

## CONTENT & TECHNOLOGY POLICY REPORT JULY 19, 2024



### I. Congressional Updates:

- On July 10, the Committee on House Administration held a hearing titled, “Oversight of the Library of Congress”. Dr. Carla Hayden, the Librarian of Congress, served as the primary witness, providing testimony on various aspects of the Library's activities and future plans. The Committee reviewed and evaluated the operations, initiatives, and strategic plans of the Library of Congress. This included discussing progress on digitization efforts, cybersecurity measures, public engagement, educational outreach, and the allocation of funding and resources. The hearing aimed to ensure that the Library effectively fulfills its mission to preserve and provide access to the nation’s cultural and historical records while addressing any challenges or areas needing improvement. Of note, Dr. Hayden discussed the progress made in the U.S. Copyright Office, particularly the development of the new Enterprise Copyright System (ECS). She highlighted the successful operation of the new online Recordation System and the Copyright Public Records System (CPRS). Additionally, Dr. Hayden explained that a limited pilot for the eDeposit upload functionality and the Standard Application would be launched by the end of the calendar year to gather user feedback for further development. Dr. Hayden also emphasized the importance of sufficient funding to support the Library’s mission and expand its services, especially in underserved communities. A full summary from ACG can be provided upon request.
- On July 11<sup>th</sup>, the Senate Appropriations Committee held a markup of the Legislative Branch Appropriations Act for FY 2025. The bill allocates a total discretionary budget of \$7.125 billion, which represents a roughly 4% increase from

### Headlines and Highlights:

- Senators Introduce COPIED Act to Make Removing Watermarks from AI Content Illegal
- House Financial Services Committee Release Bipartisan AI Working Group Staff Report
- J.D. Vance's AI Agenda: Reduce Regulation
- Hong Kong Government Proposes TDM Exception in Copyright Law for AI Use
- EU Publishes Final Text of AI Act
- Big Tech Used YouTube Videos to Illegally Train AI

### In the Blogs:

- **Hugh Stephens Blog:** [Copyright in Cottage Country](#)
- **Hugh Stephens Blog:** [Copyright and Education in Canada: Have We Learned Nothing in the Past Two Centuries? \(From the “Encouragement of Learning to the “Great Education Free Ride”\)](#)
- **IPWatchdog:** [How to Really Improve the U.S. Patent System: Support USPTO Employees](#)
- **EDM.com:** [Spotify Is Testing A New In-App Emergency Alert System](#)
- **Billboard:** [‘Landmark Victory’: Copyright Office Finalizes Rule Change On Streaming Royalties](#)
- **Publishing Perspectives:** [CCC Announces a Collective Licensing Subscription for AI Systems](#)

the FY 2024 enacted level. The Senate proposal includes \$833 million for the Capitol Police, representing a 5 percent increase over the previous fiscal year. The Government Accountability Office is slated to receive \$883.1 million, marking an 8 percent increase. The Library of Congress would see its budget rise by \$20 million, or 3 percent, bringing the total to \$611.9 million. The Committee approved the bill by a vote of 26-1. Subcommittee Chair Jack Reed (D-RI) offered a [manager's package](#), which was adopted by voice vote. No other amendments were proposed. Video coverage of the markup can be found [here](#). A full summary from ACG can be provided upon request.

- On Thursday, July 11, a bipartisan group of senators [introduced](#) the COPIED Act which would make removing digital watermarks from AI-generated content illegal. The bill aims to curb the threats of deepfakes and also provide artists and journalists the ability to protect their material from being used to train AI. Read more from *IPWatchdog* [here](#).
- On July 11, Senators Amy Klobuchar (D-MN) and John Cornyn (R-TX) announced that the bipartisan *Stopping Harmful Image Exploitation and Limiting Distribution (SHIELD) Act* passed the Senate. The bill aims to address the online exploitation of explicit, private images and would provide federal law enforcement with the tools they need to limit privacy violations. “Those who have had their digital privacy violated shouldn’t have to fear that their abusers will go unpunished,” said Cornyn. “Our legislation will help ensure criminals who share private images of others online, including explicit photos of children, are held accountable to the fullest extent of the law.” Read more [here](#).
- On July 18, the House Financial Services Committee released a staff report from the committee’s bipartisan Working Group on Artificial Intelligence led by Reps. French Hill (R-AR) and Stephen Lynch (D-MA). The report summarizes six roundtable discussions the working group conducted focused on identifying existing and growing AI use cases across the financial services and housing industries. Chairman of the full Committee, Rep. Patrick McHenry (R-NC) stated, “As consumers and businesses increasingly look to leverage AI, it is critical that lawmakers and regulators keep pace. This report represents a bipartisan effort to understand the benefits, and potential risks, of artificial intelligence in the financial services and housing industries. It also highlights the need for proper oversight and consumer protections that address the growing number of use cases for artificial intelligence. I am proud of the work and contributions of Members on both sides of the aisle and thank Ranking Member Waters and Congressmen Hill and Lynch for their leadership. This report lays out a blueprint for lawmakers as we navigate how to harness and oversee this evolving technology.” Read the report [here](#) and the press release [here](#).

