

109TH CONGRESS
1ST SESSION

S. 1507

To protect children from Internet pornography and support law enforcement and other efforts to combat Internet and pornography-related crimes against children.

IN THE SENATE OF THE UNITED STATES

JULY 27, 2005

Mrs. LINCOLN (for herself, Mr. CARPER, Mr. PRYOR, Ms. LANDRIEU, Mr. LIEBERMAN, Mr. SALAZAR, Ms. STABENOW, Mr. BAYH, and Mr. CONRAD) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To protect children from Internet pornography and support law enforcement and other efforts to combat Internet and pornography-related crimes against children.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Internet Safety and
5 Child Protection Act of 2005”.

6 **SEC. 2. PURPOSE.**

7 The purpose of this Act is to—

1 (1) set tighter age verification standards to
2 block minors from entering Internet pornography
3 sites; and

4 (2) provide funding and support to law enforce-
5 ment efforts to combat Internet and pornography-re-
6 lated crimes against children.

7 **TITLE I—CHILD PROTECTION** 8 **EFFORTS**

9 **SEC. 101. AGE VERIFICATION REQUIREMENT.**

10 (a) IN GENERAL.—An operator of a regulated porno-
11 graphic Web site shall verify that any user attempting to
12 access their site is 18 years of age or older using software
13 certified for that purpose by the Commission.

14 (b) REQUIREMENT.—The age verification required by
15 this section shall take place prior to the display of any
16 pornographic material, including free content that may be
17 available prior to the purchase of a subscription or prod-
18 uct.

19 **SEC. 102. CREDIT CARD REQUIREMENT.**

20 A bank, credit card company, third-party merchant,
21 Internet payment service provider, or business that per-
22 forms financial transactions for a regulated pornographic
23 Web site shall only process age-verified Internet pornog-
24 raphy credit card transactions for sales carried out in ac-
25 cordance with this title.

1 **SEC. 103. COMMISSION REQUIREMENT.**

2 The Commission shall—

3 (1) require each regulated pornographic Web
4 site to—

5 (A) use appropriate age-screening software
6 to carry out this title; and

7 (B) use that software correctly and con-
8 sistently through such means as conducting
9 periodic tests trying to access the Web site
10 without appropriate age verifications; and

11 (2) in coordination with the Department of Jus-
12 tice and other Federal agencies, maintain a list of
13 regulated pornographic Web sites that are not in
14 compliance with section 101.

15 **SEC. 104. ENFORCEMENT BY THE FEDERAL TRADE COM-**
16 **MISSION.**

17 (a) UNFAIR OR DECEPTIVE ACTS OR PRACTICES.—

18 A violation of section 101 shall be treated as a violation
19 of section 18 of the Federal Trade Commission Act (15
20 U.S.C. 57a) regarding unfair or deceptive acts or prac-
21 tices.

22 (b) POWERS OF COMMISSION.—The Commission
23 shall issue and enforce the regulations for the enforcement
24 of section 101 in the same manner, by the same means,
25 and with the same jurisdiction, powers, and duties as
26 though all applicable terms and provisions of the Federal

1 Trade Commission Act (15 U.S.C. 41 et seq.) were incor-
 2 porated into and made a part of this title. Any person
 3 who violates such regulations shall be subject to the pen-
 4 alties provided in that title.

5 **SEC. 105. DEFINITIONS.**

6 In this title:

7 (1) COMMISSION.—The term “Commission”
 8 means the Federal Trade Commission.

9 (2) REGULATED PORNOGRAPHIC WEB SITE.—
 10 The term “regulated pornographic Web site” means
 11 a person required to maintain documents verifying
 12 the age of persons engaged in sexually explicit con-
 13 duct pursuant to section 2257(a) of title 18, United
 14 States Code.

15 **TITLE II—FUNDING FOR CHILD**
 16 **PROTECTION**
 17 **Subtitle A—Excise Tax**

18 **SEC. 201. EXCISE TAX ON INTERNET DISPLAY OR DISTRIBU-**
 19 **TION OF PORNOGRAPHY.**

20 (a) IN GENERAL.—Chapter 33 of the Internal Rev-
 21 enue Code of 1986 (relating to facilities and services) is
 22 amended by inserting after subchapter C the following new
 23 subchapter:

1 **“Subchapter D—Internet Display or**
 2 **Distribution of Pornography**

“Sec. 4285. Internet display or distribution of pornography.

