ANNOUNCEMENT
from the Copyright Office, Library of Congress, Washington, D.C. 20559

NEW

FINAL REGULATIONS

CABLE COMPULSORY AND SATELLITE CARRIER STATUTORY LICENSES:
ELECTRONIC PAYMENT OF ROYALTIES

The following excerpt is taken from Volume 56, Number 125 of the Federal Register for Friday, June 28, 1991 (p. 29588)

SUPPLEMENTARY INFORMATION: Under the cable compulsory license of section 111 of the Copyright Act, title 17 of the United States Code, and the satellite carrier statutory license of section 119 of the Act, secondary transmissions by cable systems of broadcast signals and certain secondary transmissions by satellite carriers to home dish owners are subject to payment of royalties. The royalty payments are remitted to the Copyright Office semi-annually. The Copyright Office invests the royalties in United States Treasury securities, pending ultimate distribution of the royalties to entitled copyright owners by the Copyright Royalty Tribunal. The current Copyright Office regulations permit cable systems and satellite carriers to pay royalty fees by certified or cashier's checks, or by money orders. 37 CFR 201.11 (f), (g) and (h); § 201.17 (i) and (j) (1990). The Copyright Office is amending the existing regulations to provide cable systems and satellite carriers with the additional option of paying royalties by electronic funds transfer.

Electronic payment allows cable systems and satellite carriers to preauthorize their financial institutions to debit their accounts, instead of having to factor in mail or other delivery time. Cable systems and satellite carriers will have the ability to transfer funds until the due date without incurring interest assessments. Royalties will go directly to the Department of Treasury. The new regulation provides the additional option of electronic payment by electronic funds transfer, which should facilitate payment by cable systems and satellite carriers, and lessen the administrative burden of the Copyright Office.


reducing paperwork and related administrative costs, and improving reporting and audit control of cable and satellite royalty payments.

By these technical amendments to the regulations, we simply make it possible for cable systems and satellite carriers to effect electronic payment of royalties. The United States Treasury Department specifies the procedures. The Licensing Division of the Copyright Office should be contacted for further details about electronic payment of royalties. Treasury regulations are subject to change, but they generally establish minimum amounts for electronic transfer of funds.

Regulatory Flexibility Act Statement

With respect to the Regulatory Flexibility Act, the Copyright Office takes the position that this Act does not apply to Copyright Office rulemaking. The Copyright Office is a department of the Library of Congress and is part of the legislative branch. Neither the Library of Congress nor the Copyright Office is an "agency" within the meaning of the Administrative Procedure Act of June 11, 1946, as amended (title 5, chapter 5 of the U.S. Code, subchapter II and chapter 7). The Regulatory Flexibility Act consequently does not apply to the Copyright Office since the Act affects only those entities of the Federal Government that are agencies as defined in the Administrative Procedure Act.

The Copyright Office was not subject to the Administrative Procedure Act before 1979 and it is now subject to it only in areas specified by section 701(d) of the Copyright Act (i.e., "all actions taken by the Register of Copyrights under this title [17], except with respect to the making of copies of copyright deposits.

The Copyright Office does not make the Office an "agency" as defined in the Administrative Procedure Act. For example, personnel actions taken by the Office are not subject to APA-FOIA requirements.

1 Error: line should read: "Copyright Office invests the royalties in"
Alternatively, if it is later determined by a court of competent jurisdiction that the Copyright Office is an "agency" subject to the Regulatory Flexibility Act, the Register of Copyrights has determined and hereby certifies that this regulation, which establishes an optional procedure, will have no significant impact on small businesses.

List of Subjects in 37 CFR Part 201

Cable compulsory license. Satellite carrier license.

Final Regulations

In consideration of the foregoing, part 201 of 37 CFR is amended in the manner set forth below.

PART 201—[AMENDED]

1. The authority citation for part 201 continues to read as follows:

Authority: Sec. 702, 90 Stat. 2541. 17 U.S.C. 702; § 201.7 is also issued under 17 U.S.C. 408, 409, and 410; § 201.16 is also issued under 17 U.S.C. 110.

§ 201.11 [Amended]

2. In § 201.11 paragraph (f) is revised to read as follows:

(f) Royalty fee payment. All royalty fees may be paid by electronic transfer of funds, provided the payment is received in the designated United States Federal Reserve Bank by the filing deadline for the relevant accounting period. Except in the case of an electronic payment, the royalty fee payable for the period covered by the Statement of Account shall accompany that Statement of Account and shall be deposited at the Copyright Office with it. Payment must be in the form of a certified check, cashier's check, or a money order, payable to: Register of Copyrights: or a United States Treasury electronic payment.

§ 201.11 [Amended]

3. Section 201.11(g)(3)(iv)(B) is amended by removing the period and adding a semi-colon after the word "Copyrights" and inserting the phrase "or electronic payment.

3a. In § 201.11(h)(1) the third sentence is amended by removing the words "or money order" and replacing them with the words "money order; or electronic payment."

§ 201.17 [Amended]

4. In § 201.17 paragraph (i)(1) is revised to read as follows:

(i) Royalty fee payment. (1) All royalty fees may be paid by electronic transfer of funds, provided the payment is received in the designated United States Federal Reserve Bank by the filing deadline for the relevant accounting period. Except in the case of an electronic payment, the royalty fee payable for the period covered by the Statement of Account shall accompany that Statement of Account and shall be deposited at the Copyright Office with it. Payment must be in the form of a certified check, cashier's check, or a money order, payable to: Register of Copyrights: or a United States Treasury electronic payment.

5. In § 201.17(i)(2) the third sentence is amended by removing the words "or money order" and replacing them with the words "money order; or electronic payment."

6. Section 201.17(j)(3)(iv)(B) is amended by deleting the period and adding a semi-colon after the word "Copyrights" and inserting the phrase "or an electronic payment."

Ralph Oman,
Register of Copyrights.

Approved by:
James H. Billington,
The Librarian of Congress.

[FR Doc. 91-15206 Filed 6-27-91; 8:45 am]
BILLING CODE 1410-06-M