## II. Administration Updates

- On July 16, *Axios* reported that the Department of Energy (DOE) formally proposed an agency-wide effort to harness and advance artificial intelligence for public benefit. The initiative, called Frontiers in Artificial Intelligence for Science, Security, and Technology (FASST), aims to position the U.S. at the forefront of AI capabilities for scientific, energy, and national security purposes. According to Energy Secretary Jennifer Granholm, the DOE plans to build energy-efficient AI supercomputers to advance technology without causing energy

consumption to skyrocket. The DOE envisions its role as helping its scientists and the broader scientific community create trustworthy AI models to yield breakthroughs in various fields, including clean energy technologies. However, the proposal requires congressional authorization and funding, with bipartisan legislation already introduced in the Senate (the *Department of Energy AI Act*). Read more [here](#).

- On July 17, *The New York Times* reported that Senator J.D. Vance, Donald Trump’s vice-presidential pick, advocates for a hands-off approach to AI regulation while increasing scrutiny of major tech firms. Vance, a former tech investor, supports loosening regulations and promoting open-source AI to foster innovation. However, he also aligns with Federal Trade Commission Chair Lina Khan's aggressive stance on antitrust action against Big Tech, criticizing large companies for stifling competition. During a recent committee hearing, Vance accused Big Tech of using AI's potential dangers to push for regulations that entrench their dominance, stating such measures would "make it actually harder for new entrants to create the innovation that’s going to power the next generation of American growth and jobs." Despite these conflicting stances, tech policy experts believe Vance’s influence could lead to a more laissez-faire approach to AI regulation if Trump is elected. Sen. Vance would most likely favor rolling back some of the current A.I. guardrails in place for the U.S. military, which has taken a cautious approach to using the new technology. He has also urged more investment in U.S. companies to help them compete against China. Read more [here](#).
- On Monday, July 22, United States Trade Representative Katherine Tai will participate in a conversation titled, “Shifting the Trade Paradigm: Can we do Better for Global Citizens (and Democracy)?” with Simon Johnson, Professor of Entrepreneurship and Global Economics and Management, Massachusetts Institute of Technology (MIT) and Centre for Economic Policy (CEPR) Fellow, moderated by Dr. Cristina Caffarra, Honorary Professor at University College London and Deputy Director of the CEPR Competition Research Policy Network. This event is livestreamed and open press. Registration information can be found [here](#).
- The White House’s Office of Digital Strategy [announced](#) that it will hold a first-ever White House Creator Economy Conference (WHCEC) on August 14, 2024. According to the press release, the conference will “convene a group of digital creators and industry professionals to discuss the most pressing issues within the creator economy today — including privacy, fair pay, AI, mental health, and more.” The conference will also allow members of the Administration to learn from creators and industry professionals and gain insight on how various issues are impacting their lives to inform policy decisions. The event is by invitation only, and those interested in attending and/or submitting questions for the conference can do so [here](#).
- USTR Katherine Tai announced that she will host the 21st U.S.–sub-Saharan Africa Trade and Economic Cooperation Forum (AGOA Forum) in Washington, D.C., from July 24 to 26, 2024. “AGOA has been the cornerstone of our economic partnership with sub-Saharan Africa for over twenty years,” said Ambassador Tai. “This Forum is an opportunity to discuss how we can make the program more effective, to address today’s challenges and deliver real benefits to more people across the continent. I look forward to welcoming my fellow ministers and guests to Washington.” The theme for this year’s AGOA Forum is “*Beyond 2025: Reimagining AGOA for an Inclusive, Sustainable and Prosperous Tomorrow*.” Read more [here](#).

