

The Orrin G. Hatch — Bob Goodlatte

Music Modernization Act



On October 11, 2018, the Orrin G. Hatch — Bob Goodlatte **Music Modernization Act** was signed into law.

This bipartisan and unanimously enacted legislation represents the realization of years of effort by a wide array of policymakers and stakeholders, as well as the U.S. Copyright Office itself, to update the music licensing landscape to better facilitate legal licensing of music by digital services.

The Copyright Office welcomes the passage of landmark legislation. The Music Modernization Act (MMA) is expected to benefit the many stakeholders across all aspects of the music marketplace, including songwriters, publishers, artists, record labels, digital services, libraries, and the public at large.

Visit copyright.gov/music-modernization for more information about the MMA, including links to the updated law, legislative history, music-related rulemakings, policy studies, new databases related to pre-1972 sound recordings, and other public information aids.

Music Licensing Modernization Act

Title I – The Music Licensing Modernization Act, addressing Section 115 of Title 17:

- Establishes a blanket licensing system for digital music providers, which replaces song-by-song licensing.
- Establishes a mechanical licensing collective, paid for by digital music providers, to administer the blanket license and maintain a publicly available music ownership database. But note that:
- Existing NOI system remains in place for non-DPDs (*i.e.*, CDs, vinyl)
- Direct licenses still allowed
- Past infringement liability is limited to royalties due if the digital music provider complies with certain requirements, including good-faith attempts to identify and locate the copyright owners.



Classics Protection and Access Act



Title II – The Classics Protection and Access Act, addressing pre-1972 sound recordings:

Brings pre-1972 sound recordings partially into the federal copyright system by extending remedies for copyright infringement to owners of sound recordings fixed before February 15, 1972. It also applies to pre-1972 sound recordings certain existing federal statutory licensing and existing limitations and exceptions, and establishes a new exception related to non-commercial use of works that are not being commercially exploited. Because U.S. pre-1972 sound recordings remain ineligible for copyright registration, a new filing requirement applies to claims for statutory damages.

Allocation for Music Producers Act

Title III – The Allocation for Music Producers Act (AMP Act), addressing royalty payments for certain creators:

Allows music producers to receive royalties collected for uses of sound recordings under the section 114 statutory license by codifying a process wherein the designated collective (Sound Exchange) will distribute royalties to a producer under a “letter of direction.”



What We Are Working On

The Copyright Office is undertaking a number of initiatives to implement this historic music law.

- **Designation of Mechanical Licensing Collective:** On December 21, 2018, the Office issued a notice of inquiry regarding the designation of a mechanical licensing collective and a digital licensee coordinator to carry out key functions under the updated mechanical licensing process. Submissions from interested parties were received March 21, 2019, with reply comments due April 22, 2019. The Office is committed to an open and transparent designation process. The Register will recommend entities to be designated by July 8, 2019.

- **Updated Copyright Office Circulars:**

The MMA made big changes to the copyright law. The Office published a pocket-insert reporting all of the statutory changes. The Office will publish an updated volume of circular 92 containing the entire federal copyright law, electronically and in print, and is updating other circulars, including circular 73 regarding the section 115 license, and circular 75, regarding operations of the Licensing Division.

