



Statement of

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before the

SENATE JUDICIARY COMMITTEE

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On behalf of our membership, the Copyright Alliance submits this written statement for the record to express support for passage of the Music Modernization Act, S. 2823. The bill will result in the most significant improvement of music copyright law in more than a generation and will help make it easier for creators across the music industry to earn a more equitable living through their creativity.

The Copyright Alliance is a non-profit, non-partisan public interest and educational organization representing the copyright interests of over 1.8 million individual creators and over 13,000 organizations in the United States, across the spectrum of copyright disciplines. In particular, we represent most of the individuals and businesses involved in the music industry, including songwriters, music publishers, performance rights organizations, recording artists, producers, record labels, and broadcasters. The Copyright Alliance is dedicated to advocating policies that promote and preserve the value of copyright, and to protecting the rights of creators and innovators. The individual creators and organizations that we represent rely on copyright law to protect their creativity, efforts, and investments in the creation and distribution of new copyrighted works for the public to enjoy.

The bill makes important updates to Section 115 of the Copyright Act that allows for blanket licensing of mechanical rights in musical works by digital services; creates a mechanical licensing collective that would administer those licenses and be operated by a board comprised of music publishers, songwriters, trade associations and licensees to administer the blanket licenses; and shifts to a “willing buyer/willing seller” standard for setting royalty rates and terms, by considering rates negotiated in the marketplace. The legislation also would make key changes to rate-setting proceedings for ASCAP and BMI songwriters by allowing for consideration of royalty rates for digital audio transmissions

of sound recordings and randomly assigning a district court judge to hear rate-setting disputes. At its heart, this bill recognizes the value that music creators provide and would help them get compensated accordingly—a principle that resonates not only with songwriters, but with recording artists, producers, legacy acts and many others in the music community.

The bill includes another important step toward realizing that principle. Under current law, digital streaming platforms are able to profit from certain pre-1972 sound recordings without compensating the artists and copyright owners of these recordings. Extending the digital performance right to include all pre-1972 sound recordings helps ensure that the law recognizes and protects the contributions of all creators, and that legacy artists in particular are appropriately compensated for their work.

Similarly the bill also recognizes and supports music creators, especially those who work behind the scenes in today's music industry, by creating a consistent legal process for contracted studio professionals—including record producers and engineers—to receive royalties for their contributions to music that they help create.

S. 2823 is virtually identical to H.R. 5447, which passed the House on April 25th by a unanimous vote of 415-0. This outcome is the result of an extraordinary consensus among the broader music community who are members of the Copyright Alliance, as well as digital music providers.

For the reasons above, we strongly recommend that the Committee pass S. 2823, the Music Modernization Act. We thank the Committee for its consideration of these points. Please let us know if we can provide additional information or answer any questions regarding our views on this matter.



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