

114TH CONGRESS  
1ST SESSION

# H. R. 1457

To amend title 17, United States Code, to provide for direct payment of statutory sound recording performance royalties to record producers, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 19, 2015

Mr. CROWLEY (for himself and Mr. ROONEY of Florida) introduced the following bill; which was referred to the Committee on the Judiciary

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## A BILL

To amend title 17, United States Code, to provide for direct payment of statutory sound recording performance royalties to record producers, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Allocation for Music  
5 Producers Act” or the “AMP Act”.

1 **SEC. 2. PAYMENT OF STATUTORY PERFORMANCE ROYAL-**  
2 **TIES.**

3 (a) LETTER OF DIRECTION.—Section 114(g) of title  
4 17, United States Code, is amended by adding at the end  
5 the following new paragraph:

6 “(5) LETTER OF DIRECTION.—A collective des-  
7 ignated by the Copyright Royalty Judges to dis-  
8 tribute receipts from the licensing of transmissions  
9 in accordance with subsection (f) shall adopt and  
10 reasonably implement a policy that provides, in cir-  
11 cumstances determined by the collective to be appro-  
12 priate, for acceptance of instructions from a payee  
13 identified in subparagraph (A) or (D) of paragraph  
14 (2) to distribute a portion of the payments to which  
15 the payee otherwise would be entitled from the li-  
16 censing of transmissions of a particular sound re-  
17 cording to a producer, mixer, or sound engineer who  
18 was part of the creative process that created the  
19 sound recording (in this section, referred to as a ‘let-  
20 ter of direction’). To the extent that the collective  
21 accepts a letter of direction, the person entitled to  
22 payment pursuant to such letter of direction shall,  
23 during the time such letter of direction is in effect  
24 and followed by the collective, be treated for all pur-  
25 poses as the owner of the right to receive such pay-  
26 ment. This paragraph shall not be interpreted to

1        imply that a collective cannot accept or act upon  
2        payment instructions in other circumstances.”.

3        (b) ADDITIONAL PROVISIONS FOR RECORDINGS  
4        FIXED BEFORE NOVEMBER 1, 1995.—Section 114(g) of  
5        title 17, United States Code, as amended by subsection  
6        (a), is further amended by adding at the end the following  
7        new paragraph:

8                “(6) SOUND RECORDINGS FIXED BEFORE NO-  
9        VEMBER 1, 1995.—

10                “(A) PAYMENT ABSENT LETTER OF DI-  
11        RECTION.—A collective designated by the Copy-  
12        right Royalty Judges to distribute receipts from  
13        the licensing of transmissions in accordance  
14        with subsection (f) shall adopt and reasonably  
15        implement a policy that provides, in cir-  
16        cumstances determined by the collective to be  
17        appropriate, for deduction of 2 percent of the  
18        receipts from the licensing of transmissions of  
19        a sound recording fixed before November 1,  
20        1995, from receipts otherwise payable to the re-  
21        cording artist or artists featured on such sound  
22        recording (or the persons conveying rights in  
23        the artists’ performance in the sound record-  
24        ings) pursuant to paragraph (2)(D) (which  
25        leaves the recording artist or artists featured on

1 such sound recording (or the persons conveying  
2 rights in the artists' performance in the sound  
3 recordings) 43 percent of the total receipts paid  
4 pursuant to paragraph (2)) and distribution of  
5 such amount to one or more persons described  
6 in subparagraph (B), after deduction of costs as  
7 described in paragraph (3) or (4), as applicable,  
8 if each of the following requirements is met:

9 “(i) CERTIFICATION OF ATTEMPT TO  
10 OBTAIN A LETTER OF DIRECTION.—A per-  
11 son described in subparagraph (B) cer-  
12 tified to the collective, under penalty of  
13 perjury, that—

14 “(I) for a period of at least 4  
15 months, that person made reasonable  
16 efforts to contact the artist payee for  
17 such sound recording to request and  
18 obtain a letter of direction instructing  
19 the collective to pay a portion of the  
20 royalties from the featured recording  
21 artist or artists to that person; and

22 “(II) during the period beginning  
23 on the date that person began the rea-  
24 sonable efforts described in subclause  
25 (I) and ending on date of that per-

1 son’s certification to the collective, the  
2 artist payee did not definitively affirm  
3 or deny the request for a letter of di-  
4 rection.

5 “(ii) COLLECTIVE ATTEMPT TO CON-  
6 TACT ARTIST.—After receipt of the certifi-  
7 cation described in clause (i) and for a pe-  
8 riod of at least 4 months before the collec-  
9 tive’s first distribution to the person de-  
10 scribed in subparagraph (B), the collective  
11 attempted to notify the artist payee of the  
12 certification made by the person described  
13 in subparagraph (B) in a manner reason-  
14 ably determined by the collective.