3 **“SEC. 4285. INTERNET DISPLAY OR DISTRIBUTION OF POR-**
 4 **NOGRAPHY.**

5 “(a) IMPOSITION OF TAX.—There is imposed on
 6 amounts charged by a regulated pornographic Web site
 7 for individuals to receive the display or distribution of por-
 8 nography through the Internet a tax equal to 25 percent
 9 of the amounts so charged.

10 “(b) PAYMENT OF TAX.—The tax imposed by this
 11 section shall be paid by the operator of the regulated por-
 12 nographic Web site receiving payment for the display or
 13 distribution taxed under subsection (a).

14 “(c) DEFINITIONS.—In this section:

15 “(1) PORNOGRAPHY.—The term ‘pornography’
 16 has the same meaning as defined in section 2256(2)
 17 of title 18, United States Code.

18 “(2) REGULATED PORNOGRAPHIC WEB SITE.—
 19 The term ‘regulated pornographic Web site’ has the
 20 same meaning as defined in section 105 of the Inter-
 21 net Safety and Child Protection Act of 2005.”.

22 “(b) CONFORMING AMENDMENT.—The table of sub-
 23 chapters for chapter 33 of the Internal Revenue Code of

1 1986 is amended by adding at the end the following new
 2 item:

“SUBCHAPTER D—INTERNET DISPLAY OR DISTRIBUTION OF PORNOGRAPHY”.

3 (c) EFFECTIVE DATE.—The amendments made by
 4 this section shall take effect on January 1, 2006.

5 **Subtitle B—Child Protection** 6 **Programs**

7 **SEC. 211. TRUST FUND.**

8 (a) IN GENERAL.—There is established in the Treas-
 9 ury the Internet Safety and Child Protection Trust Fund
 10 (referred to in this subtitle as the “trust fund”) into which
 11 shall be deposited all taxes collected under section 4285
 12 of the Internal Revenue Code of 1986.

13 (b) AVAILABILITY OF AMOUNTS.—Amounts depos-
 14 ited into the trust fund shall be available to carry out the
 15 programs provided in section 212, subject to annual ap-
 16 propriations.

17 **SEC. 212. FUNDING FOR CHILD INTERNET SAFETY AND** 18 **PROTECTION PROGRAMS.**

19 (a) PRIORITIES.—Amounts available in the trust
 20 fund shall be allocated on a priority basis as follows:

21 (1) ENFORCEMENT OF THIS ACT.—The first
 22 priority for the use of amounts in the trust fund
 23 shall be to provide funding for the appropriate Fed-
 24 eral agencies to carry out the enforcement of sec-
 25 tions 103, 104, and 201 of this Act. Funding may

1 also be used to promote the development of tech-
2 nology that would facilitate the enforcement of this
3 Act.

4 (2) DEPARTMENT OF JUSTICE CYBER TIP-
5 LINE.—The second priority for the use of amounts
6 in the trust fund shall be to provide funds to the Of-
7 fice of Juvenile Justice and Delinquency Prevention
8 to ensure that the congressionally-mandated cyber
9 tip line is fully operational and staffed 24 hours a
10 day.

11 (3) INTERNET CRIMES AGAINST CHILDREN
12 TASK FORCE.—The third priority for the use of
13 amounts in the trust fund shall be to provide funds
14 to States to support 1 Internet Crimes Against Chil-
15 dren Task Force center per 5,000,000 State resi-
16 dents, with each State receiving sufficient funding to
17 support at least 1 center and no State receiving
18 funding for more than 7 centers.

19 (4) RESEARCH AND DEVELOPMENT GRANTS.—

20 (A) IN GENERAL.—The fourth priority for
21 the use of amounts in the trust fund is to es-
22 tablish a competitive grant process for compa-
23 nies and other organizations who work in the
24 technology field to support the research and de-
25 velopment into new filtering technologies that

1 will help parents control children’s access to in-
2 appropriate content via wireless and other
3 emerging technologies.

