

HR 5469

Small Webcaster Settlement Act of 2002

Congress: 107 (2001–2003, Ended)

Chamber: House

Policy Area: Commerce

Introduced: Sep 26, 2002

Current Status: Became Public Law No: 107-321.

Latest Action: Became Public Law No: 107-321. (Dec 4, 2002)

Law: 107-321 (Enacted Dec 4, 2002)

Official Text: <https://www.congress.gov/bill/107th-congress/house-bill/5469>

Sponsor

Name: Rep. Sensenbrenner, F. James, Jr. [R-WI-9]

Party: Republican • State: WI • Chamber: House

Cosponsors (6 total)

Cosponsor	Party / State	Role	Date Joined
Del. Underwood, Robert A. [D-GU-At Large]	D · GU		Oct 1, 2002
Rep. Cox, Christopher [R-CA-47]	R · CA		Oct 1, 2002
Rep. Dunn, Jennifer [R-WA-8]	R · WA		Oct 1, 2002
Rep. English, Phil [R-PA-21]	R · PA		Oct 1, 2002
Rep. Pence, Mike [R-IN-2]	R · IN		Oct 1, 2002
Rep. Rivers, Lynn N. [D-MI-13]	D · MI		Oct 1, 2002

Committee Activity

Committee	Chamber	Activity	Date
Judiciary Committee	House	Referred to	Sep 27, 2002

Subjects & Policy Tags

Policy Area:

Commerce

Related Bills

No related bills are listed.

Small Webcaster Settlement Act of 2002 - (Sec. 3) Permits the suspension of certain payments by noncommercial webcasters. Defines webcasters as persons or entities with compulsory licenses under Federal copyright law to make eligible nonsubscription transmissions and ephemeral recordings. Defines noncommercial webcasters as webcasters who: (1) are exempt from taxation; (2) have applied for tax exemption and have a reasonable chance of obtaining it; or (3) are operated by a public body. Declares that all payments to be made by noncommercial webcasters under Federal copyright law for the digital performance of sound recordings and the making of ephemeral phonorecords during the period from October 28, 1998, to May 31, 2003, which have not already been paid, shall not be due until June 20, 2003.

Allows a receiving agent (an agent designated by the Librarian of Congress to collect certain royalty payments that ultimately are given to copyright owners and performers) to delay the obligation of any one or more small commercial webcasters to make certain payments relating to sound recordings or ephemeral recordings for a period of time to allow negotiations to occur under this Act, except that any such period shall end no later than December 15, 2002.

(Sec. 4) Authorizes a receiving agent to enter into agreements for the reproduction and performance of sound recordings by one or more small commercial webcasters or noncommercial webcasters during the period from October 28, 1998, to December 31, 2004. Declares that, once published in the Federal Register, such an agreement shall be binding on all copyright owners of sound recordings and other persons entitled to payment, in lieu of any determination by a copyright arbitration royalty panel or decision by the Librarian of Congress. Declares that any such agreement shall include provisions for payment of royalties on the basis of a percentage of revenue or expenses, or both, and a minimum fee. Permits other terms and conditions also to be included in such an agreement.

Prohibits any such agreement or any of its provisions from being admissible as evidence or otherwise taken into account in any administrative, judicial, or government proceedings involving the setting or adjustment of royalties and related matters, including establishment of notice or recordkeeping requirements.

Expresses the intent of Congress that any royalty rates, rate structure, definitions, terms, conditions, or notice and recordkeeping requirements included in such agreements shall be viewed as a unique compromise rather than as matters that would have been negotiated in the marketplace between a willing buyer and a willing seller.

States that nothing in this Act or any agreement made under it shall be taken into account by the United States Court of Appeals for the District of Columbia Circuit in its review of the determination by the Librarian of Congress of July 8, 2002, of rates and terms for the digital performance of sound recordings and ephemeral recordings. Declares that the authority to make settlements under this Act shall expire on December 15, 2002, except that such authority for noncommercial webcasters shall expire on May 31, 2003.