- A [Notice of Public Roundtable](#) was posted in the Federal Register announcing that the United States Patent and Trademark Office (USPTO) will hold a roundtable on August 5, titled *Protecting NIL, Persona, and Reputation in the Age of Artificial Intelligence*. The roundtable will seek public input on whether existing laws protecting an individual's reputation and existing laws prohibiting unauthorized use of an individual's name, image, voice, likeness, or other indicia of identity are sufficient given the development and proliferation of AI technology. According to the notice, the roundtable will consist of an in-person session and a separate virtual session. Individuals who wish to participate as a speaker at either session must submit a request to [NILroundtable@uspto.gov](mailto:NILroundtable@uspto.gov) by July 31, 2024. Supplementary information and a link to register to watch the livestream can be found [here](#).
- The United States Patent and Trademark Office (USPTO) announced that they will be hosting a [listening session](#) on the impact of the proliferation of artificial intelligence (AI) on prior art and a person having ordinary skill in the art (PHOSITA). The listening session will take place on July 25, from 10 a.m. to 3 p.m. ET, virtually and in person, at USPTO headquarters, National Inventors Hall of Fame Museum, in Alexandria, Virginia. According to the USPTO, the purpose of the listening session is to obtain public input from a broad group of stakeholders regarding the impact of the proliferation of AI on prior art and PHOSITA, as set forth in the questions for public comment in the April 30, 2024 [Federal Register notice](#). Attendees seeking to speak at the listening session, either virtually or in person, must register by 8 p.m. ET on July 19. Those seeking to attend, either virtually or in person, but not speak at the event, must register by 8 a.m. ET on July 25. Read more [here](#).

### III. USCO Updates:

- On July 15, the Register of Copyrights Shira Perlmutter announced the appointment of Malcolm “Hawk” Hawkins as Deputy Director of Operations for the U.S. Copyright Office. Hawkins will assist the Assistant Register and Director of Operations with the Office’s strategic planning, financial management activities, and business processes. Read more [here](#).
- The U.S. Copyright Office sent a press release inviting the public to [register](#) to attend the upcoming webinar: Level Up Your Copyright Public Records Search on August 1, 2024, at 2:00 p.m. eastern time. In this sixty-minute webinar, the USCO will share ways to search copyright public records using the pilot of the new Copyright Public Records System (CPRS), an easy-to-navigate, highly searchable database. CPRS is the second component to be made publicly available as part of the Office’s new Enterprise Copyright System (ECS). The webinar will include a live demonstration of the CPRS pilot’s powerful search capabilities. Learn how to leverage its many features to conduct simple and advanced searches successfully and receive information on supplemental research and support services the Office provides to the public. There will be an opportunity for questions and answers. The webinar will take place August 1, 2024, 2:00 p.m. eastern time. Speakers include Denise Wofford, Assistant Register and Director, Office of Copyright Records, U.S. Copyright Office; George Thuronyi, Deputy Director, Office of Public Information and Education, U.S. Copyright Office; Michael Goldfine, Copyright Specialist, Records Research and Certification Division, U.S. Copyright Office. Read more [here](#).

- The U.S. Copyright Office (USCO) published a [notification of inquiry](#) required by the Music Modernization Act regarding whether the existing designations of the Mechanical Licensing Collective (MLC) and Digital Licensee Coordinator (DLC) should be continued. This is the first of the review processes that the Copyright Office is statutorily required to conduct every five years. Written initial public comments were due by May 29. If you wish to submit reply comments were due June 28. Reply comments by the currently designated MLC and DLC must be submitted by July 29. Additional information is available [here](#).
- On July 25, the U.S. Copyright Office will hold a webinar to keep the public updated on the Office’s optimized [Recordation System](#). Separate from the Office’s [registration application](#), the new recordation module allows users to electronically transfer their copyrights to someone else. The webinars will “cover announcements about the module, important reminders, frequently asked questions, and a live Q&A session.” Anyone interested in attending may join the session. For additional information and to register, please click [here](#).
- In January, the U.S. Copyright Office (USCO) published a [notification of inquiry](#) required by the Music Modernization Act regarding whether the existing designations of the Mechanical Licensing Collective (MLC) and Digital Licensee Coordinator (DLC) should be continued. This is the first of the review processes that the Copyright Office is statutorily required to conduct every five years. Reply comments by the currently designated MLC and DLC must be submitted by July 29. Additional information is available [here](#).

