

Preventing Illegal Radio Abuse Through Enforcement Act Annual Report to Congress January 24, 2024

The Commission submits this report in accordance with its obligations under the Preventing Illegal Radio Abuse Through Enforcement Act (PIRATE Act or Act).¹ Section 511(c) of the PIRATE Act requires the Commission, not later than one year after enactment and annually thereafter, to submit to the Committee on Commerce, Science, and Transportation of the U.S. Senate and the Committee on Energy and Commerce of the U.S. House of Representatives (together, the Committees) a report on (a) implementation of the PIRATE Act, and (b) the associated enforcement activities for the previous fiscal year.² Accordingly, we are submitting this fourth annual PIRATE Act report to the Committees.

Background. Pirate radio broadcasting is the unauthorized transmission of radio frequency signals on the frequencies in or adjacent to the FM and AM radio bands. Pirate radio causes a number of harms, including causing harmful interference to licensed radio station signals and not transmitting public safety emergency alert messages. Enforcement against pirate radio broadcasters has proven difficult historically. To enhance enforcement capabilities, Congress enacted the PIRATE Act on January 24, 2020. The PIRATE Act:

- Increases the maximum monetary penalties for pirate radio operators, to \$100,000 for a single act of violation, up to a total of \$2 million;³
- Grants the FCC additional enforcement authority over property owners and managers that permit pirate radio stations to operate from their property;
- Requires the Commission to conduct annual enforcement "sweeps" of pirate radio in five markets, with additional follow-up within six months of the sweeps;
- Requires the Commission to build a database of pirate radio stations; and
- Requires the Commission to submit an annual report to Congress on the implementation of the PIRATE Act.

To implement the PIRATE Act, the Commission has implemented a plan focused on the following areas: engaging in concentrated enforcement activity (sweeps), conducting other enforcement actions against pirate radio operators, initiating enforcement against landlords and property owners; developing and updating the public-facing database of pirate radio stations; hiring additional staff, with an emphasis on hiring Field Agents in or near offices where sweeps will occur; purchasing additional investigative vehicles (when they become available) and equipment for the additional Field Agents.

Pirate sweeps. The PIRATE Act requires the Commission to conduct enforcement "sweeps" annually in the five markets with the most pirate radio operations. Commission staff has reviewed pirate radio complaints in order to identify the current top five markets with the most pirate radio operations. The Commission developed a plan for pirate sweeps and follow-up monitoring, which was initiated in the fourth calendar quarter of 2022.

¹ Preventing Illegal Radio Abuse Through Enforcement Act, Pub. L. No. 116-109, 134 Stat. 3 (2020) (codified at 47 U.S.C. § 511).

² 47 U.S.C. § 511(c).

³ Per the inflation adjustments that apply to Commission statutory maximum forfeiture, these maximums are now \$119,555 per day and \$2,391,097 total. See 47 CFR 1.80(b)(6); Amendment of Section 1.80(b) of the Commission's Rules, Adjustment of Civil Monetary Penalties to Reflect Inflation, Order, DA 23-1198, 2023 WL 8889597, at *5 (EB Dec. 22, 2023); see also, Annual Adjustment of Civil Monetary Penalties to Reflect Inflation, 89 Fed. Reg. 2148 (Jan. 12, 2024) (setting Jan. 15, 2024 as the effective date for the increases).

Enforcement actions taken against pirate radio operators. The PIRATE Act granted the Commission the authority to issue fines up to \$2,000,000 (inflation adjusted to \$2,391,097 in 2024). On March 15, 2023, the Commission announced its first proposed fines under the PIRATE Act against three pirate radio operators. The Commission proposed the maximum penalty allowable, \$2,316,034, against César Ayora and Luis Angel Ayora for pirate radio broadcasting in Queens, New York in apparent violations of the PIRATE Act. The Commission also proposed an \$80,000 forfeiture against Thomas Barnes for pirate radio broadcasting in La Grande, Oregon. Although not occurring in FY2023, both proposed fines were subsequently affirmed by the Commission in October 2023.⁴

Enforcement actions taken against property owners and property managers. The PIRATE Act granted the Commission authority to pursue enforcement sanctions against any party that willingly and knowingly "suffers to be done," or allows, pirate radio activities. This grant of authority provides the Commission with the ability to take enforcement action against property owners and property managers that, after receiving notice of pirate radio transmissions emanating from properties that they own or control, continue to allow such activity. FCC Enforcement Bureau Field staff have issued notices to inform property owners and property managers of apparent pirate radio broadcasts from their property and to describe the potential consequences to the property owner or manager if such activity does not cease. In FY2023, the Bureau issued 44 such notices, including 25 related to pirate sweeps. Because pirate radio stations often cease operating for a period of time but then return, the Bureau will continue to monitor the properties for which notices were provided and will initiate enforcement action where appropriate.

Pirate radio station and licensed radio station public-facing database. The pirate radio database was deployed on the FCC's website on January 23, 2023.⁵ The public database has been updated with all publicly released activity through December 31, 2023.

Hiring. In FY23, the Commission hired four full-time employees and is currently in the process of hiring additional full-time positions.

Equipment Purchasing. Commission staff has continued to place orders for and to develop additional customized mobile direction-finding (MDFX) investigative vehicles for the Field Agent hires to enable them to carry out their investigative responsibilities. The Commission ordered six vehicles to support the additional staff being hired to implement the PIRATE Act. These six vehicles will be outfitted in the 2024 and 2025 calendar years (depending on when the General Services Administration delivers the vehicles) and will include specialized hardware and software for the detection for pirate radio operators. We also purchased additional equipment that will help us identify and locate pirate radio operators.

With this Report, the Commission satisfies the obligation pursuant to section 2 of the PIRATE Act to submit a report to Congress on (a) implementation of the PIRATE Act and (b) the associated enforcement activities for the previous fiscal year.⁶

⁴ *César Ayora & Luis Angel Ayora Queens, New York*, Notice of Apparent Liability for Forfeiture, FCC 23-17, 2023 WL 2560017 (Mar. 15, 2023) aff'd, Forfeiture Order, FCC 23-80, 2023 WL 6843186 (Oct. 13, 2023); *Thomas Barnes*, La Grande, Oregon, Notice of Apparent Liability for Forfeiture, FCC 23-16, 2023 WL 2560016 (Mar. 15, 2023), aff'd Forfeiture Order, FCC 23-79, 2023 WL 6843178 (October 13, 2023). While not within fiscal year 2023, the Commission also proposed fines against three pirate operators in the New York City area in November 2023 (https://www.fcc.gov/document/fcc-fines-three-pirate-radio-operators-more-6-million).

⁵ Federal Communications Commission, Pirate Radio Database, <u>https://www.fcc.gov/pirate-database</u>.

⁶ 47 U.S.C. § 511(c).