A BILL

To provide for the accuracy of television ratings services, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Fairness, Accuracy, Inclusivity, and Responsiveness in Ratings Act of 2005” or the “FAIR Ratings Act”.

SEC. 2. FINDINGS.

The Congress finds the following:

(1) Communications via the medium of broadcast television, including the transmission or car-
riage of those signals by multichannel video program-
ning distributors (as defined in section 602(13) of the Communications Act of 1934 (47 U.S.C. 522(13)), play a critical role in and affecting interstate commerce.

(2) Television ratings inform television opera-
tors and advertisers with respect to the size and de-
mographic makeup of audiences for television pro-
gramming.

(3) Television operators rely upon these ratings to fulfill their obligation to serve the public interest.

(4) Television viewers will receive the most rep-
resentative variety of television programs if tele-
vision ratings measurement services provide data that accurately reflects viewing by all demographic groups.

(5) Inaccurate ratings systems that undercount minority, young, family, and rural television popu-
lations will adversely affect these populations if tele-
vision operators broadcast fewer programs that are intended to serve them as a result of inaccurate rat-
ings.

(6) The interests of the television-viewing public will be best served by an industry oversight system that guarantees accurate ratings of television shows.
(7) The Media Ratings Council was established at the behest of Congress in the 1960s to guarantee the accuracy of television ratings and to ensure such oversight.

(8) It is in the public interest to ensure that the Council have the necessary authority to fulfill its critical role.

SEC. 3. ACCREDITATION OF RATINGS.

(a) IN GENERAL.—

(1) ACCREDITATION REQUIRED.—No person may sell, offer to sell, or otherwise provide, in or affecting interstate commerce, data from a television ratings measurement system that produces, or is designed to produce, television ratings data to be used commercially as currency ratings unless that system is accredited by the Media Ratings Council.

(2) TRIAL PERIOD FOR NEW MEASUREMENT SYSTEMS.—The Council shall accredit any television ratings measurement system not in existence on the date of enactment of this Act that produces, or is designed to produce, data to be used commercially as currency ratings for an initial trial period on the basis of audits of the ratings system to be utilized. The Council shall establish a limited, reasonable, and uniform period of time for such trial periods.
(3) Change in Methodology.—If the operator of a television ratings measurement system that is in existence on the date of enactment of this Act makes a change in that system that has not been approved for accreditation purposes by the Council, the operator may not offer data from the changed system as currency ratings until the Council has accredited the changed system utilizing any process of review it deems appropriate for evaluating such a change.

(b) Standards for Accreditation.—

(1) Basic Principles.—The Council shall base its standards of accreditation on the following basic principles:

(A) Accuracy.—Any accredited television ratings measurement system shall accurately convey all the aspects of audience viewing behavior that it is intended, or is represented, to convey, using accurate statistical methods and social sciences data, including disclosure of all limitations or possible sources of error.

(B) Equal Representation.—The statistical processes used to determine ratings data in an accredited television ratings measurement system shall include all age groups, demo-
graphic and sub-demographic groups, geographic locations, and other indicators of the population of the United States as may be relevant, in as accurate, proportionate, and fully representative a manner as possible, based on the requirements of the intended scope of each television ratings measurement system.

(C) Disclosure of Methodology.—Any operator of a television ratings measurement system shall disclose to the Council the details of—

(i) how the system conducts its measurement of data; and

(ii) how the system interprets the data.

(2) Standards.—The Council shall establish specific and detailed standards for accreditation based on these principles, and make them publicly available at all times.

(3) Periodic Review.—The Council shall periodically conduct a review of the standards based on changing circumstances, technologies, methods, or market conditions, and update the standards as necessary.
SEC. 4. DISPUTE RESOLUTION.

(a) Procedures for Accreditation.—Any dispute between an operator of a television ratings measurement system and the Council shall be resolved according to the dispute resolution procedures of the Council, based upon the rules and procedures specified in the bylaws of the Council in force at the time of the dispute.

(b) Mandatory Participation.—An operator of a television ratings measurement service that—

(1) fails to receive accreditation from the Council, and

(2) offers or uses, or intends to offer or use, the data produced by that system commercially as currency ratings,

shall participate in a dispute resolution procedure maintained by the Council.

(c) Disclosure of Audit Data.—If there is a dispute between the operator of a television ratings measurement system and the Council within its dispute resolution procedures, the Council may disclose audit and related data about the aspects of the system under dispute during the accreditation process to its members, other interested parties, or to the public.

(d) Binding Decision.—If the Council determines in a dispute resolution process that changes in a television ratings measurement system are necessary for that system
to be accredited by the Council, and if the operator offers or intends to offer data from that system commercially as currency ratings, then the operator of the system shall make the changes specified by the Council.

(e) DISCRETION OVER PROCESS.—The Council shall have sole discretion over the length, scope, timing, and process of resolving disputes concerning accreditation of television measurement ratings systems.

(f) ENFORCEMENT ACTION.—The Council, or any of its members, may seek judicial enforcement of this Act, or of any final accreditation determination of the Council, in any court of competent jurisdiction.

SEC. 5. MEDIA RATINGS COUNCIL DECISIONS.

For the purposes of this Act, no action taken or decision made by the Council shall be taken into account unless it was fully reviewed and agreed to by the Board of the Council following deliberation, voting, and recommendations according to the rules and procedures of the Council.

SEC. 6. ANNUAL REPORT.

(a) IN GENERAL.—The Council shall transmit an annual report on its activities no later than March 1 of each year to the Federal Trade Commission, the Federal Communications Commission, the Committee on Energy and Commerce of the House of Representatives, and the Com-
mittee on Commerce, Science, and Transportation of the United States Senate.

(b) REQUIRED CONTENT.—The report shall con- 
tain—

(1) a summary of disputes about the accuracy of television ratings measurement systems that took place over the previous 12 months; 

(2) a summary of issues driving change in the market for data provided by television ratings measurement systems, including technology, market forces, and customer demand; and 

(3) any other relevant information.

SEC. 7. DEFINITIONS.

In this Act:

(1) ACCREDITATION.—The term “accredita- 
tion” means determination that a television ratings measurement system meets the Minimum Standards for Media Rating Research as set forth by the Council, based on a rigorous and transparent audit and consultation process with the operator of the television ratings measurement system.

(2) MEDIA RATING COUNCIL; COUNCIL.—The terms “Media Rating Council” and “Council” mean the organization formed by the television industry in 1964 to represent the interests of advertisers and
television operators in accurate ratings of television
programming, or any other ratings accreditation
agency that may be established in the future by a
significant majority of television operators, television
programmers and advertising agencies, exclusive of
operators of television ratings measurement systems,
to perform a comparable set of functions at a com-
parable level of quality.

(3) TELEVISION RATINGS MEASUREMENT SYS-
TEM.— The term “television ratings measurement
system” means any system designed to measure the
viewing habits of television viewers and to produce
commercially usable data based on such measure-
ments.

(4) CURRENCY RATINGS.—The term “currency
ratings” means data produced by television ratings
measurement systems that are widely used by a sig-
ificant portion (as determined by the Council) of
television operators and advertisers to determine the
commercial value of advertising on television.

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