

Congressman Steve Chabot
Music Modernization Act Remarks
Wednesday, April 11, 2018

Mr. Chairman, I wanted to quickly thank you and the Ranking Member for their hard work on this important piece of legislation, as well as the sponsors of the various pieces of underlying legislation that's being considered in this bipartisan package.

A lot of hard work has gone into this legislation over the years, and the result is an unprecedented level of consensus from a broad coalition of stakeholders in the music industry, who don't always agree. This legislation, I think, will prove to be a great benefit to music consumers, creators, and producers alike.

The way we listen to and experience music is much different today than it was when the Copyright Act was enacted in 1976 or even when Congress last made major reforms to it in the mid-90s. As a result, our copyright laws have become outdated, and are in many ways insufficient for the music industry in the 21st Century.

This legislation provides much needed updates to bring music licensing into the digital age, particularly improving market efficiencies and transparency to reflect the modern music marketplace.

However, it also protects the great music and artists of the past, ensuring that individuals who created music before February 15, 1972 are compensated in a uniform manner. Finally, this legislation ensures that so many of the technical staff and producers, who work hard behind the scenes in the music industry, receive appropriate royalties for their efforts.

Lastly, as Chairman of the House Small Business Committee, I want to highlight that this legislation makes no changes to the music licensing system for restaurants, coffee shops, retailers, and radio and television stations both in my congressional district and throughout the nation, which depend upon consent decrees for both efficiency and protection from price fixing. While this bill dramatically simplifies the music licensing process for mechanical licenses for digital services, it does not fix the problems with licensing performance royalties for musical works. The only protection that small businesses have from anticompetitive music licensing practices are the current consent decrees which the Department of Justice has recently announced are under review. Eliminating or weakening these decrees would expose local small businesses to anticompetitive harms, and I urge the DOJ to leave them in place.

I again thank you, Mr. Chairman and Mr. Ranking Member. I yield back the balance of my time.