

Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

SFA**BILL ANALYSIS**

Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

House Bill 4937 (as reported without amendment)
Sponsor: Representative Andrew Raczkowski
House Committee: Regulatory Reform
Senate Committee: Economic Development, International Trade and Regulatory Affairs

CONTENT

The bill would create the "Music Royalty Practices Act" to do the following:

- Require a "performing rights society" to maintain an electronic database of its repertoire and make available a list of the authors and publishers of its copyrighted musical works and the titles in the repertoire.
- Permit a person to review a performing rights society's list of copyrighted works and of its members and affiliates.
- Prohibit a performing rights society from entering into a contract for the payment of royalties by a proprietor unless it gave the proprietor certain information on rates and terms of royalties.
- Specify information that would have to be included in a contract for the payment of royalties between a proprietor and a performing rights society.
- Prohibit a performing rights society or its agent or representative from engaging in certain acts regarding a contract.
- Permit a person injured by a violation of the bill to bring a civil action for damages or injunctive relief.
- Specify that the bill would not apply to contracts between performing rights societies and broadcasters licensed by the Federal Communications Commission or to investigations by a law enforcement agency or other person regarding a suspected violation of Public Act 210 of 1994, which prohibits the unauthorized duplication of certain recordings.

"Performing rights society" would mean an association, corporation, or other entity that licensed the nondramatic public performance, broadcast, or transmittal of musical works on behalf of copyright owners, including the American Society of Composers, Authors, and Publishers; Broadcast Music, Inc.; and, SESAC, Inc.

"Proprietor" would mean the owner of a retail establishment, restaurant, inn, bar, tavern, sports or entertainment facility, not-for-profit organization, or any other place of business or professional office located in the State in which the public could assemble and in which musical works were publicly and nondramatically performed, broadcast, or transmitted for the enjoyment of the members of the public assembled in that place.

Legislative Analyst: L. Arasim

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Date Completed: 12-4-00

Fiscal Analyst: B. Bowerman