15 “(iii) NO OBJECTION RECEIVED.—An  
16 objection to the distribution has not been  
17 submitted to the collective by the artist  
18 payee as of the date that is 10 business  
19 days before the date on which the first dis-  
20 tribution is made.

21 “(B) ELIGIBILITY FOR PAYMENT.—A per-  
22 son shall be eligible for payment under subpara-  
23 graph (A) if such person—

24 “(i) is a producer, mixer, or sound en-  
25 gineer of the relevant sound recording;

1           “(ii) has entered into a written con-  
2           tract with a record company involved in  
3           the creation or lawful exploitation of the  
4           relevant sound recording, or with the re-  
5           cording artist or artists featured on such  
6           sound recording (or the persons conveying  
7           rights in the artists’ performance in the  
8           sound recordings), pursuant to which such  
9           person is entitled to participate in royalty  
10          payments based on exploitation of the rel-  
11          evant sound recording that are payable  
12          from royalties otherwise payable to the re-  
13          cording artist or artists featured on such  
14          sound recording (or the persons conveying  
15          rights in the artists’ performance in the  
16          sound recordings); and

17           “(iii) made a contribution, of a nature  
18          subject to copyright protection under sec-  
19          tion 102, to the creation of the relevant  
20          sound recording; and

21           “(iv) submits a written certification to  
22          the collective stating, under penalty of per-  
23          jury, that such person meets the require-  
24          ments in clauses (i) through (iii) and in-

1           cludes a true copy of the contract de-  
2           scribed in clause (ii).

3           “(C) MULTIPLE CERTIFICATIONS.—Sub-  
4           ject to subparagraph (D), in a case in which  
5           more than one person described in subpara-  
6           graph (B) has met the requirements for a dis-  
7           tribution pursuant to subparagraph (A) with re-  
8           spect to a sound recording as of the date that  
9           is 10 business days before the date on which a  
10          distribution is made, the collective shall divide  
11          the 2 percent distribution equally among all  
12          such persons.

13          “(D) OBJECTION TO PAYMENT.—Not later  
14          than 10 days after the collective receives from  
15          the artist payee a written objection to a dis-  
16          tribution made pursuant to subparagraph (A),  
17          the collective shall cease making any further  
18          payment related to such distribution. In any  
19          case in which the collective has made one or  
20          more distributions pursuant to subparagraph  
21          (A) to a person described in subparagraph (B)  
22          before the date that is 10 business days after  
23          the date on which the collective receives an ob-  
24          jection by the artist payee to such distribution,  
25          the objection shall not affect that person’s enti-

1            tlement to any distribution made before the col-  
2            lective ceases such distribution pursuant to this  
3            subparagraph.

4            “(E) OWNERSHIP OF THE RIGHT TO RE-  
5            CEIVE PAYMENTS.—To the extent that the col-  
6            lective determines that a distribution will be  
7            made pursuant to subparagraph (A) to a person  
8            described in subparagraph (B), such person  
9            shall during the period of such distribution be  
10           treated for all purposes as the owner of the  
11           right to receive such payments.

12           “(F) ARTIST PAYEE DEFINED.—In this  
13           paragraph, the term ‘artist payee’ means a per-  
14           son, other than a person described in subpara-  
15           graph (B), who owns the right to receive all or  
16           part of the receipts payable under paragraph  
17           (2)(D) with respect to a sound recording. In a  
18           case in which there are multiple artist payees  
19           with respect to a sound recording, an objection  
20           by one such payee shall apply only to that pay-  
21           ee’s share of the receipts payable under para-  
22           graph (2)(D), and does not preclude payment  
23           under subparagraph (A) from the share of an  
24           artist payee that does not object.”.



1           (c) TECHNICAL AND CONFORMING AMENDMENTS.—  
2 Section 114(g) of title 17, United States Code, as amend-  
3 ed by subsections (a) and (b), is further amended—

4           (1) in paragraph (2), by striking “An agent  
5 designated” and inserting “Except as provided for in  
6 paragraph (6), a collective designated by the Copy-  
7 right Royalty Judges”;

8           (2) in paragraph (3)—

9           (A) by striking “agent designated” and in-  
10           serting “collective designated by the Copyright  
11           Royalty Judges”; and

12           (B) by striking “agent” and inserting “col-  
13           lective”, each place it appears; and

14           (3) in paragraph (4), by striking “agent” and  
15           inserting “collective”, each place it appears.

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