(Sec. 5) Authorizes a nonprofit agent designated to distribute receipts from the licensing of certain transmissions to deduct from any of its receipts, prior to their distribution to an entitled person, the reasonable costs of such agent incurred after November 1, 1995, for certain duties. Includes among such duties: (1) the administration of the collection, distribution, and calculation of the royalties, as well as settlement of related disputes; and (2) the licensing and enforcement of rights with respect to the making of ephemeral recordings and performances subject to licensing under this Act and other specified Federal law.

Allows any agent designated to distribute receipts from the licensing of certain transmissions to deduct the reasonable costs with respect to copyright owners and performers who have entered with such agent a contractual relationship that specifies that such costs may be deducted from such royalty receipts.

Modifies requirements for payments to artists. Shifts responsibility for distributing licensing receipts from the copyright owner to the designated agent. Adds the requirement that 50 percent of the licensing receipts be paid to the copyright owner of the exclusive right under Federal law to publicly perform a sound recording by means of a digital audio transmission.

(Sec. 6) Directs the Comptroller General to study and report to specified congressional committees on the economic arrangements among small commercial webcasters covered by agreements entered into under this Act, and third parties, and the effect of those arrangements on royalty fees payable on a percentage of revenue or expense basis.

## Actions Timeline

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- **Dec 4, 2002:** Signed by President.
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- **Dec 4, 2002:** Became Public Law No: 107-321.
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- **Nov 22, 2002:** Presented to President.
- **Nov 22, 2002:** Presented to President.
- **Nov 15, 2002:** Message on Senate action sent to the House.
- **Nov 15, 2002:** Mr. Arney asked unanimous consent that the House agree to the Senate amendment.
- **Nov 15, 2002:** Resolving differences -- House actions: On motion that the House agree to the Senate amendment Agreed to without objection.(consideration: CR 11/14/2002 H8925-9007; text as House agreed to Senate amendment: CR 11/14/2002 H8994-8996)
- **Nov 15, 2002:** On motion that the House agree to the Senate amendment Agreed to without objection. (consideration: CR 11/14/2002 H8925-9007; text as House agreed to Senate amendment: CR 11/14/2002 H8994-8996)
- **Nov 15, 2002:** Motion to reconsider laid on the table Agreed to without objection.
- **Nov 14, 2002:** Measure laid before Senate by unanimous consent. (consideration: CR S11138-11139)
- **Nov 14, 2002:** Passed/agreed to in Senate: Passed Senate with an amendment by Unanimous Consent.
- **Nov 14, 2002:** Passed Senate with an amendment by Unanimous Consent.
- **Oct 8, 2002:** Received in the Senate, read twice.
- **Oct 7, 2002:** Mr. Sensenbrenner moved to suspend the rules and pass the bill, as amended.
- **Oct 7, 2002:** Considered under suspension of the rules. (consideration: CR H7043-7048)
- **Oct 7, 2002:** DEBATE - The House proceeded with forty minutes of debate on H.R. 5469.
- **Oct 7, 2002:** Passed/agreed to in House: On motion to suspend the rules and pass the bill, as amended Agreed to by voice vote.(text: CR H7043-7046)
- **Oct 7, 2002:** On motion to suspend the rules and pass the bill, as amended Agreed to by voice vote. (text: CR H7043-7046)
- **Oct 7, 2002:** Motion to reconsider laid on the table Agreed to without objection.
- **Oct 7, 2002:** The title of the measure was amended. Agreed to without objection.
- **Sep 27, 2002:** Referred to the Subcommittee on Courts, the Internet, and Intellectual Property.
- **Sep 26, 2002:** Introduced in House
- **Sep 26, 2002:** Introduced in House
- **Sep 26, 2002:** Referred to the House Committee on the Judiciary.