period.

15 SEC. 7. The amendment made by section 2 of this Act 16 shall not apply to an action in which a notice of appeal to 17 the Supreme Court has been filed on or before the fifteenth 18 day following the date of enactment of this Act. Appeal in 19 any such action shall be taken pursuant to the provisions 20 of section 2 of the Act of February 11, 1903 (32 Stat. 823), as amended (15 U.S.C. 29; 49 U.S.C. 45) which were in
 effect on the day preceding the date of enactment of this
 Act.

Passed the Senate July 18, 1973.

Attest: FRANCIS R. VALEO,

Secretary.

93d CONGRESS 1st Session

AN ACT

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