



THE FAIR PLAY FAIR PAY ACT BACKGROUND

A bipartisan group of lawmakers has reintroduced the Fair Play Fair Pay Act of 2017, which will reform antiquated U.S. copyright policy to more fairly compensate artists and rights owners. U.S. Representatives Jerrold Nadler (D-NY), Marsha Blackburn (R-TN), John Conyers (D-MI), Darrell Issa (R-CA), Ted Deutch (D-FL) and Thomas Rooney (R-FL) introduced the act and will usher it through the 115th Congress.

BILL SUMMARY

The bipartisan Fair Play Fair Pay Act aims to restore a core American principle of fairness to music: People should be paid for their work. The Fair Play Fair Pay Act would:

- **Treat music the same, regardless of the platform.** All outlets would be required to pay royalties for all music. A fair market value standard for music performance royalties would be adopted. Big AM/FM radio broadcasters would be obligated to pay royalties, just like digital radio platforms. The legislation would end satellite radio's special "grandfathered" rate-setting status and apply the free market "willing buyer, willing seller" standard across all platforms.
- **Protect and exempt small, local stations.** Small, local market stations remain a vibrant part of many communities, and this legislation treats community radio different than big broadcasters. Under the legislation, local AM/FM stations with annual revenues below \$1 million would pay just \$500 a year, covering all the music they can play for little more than a dollar a day. Public, college and other non-commercial stations would pay only \$100 a year. Religious radio, talk radio and incidental uses of music would not pay any royalties at all.
- **Restore fairness for artists whose songs were recorded before 1972.** Digital and AM/FM radio have stations dedicated exclusively to "oldies." They earn millions each year from playing iconic records but refuse to pay anything to performers who created the music. While the issue is under active litigation in the courts, this legislation makes it clear that pre-1972 recordings have value and those who profit from them must pay appropriate royalties for their use.

RESTORING EQUITY

When lawmakers introduced a previous version of the bill in the 114th Congress, Rep. Blackburn and Rep. Nadler described the need for reform [here](#):

"Terrestrial radio pays nothing to performing artists and musicians... Performing artists have been unfairly treated by the law for many years. We must update it so that music creators can prosper in the years ahead."

- Rep. Marsha Blackburn and Rep. Jerrold Nadler, *Billboard Op Ed*, November 6, 2015

SoundExchange CEO Michael Huppe explained the need for Fair Play Fair Pay [here](#):

"Current copyright laws have left a gaping hundred-year-old loophole for AM/FM radio to not pay a dime for the recordings they play on air. That's right, performers do not get paid when their works are played on traditional AM/FM radio... The right thing to do is to compensate artists fairly each and every time their recorded work is used. Period."

- Michael Huppe, *Billboard Op-Ed*, April 23, 2015