



# ANNOUNCEMENT

from the Copyright Office, Library of Congress,  
101 Independence Avenue, S.E., Washington, D.C. 20559-6000

## FINAL RULE

### ADJUSTMENT OF CABLE STATUTORY LICENSE ROYALTY RATES

The following excerpt is taken from Volume 65, Number 210 of the  
*Federal Register* of Monday, October 30, 2000 (pp. 64622-64623)

#### LIBRARY OF CONGRESS

#### Copyright Office

#### 37 CFR Parts 201 and 256

[Docket No. 2000-4 CARP CRA]

#### Adjustment of Cable Statutory License Royalty Rates

**AGENCY:** Copyright Office, Library of  
Congress.

**ACTION:** Final rule.

**SUMMARY:** The Copyright Office of the  
Library of Congress is publishing final  
regulations governing the adjustment of the  
royalty rates for the cable statutory license.

**DATES:** These regulations are effective July  
1, 2000.

#### FOR FURTHER INFORMATION

**CONTACT:** David O. Carson, General  
Counsel, or William J. Roberts, Jr., Senior  
Attorney for Compulsory Licenses,  
Copyright Arbitration Royalty Panel  
(CARP), P.O. Box 70977, Southwest Station,  
Washington, D.C. 20024. Telephone: (202)  
707-8380. Telefax (202) 252-3423.

#### SUPPLEMENTARY INFORMATION:

##### I. Background

Section 111 of the Copyright Act, 17  
U.S.C., creates a statutory license for cable  
systems that retransmit to their subscribers  
over-the-air broadcast signals. Royalty fees  
for this license are calculated as percentages  
of a cable system's gross receipts received  
from

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subscribers for receipt of broadcast signals.  
A cable system's individual gross receipts  
determine the applicable percentages. These  
percentages, and the gross receipts  
limitations, are published in 37 CFR part 256  
and are subject to adjustment at five-year  
intervals. 17 U.S.C. 801(b)(2)(A) & (D). This  
was a window year for such an adjustment.

The Library received two petitions for a

rate adjustment and published a **Federal  
Register** notice seeking comment on these  
petitions and directed interested parties to file  
a Notice of Intent to Participate in a  
Copyright Arbitration Royalty Panel  
("CARP") proceeding. 65 FR 10564  
(February 28, 2000). The Library also  
designated a 30-day period to negotiate a  
settlement as to adjustment of the rates. 37  
CFR 251.63(a). The Library extended the  
negotiation period on two separate occasions  
in Orders dated May 15, 2000, and June 5,  
2000. The extensions proved to be  
successful, as the Library received a joint  
proposal to adjust the cable royalty fees and  
the gross receipts limitations.

Pursuant to Sec. 251.63(b) of the CARP  
rules, the Library published in the **Federal  
Register** the proposed adjustments to the  
percentages of gross receipts paid by cable  
systems, and the gross receipts limitations.  
65 FR 54984 (September 12, 2000). Section  
251.63(b) provides that the Library "may  
adopt the rate embodied in the proposed  
settlement without convening an arbitration  
panel, provided that no opposing comment is  
received by the Librarian [of Congress] from  
a party with an intent to participate in a  
CARP proceeding." 37 CFR 251.63(b). No  
comments or Notices of Intent to Participate  
were received, enabling publication of  
today's final regulations adopting the  
proposed settlement.

The regulations take effect on July 1,  
2000, which means that the new cable rates,  
and the gross receipts limitations, are  
applicable to the second accounting period of  
2000 and thereafter.

#### List of Subjects

37 CFR Part 201

Copyright, Procedures.

37 CFR Part 256

Cable television, Royalties.

For the reasons set forth in the preamble,  
the Library amends 37 CFR parts 201 and  
256 as follows:

#### PART 201—GENERAL PROVISIONS

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

**Authority:** 17 U.S.C. 702.

#### Sec. 201.17 [Amended]

2. In Sec. 201.17:

a. In paragraph (d)(2), remove "\$292,000"  
each place it appears and add "\$379,600" in  
its place.

b. In paragraph (e)(12), remove "\$75,800"  
and add "\$98,600" in its place.

c. In paragraph (g)(2)(ii), remove ".893"  
and add ".956" in its place.

#### PART 256—ADJUSTMENT OF ROYALTY FEE FOR CABLE COMPULSORY LICENSE

3. The authority citation for part 256  
continues to read as follows:

**Authority:** 17 U.S.C. 702, 802.

#### Sec. 256.2 [Amended]

4. In Sec. 256.2:

a. In paragraph (a), introductory text,  
remove the phrase "the first semiannual  
accounting period of 1985" and add the  
phrase "the second semiannual accounting  
period of 2000" in its place.

b. In paragraph (a)(1), remove ".893" and  
add ".956" in its place.

c. In paragraph (a)(2), remove ".893" and  
add ".956" in its place.

d. In paragraph (a)(3), remove ".563" and  
add ".630" in its place.

e. In paragraph (a)(4), remove ".265" and  
add ".296" in its place.

f. In paragraph (b), introductory text,  
remove the phrase "the first semiannual  
accounting period of 1985" and add the  
phrase "the second semiannual accounting  
period of 2000" in its place.

g. In paragraph (b)(1), remove  
"\$146,000" each place it appears and add  
"\$189,800" in its place, and remove "\$5,600"  
and add "\$7,400" in its place.

h. In paragraph (b)(2), remove  
"\$146,000" each place it appears, and add  
"\$189,800" in its place, and remove  
"\$292,000" each place it appears and add  
"\$379,600" in its place.

Dated: October 20, 2000.

**Marybeth Peters,**  
*Register of Copyrights.*

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

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