SENATE FILE 2347 BY COMMITTEE ON COMMERCE

(SUCCESSOR TO SF 2089)

## A BILL FOR

An Act prohibiting the advertising and conducting of certain
 live music performances or productions under specified
 circumstances, and making penalties applicable.
 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. <u>NEW SECTION</u>. 714.16D Live musical performances
 2 — misrepresentations.

3 1. A person shall not advertise or conduct a live 4 musical performance or production through the intentional 5 use or representation of a false, deceptive, or misleading 6 affiliation, connection, or association between a performing 7 group and a recording group. Such intentional use or 8 representation of an affiliation, connection, or association 9 shall not be considered a violation of this section if one or 10 more of the following applies:

11 a. The performing group is the authorized registrant and 12 owner of a federal service mark for that group registered in 13 the United States patent and trademark office.

14 b. At least one member of the performing group was a member 15 of the recording group and has a legal right by virtue of use 16 or operation under the recording group name without having 17 abandoned the name or affiliation with the recording group.

18 c. The live musical performance or production is identified 19 in all advertising and promotion as a salute or tribute.

20 d. The advertising does not relate to a live musical21 performance or production taking place in this state.

22 *e.* The performance or production is expressly authorized by 23 the recording group.

24 2. For purposes of this section:

25 a. "Advertise" or "advertising" means the same as
26 advertisement, as defined in section 714.16, subsection 1,
27 paragraph "a".

28 b. "Deceptive", in an action by the attorney general 29 pursuant to this section, means the same as deception, as 30 defined in section 714.16, subsection 1, paragraph "f", and in 31 a private action pursuant to this section means the same as 32 deception, as defined in section 714H.2, subsection 5.

33 c. "Performing group" means a vocal or instrumental 34 group seeking to use the name of a recording group that has 35 previously released a commercial sound recording under that

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l name.

2 d. "Person" means the same as defined in section 714.16, 3 subsection 1, paragraph j'.

*e. "Recording group"* means a vocal or instrumental group at 5 least one of whose members has previously released a commercial 6 sound recording under that group's name and in which the member 7 or members have a legal right by virtue of use or operation 8 under the group name without having abandoned the name or 9 affiliation with the group.

10 f. "Sound recording" means a work that results from the 11 fixation on a material object of a series of musical, spoken, 12 or other sounds regardless of the nature of the material 13 object, such as a disk, tape, or phonographic record, in which 14 the sounds are embodied.

15 3. A violation of this section is an unlawful practice 16 pursuant to section 714.16 and is a prohibited practice 17 pursuant to chapter 714H.

18 4. The exemptions from liability included in section 19 714.16, subsection 14, and section 714H.4, subsection 1, 20 paragraph c, shall apply to an action pursuant to this 21 section.

5. The owner of the venue at which a performance in violation of this section occurs is exempt from liability under this section unless the owner of the venue has an ownership interest in or is a member of the performing group which violated this section.

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## EXPLANATION

This bill provides that the advertisement or conducting of a plive musical performance or production through the intentional use or representation of a false, deceptive, or misleading affiliation, connection, or association between a performing group and a recording group constitutes an unlawful practice pursuant to Code section 714.16.

The bill defines a "performing group" as a vocal or instrumental group seeking to use the name of a recording group

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LSB 5034SV (2) 83 rn/nh 1 that has previously released a commercial sound recording, as 2 defined in the bill, under that name. A "recording group" is 3 defined as a vocal or instrumental group at least one of whose 4 members has previously released a commercial sound recording 5 under that group's name and in which the member or members have 6 a legal right by virtue of use or operation under the group 7 name without having abandoned the name or affiliation with the 8 group.

9 The bill specifies circumstances under which performing 10 group advertisements, performances, or productions involving 11 sound recordings by recording groups will not constitute an 12 unlawful practice. These include when the performing group 13 is the authorized registrant and owner of a federal service 14 mark for that group registered in the United States patent and 15 trademark office, when at least one member of the performing 16 group was a member of the recording group and has a legal right 17 by virtue of use or operation under the group name without 18 having abandoned the name or affiliation with the group, when 19 the live musical performance or production is identified in 20 all advertising and promotion as a salute or tribute, when the 21 advertising does not relate to a live musical performance or 22 production taking place in Iowa, and when the performance or 23 production is expressly authorized by the recording group. 24 The bill exempts the owner of a venue at which a prohibited 25 performance under the bill takes place from liability unless 26 the owner has an ownership interest in or is a member of the 27 performing group.

The penalty provisions for unlawful practice violations under Code section 714.16 would be applicable, and include injunctive relief and a civil penalty of up to \$40,000 per violation. Additionally, a civil penalty of up to \$5,000 for each day of an intentional violation of a restraining order injunction may be imposed. Further, the bill specifies that a violation of the bill's provisions constitutes a prohibited practice pursuant to Code chapter 714H, giving rise

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l to a private cause of action for damages. The bill makes

2 specified exemptions and exclusions from liability contained

3 in Code section 714.16, subsection 14, and Code section 714H.4

4 applicable to a violation of the bill's provisions.

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