4 (B) SET ASIDE.—The Attorney General
5 shall allocate up to 10 percent of annual trust
6 fund revenues to award a minimum of 15 re-
7 search and development grants under this para-
8 graph.

9 (5) EDUCATIONAL TRAINING.—

10 (A) IN GENERAL.—The fifth priority for
11 the use of amounts in the trust fund shall be
12 to provide relevant State agencies with funds to
13 support educational training contributing to
14 greater child Internet safety and reductions in
15 sex trafficking and sex crimes against children.

16 (B) CONDITIONS.—The program author-
17 ized by this paragraph shall be carried out sub-
18 ject to the following conditions:

19 (i) States shall receive funding
20 amounting to \$1 for every resident, with a
21 minimum of \$1,000,000 for each State.

22 (ii) 25 percent of each State’s funding
23 shall go to the State education agency to
24 support State and local programs pro-

1 viding child Internet safety training to
2 teachers.

3 (iii) 30 percent of each State's fund-
4 ing shall go to the State Attorneys' Gen-
5 eral office to support child Internet safety
6 training for law enforcement, as well as
7 training that enhances the capacity of law
8 enforcement to combat sex trafficking and
9 sex crimes against children.

10 (iv) 10 percent of each State's fund-
11 ing shall be allocated to the Governor's of-
12 fice to develop and implement a coordi-
13 nated State child internet safety strategy.

14 (v) 35 percent of the State funding
15 shall go to the relevant State agency to
16 support Public Service Announcements
17 promoting child Internet safety.

18 (6) REMAINING AMOUNTS.—After fully funding
19 the priorities established in paragraphs (1) through
20 (5) for a fiscal year any remaining amounts shall be
21 allocated as follows:

22 (A) FEDERAL AGENCY SUPPORT.—50 per-
23 cent of remaining amounts shall be used to pro-
24 vide funding to support child Internet safety ac-
25 tivities, as well as activities combating sex traf-

1 ficking and sex crimes against children, on the
2 part of the following Federal agencies:

3 (i) Department of Justice.

4 (ii) Department of Commerce.

5 (iii) Department of Defense.

6 (iv) Department of Education.

7 (v) Department of Health and Human
8 Services.

9 (vi) Department of State.

10 (vii) Department of Homeland Secu-
11 rity.

12 (viii) Department of Treasury.

13 (ix) Department of Agriculture.

14 (x) United States Postal Service.

15 (xi) Federal Trade Commission.

16 (xii) Federal Communications Com-
17 mission.

18 (xiii) National Aeronautics and Space
19 Administration.

20 (B) PRIVATE ENTITIES.—

21 (i) IN GENERAL.—50 percent of re-
22 maining amounts shall be allocated
23 through a competitive grant process to
24 international and domestic nongovern-
25 mental organizations and not-for-profits, to

1 support work promoting child Internet
2 safety and combating sex trafficking and
3 sex crimes against children.

4 (ii) DETAILS.—The Attorney General
5 shall—

6 (I) publish guidance in the Fed-
7 eral Register describing the variety
8 and scope of organizational work to be
9 funded under this subparagraph in a
10 fiscal year and soliciting grant pro-
11 posals under this subparagraph; and

12 (II) allocate funds on the basis of
13 a competitive grant process.

14 (iii) FUNDING LIMIT.—For every \$1
15 allocated for international work under this
16 subparagraph, the Attorney General shall
17 allocate \$2.5 dollars for domestic work.

18 (b) GRANT PROGRAMS.—

19 (1) IN GENERAL.—The Attorney General shall
20 carry out this section.

21 (2) TERMS AND CONDITIONS.—The Attorney
22 General shall prescribe the terms and conditions for
23 grant applications and awards under this section.

1 **SEC. 213. DEFICIT REDUCTION.**

2 Amounts remaining in the trust fund after the pro-
3 grams authorized in section 212 are funded shall be re-
4 turned to the Treasury and applied to deficit reduction.

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