

INTRODUCTION OF THE FAIR PLAY
FAIR PAY ACT OF 2015

HON. JERROLD NADLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 13, 2015

Mr. NADLER. Mr. Speaker, this is an amazing time for everyone who loves music. We have more ways to listen, incredible new paths to discover new artists, and “anytime anywhere” access to almost any type of music. Just as television has moved from a homogenized three-network world to the dynamic multi-platform competition of today—bringing us better and more varied programs than anyone could have imagined just a decade ago—radio has done the same. New digital services offer a dizzying area of choices and stations, and are pushing traditional AM/FM to innovate and break new ground as well.

But the rules governing radio music haven’t kept up with the times. After decades of legislative stopgaps, special interest exceptions, and congressional gridlock, radio businesses today operate under an absurd patchwork of inconsistent royalty standards and licensing rules. The result is a serious distortion of the economics of the radio business that artificially props up some services, and tilts the playing field steeply against others. And more than anything—it massively shortchanges artists and other music creators who, to this day, get paid nothing when their performances are aired on AM/FM radio.

Today in your dashboard you might have an AM/FM radio, a SiriusXM receiver, and an on-line link to Pandora. If you hear a song on Pandora, the artist and his or her accompanying musicians get a decent royalty, since Internet radio is governed by a fair market value royalty standard. However, if you hit a different button and hear the exact same recording on SiriusXM, the artist gets a much smaller royalty for the exact same song, because satellite radio pays below market royalties thanks to a 15 year old “grandfathered” exception from the normal royalty standard. If you tune in on AM/FM, the artist gets nothing for the same performance. Not a cent.

And if you click over to a song recorded before February 15, 1972, some of the biggest and most successful digital services have ceased paying royalties to older musicians, many of whom are past their working years and have no other way to make ends meet.

In the end, everybody loses under this chaotic system. Radio services are forced to compete in an unfair and distorted market that props up the oldest broadcast technology at the expense of innovative new services. How is it fair that companies like Pandora and SiriusXM, who pay royalties on all (post-1972) music, must compete against big radio conglomerates that don’t pay any royalties on most of the music they use? Even within the digital space, Pandora has loudly—and rightly—complained that its competitor SiriusXM pays royalties that are much lower based on totally arbitrary government decisions.

The Fair Play Fair Pay Act, which I am honored to introduce today along with my colleagues Congressmen MARSHA BLACKBURN (R-TN), JOHN CONYERS, Jr. (D-MI) and TED DEUTCH (D-FL), corrects this unfair and illogical system. It harmonizes the rules for licensing of sound recordings across all platforms

and establishes a simple, fundamental principle for the radio business: Fair pay for all artists on all platforms. At the same time, it protects truly small, local, and non-commercial AM/FM radio stations by ensuring that their royalties are affordable, capped at \$500 a year for stations with revenue below \$1 million a year and at \$100 a year for noncommercial broadcasters.

It sets down a clear marker on the need to resolve the dispute over pre-72 music—making clear what should already have been obvious, that all music has value and all who create it should be paid regardless of age. The courts have begun the process of protecting the rights of older artists under state law. In the meantime, the provision in this bill can serve as a placeholder as we continue to monitor those developments, and work toward a long term solution that benefits all stakeholders.

The bill also addresses the distribution of royalties, codifying industry practices that simplify the allocation of royalties to music producers and engineers. And it requires direct pay in direct licensing deals for music that is eligible for the existing statutory license. We are aware that there are ongoing discussions about direct pay for direct licensing, and the final provisions of the bill on this point will be informed by those discussions and by our commitment to protecting the rights and equities of all music creators, artists, independent labels, and majors.

And it includes a concrete and enforceable protection for songwriters—stating in unambiguous terms that the changes made by this law cannot be used to lower or reduce songwriting royalties in any way.

It is a great time for music lovers today—but if we don’t fix the corrosive distortions that are eating away at the core of the radio business that won’t be true forever. Artists already struggling with the steep decline in album sales will find it more and more difficult to make a living. Music as a career path will be closed off to many—and if that happens we all lose.

We look forward to working with our colleagues on both sides of the aisle in the House and Senate to consider this legislation and pass it into law.

COMMEMORATING EQUAL PAY
DAY AND EXPRESSING SUPPORT
FOR THE PAYCHECK FAIRNESS
ACT

HON. SHEILA JACKSON LEE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 13, 2015

Ms. JACKSON LEE. Mr. Speaker, I rise today to commemorate Equal Pay Day, a day in which President John F. Kennedy, on June 10th, 1963, proposed the simple principle that women deserve equal pay for equal work.

The symbolism of this day is expressed in that, as we are more than three months into the year, women’s wages are only now beginning to catch up to what men were paid the previous year.

Today, women on average make 78 cents for every dollar earned by men, amounting to an annual disparity of more than \$10,876 dollars between full-time working men and women.

It is important to understand what 78 cents to ever dollar means to a family: \$10,876 could purchase 86 more weeks of food; \$10,876 could afford more than 3,200 additional gallons of gasoline; \$10,876 could support families in incredible ways, and yet, even today, \$10,876 annually is exactly what women currently do without simply because of being women.

For African American women and Latina women, the wage gap is even higher. African American women on average earn only 64 cents, while Latina women earn 54 cents to every dollar earned by white, non-Hispanic men.

In my home state of Texas, however, the average wage gap for African American women is 59 cents to the dollar. For Latina women, it is an abysmal 45 cents to the dollar.

This is why I support H.R. 1619, the Paycheck Fairness Act, which addresses loopholes in the 1963 Equal Pay Act.

H.R. 1619 would protect employees who voluntarily share their own salary information at work from retaliation by an employer and remove obstacles in the Equal Pay Act to facilitate plaintiffs’ participation in class action lawsuits that challenge discrimination.

H.R. 1619 would also better align key Equal Pay Act defenses with those in Title VII of the Civil Rights Act, requiring employers to prove that pay disparities exist for legitimate, job-related reasons.

On this Equal Pay Day, I call upon House Republicans, all of whom have so far refused to co-sponsor the Paycheck Fairness Act, to answer this simple question: why are you opposed to woman earning the same amount as men?

I ask House Republicans to stop wasting the time of this Congress with attempts to defund the Department of Homeland Security and focus your energies on legislation that would actually help the American people.

Let us call this opposition to the Paycheck Fairness Act, and opposition to all acts of Congress dating back to the 1960’s that have attempted to ameliorate the glaring disparities in wages between women and men, for what it is: deliberately and blatantly sexist.

I ask all my colleagues to come help make the Paycheck Fairness Act a reality.

We should remember: equal pay is not simply a women’s issue—it is a family issue.

It is time now to update antiquated pay equality laws and to eliminate the wage gap entirely between men and women.

It is time for equal pay for equal work.

HONORING THE LIFE OF CHUCK
BROCKMAN

HON. CANDICE S. MILLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, April 13, 2015

Mrs. MILLER of Michigan. Mr. Speaker, I rise today to honor and remember the life of Chuck Brockman, a devoted husband, son, brother, uncle, boater, philanthropist, newspaperman, friend, and retired soldier.

Chuck was born on May 28, 1934, in Mount Clemens, Michigan. He spent his early years in Mount Clemens with his father, Harvey, and mother, Roma, and his sister, Janet. At the age of 20, Chuck entered the U.S. Army and