#### IV. Industry Updates:

- On July 8, the Commerce and Economic Development Bureau Intellectual Property Department [launched](#) a public consultation on generative AI and copyright law issues, including (1) copyright protection of AI-generated works; (2) copyright infringement liability for AI-generated works; (3) possible introduction of specific copyright exception; and (4) other issues relating to generative AI. A section of the [public consultation paper](#) proposes the introduction of a new exception to Hong Kong copyright law to permit text and data mining (TDM) for the development, training, and enhancement of AI models. The Hong Kong government opines that a TDM exception would be desirable with “adequate safeguards . . . put in place to maintain a proper balance of interest . . . such as requiring lawful access to copyright works . . .” Comments for the public consultation are due on or before September 8. The government will also hold an in-person public forum on August 2 about the consultation. Interested participants must register for the public forum event by July 26. Read more [here](#).
- On Friday, July 12, the European Union [published](#) the full and final text of its AI Act, which will become law on August 1. The landmark legislation mandates that generative AI developers and platforms must publicly disclose how copyrighted works are used in their training models. The law has far-reaching implications as the platforms are required to comply with the EU law even if the platforms are trained outside the European Union. Read more from *IPWatchdog* [here](#).
- On July 16, *Bloomberg Government* reported that the Federal Trade Commission (FTC) has opened an informal inquiry into Amazon’s hiring of senior executives from the startup

company Adept AI Labs. While the inquiry may not turn into a full investigation, the FTC is looking at the departure of David Luan, Adept's co-founder and former chief executive officer as well as four other co-founders and an unspecified number of other team members who recently made the move to Amazon. *Bloomberg* previously reported that Amazon plans to license Adept's technology. Read more [here](#).

- On July 15, *The Verge* reported that record labels, including UMG Recordings, Warner Music, and Sony Music, filed a lawsuit against Verizon, accusing the company of ignoring its customers' copyright violations for profit. The suit charges Verizon with both contributory and vicarious copyright infringement, asking the judge to award labels the maximum penalty for every track on their list as well as attorney's fees. The labels claim entitlement to up to \$150,000 per violation under the Digital Millennium Copyright Act (DMCA), potentially totaling \$2.6 billion. The lawsuit lists 17,335 tracks from artists such as Elvis Presley and Matchbox Twenty, alleging Verizon ignored nearly 350,000 infringement notices since 2020. The plaintiffs assert that Verizon's inaction created a "safe haven" for copyright infringement, attracting subscribers who engaged in illegal file sharing due to the company's lax policies and faster internet speeds. They state, "Verizon fostered a safe haven for infringement in light of its lax policies and thus encouraged its subscribers to infringe." Read more [here](#).
- On July 16, *ProofNews* alongside *Wired* reported that subtitles from 173,536 YouTube videos, siphoned from over 48,000 channels, were used by Silicon Valley giants such as Anthropic, Nvidia, Apple, and Salesforce. The dataset, named YouTube Subtitles, includes video transcripts from educational and online learning channels, as well as content from popular YouTube creators like MrBeast, Marques Brownlee, Jacksepticeye, and PewDiePie. According to a research paper by EleutherAI (the creators of the dataset), the dataset is part of the Pile, a larger compilation used by Apple, Nvidia, and Salesforce to train AI models. "The Pile includes a very small subset of YouTube subtitles," Jennifer Martinez, a spokesperson for Anthropic, said in a statement confirming use of the Pile in Anthropic's generative AI assistant Claude. "YouTube's terms cover direct use of its platform, which is distinct from use of The Pile dataset. On the point about potential violations of YouTube's terms of service, we'd have to refer you to The Pile authors." This incident follows similar cases of unauthorized data usage, including the Books3 dataset (also part of the Pile dataset) leading to multiple lawsuits from affected authors. Read more [here](#).
- On July 18, Google, OpenAI, Microsoft, Amazon, Nvidia, Intel, and other big names in AI announced the founding of the Coalition for Secure AI (CoSAI) at the Aspen Security Forum. The initiative aims to address a "fragmented landscape of AI security" by providing access to open-source methodologies, frameworks, and tools. According to *The Verge* CoSAI will exist within the Organization for the Advancement of Structured Information Standards (OASIS), a nonprofit group that promotes the development of open standards. CoSAI will work on three goals to start: developing best practices for AI security; addressing challenges in AI; and securing AI applications. Read more [here](#).
- On Thursday, July 18, a Meta spokesperson told *The Verge* that the company would not be releasing its open-license multimodal AI platform Llama in the European Union one week after the EU finalized its new AI Act. "We will release a multimodal Llama model over the coming months, but not in the EU due to the unpredictable nature of the European regulatory environment," Meta spokesperson Kate McLaughlin told *The Verge*. The move follows

Apple's lead who recently stated that the company would likely not release AI updates in the EU due to regulatory concerns. Read more [here](#).

- On Thursday, July 25, the Senate Appropriations Committee will hold a markup of the Commerce-Justice-Science, State and Foreign Operations, and Transportation-Housing and Urban Development Appropriations Acts. Starting at 9:30am ET the livestream will be posted [here](#).