

House Study Bill 515 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE
ON COMMERCE BILL BY
CHAIRPERSON LUNDGREN)

A BILL FOR

1 An Act relating to the practices of performing rights
2 societies.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 549.3, subsection 1, Code 2024, is
2 amended to read as follows:

3 1. A performing rights society shall not enter onto the
4 business premises of a proprietor for the purpose of discussing
5 a contract for the payment of royalties for the public
6 performance of copyrighted musical works by the proprietor,
7 ~~unless the performing rights society identifies itself to~~
8 ~~the proprietor and describes to the proprietor the purpose~~
9 ~~for entering onto the proprietor's business premises~~ the
10 performing rights society first uses its best efforts to make
11 an appointment to meet with the proprietor at the business
12 premises during normal business hours, or if the proprietor
13 or the proprietor's agent agree, at a location other than the
14 business premises or at the business premises when the business
15 premises are not open to the public. Upon entering onto the
16 business premises for the purpose of discussing a contract
17 for the payment of royalties for the public performance of
18 copyrighted musical works by the proprietor, the performing
19 rights society shall clearly identify itself to the proprietor
20 and describe to the proprietor the purpose for entering onto
21 the business premises.

22 Sec. 2. Section 549.5, Code 2024, is amended to read as
23 follows:

24 **549.5 Improper licensing practices.**

25 A performing rights society shall not do any of the
26 following:

27 1. A performing rights society shall not collect, Collect
28 or attempt to collect, from a proprietor licensed by that
29 performing rights society, a royalty payment except as provided
30 in a contract executed pursuant to the provisions of this
31 chapter.

32 2. Make a misleading or threatening verbal or written
33 communication to a proprietor in connection with a contract for
34 the payment of royalties or an attempt to collect royalties.

35 3. State or imply in a verbal or written communication with

1 a proprietor that the performing rights society is an agent
2 or representative of a public body, regulatory agency, or law
3 enforcement agency.

4 EXPLANATION

5 The inclusion of this explanation does not constitute agreement with
6 the explanation's substance by the members of the general assembly.

7 This bill relates to the practices of performing rights
8 societies.

9 Current law prohibits a performing rights society from
10 entering onto the business premises of a proprietor for the
11 purpose of discussing a contract for the payment of royalties
12 unless the performing rights society identifies itself to the
13 proprietor and describes to the proprietor the purpose for
14 entering onto the business premises. The bill modifies this
15 prohibition by requiring that the performing rights society
16 use its best efforts to make an appointment to meet with the
17 proprietor at the business premises during normal business
18 hours, or at another location described in the bill, before the
19 performing rights society may enter onto the business premises
20 for the purpose of discussing a contract for the payment of
21 royalties for the public performance of copyrighted musical
22 works. The bill also requires the performing rights society,
23 upon entering the business premises, to clearly identify itself
24 to the proprietor and describe to the proprietor the purpose
25 for entering onto the premises.

26 The bill prohibits a performing rights society from making a
27 misleading or threatening verbal or written communication to
28 a proprietor in connection with a contract for the payment of
29 royalties or an attempt to collect royalties. The bill also
30 prohibits a performing rights society from stating or implying
31 in a communication with a proprietor that the performing
32 rights society is an agent or representative of a public body,
33 regulatory agency, or law enforcement agency.

34 Current law provides that a person who suffers a violation of
35 Code chapter 549 may bring an action to recover actual damages

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1 and reasonable attorney fees. Current law also allows a person
2 to seek injunctive relief for a violation of Code chapter 549.
3 The remedies provided in Code chapter 549 are cumulative of any
4 other remedy afforded by common law, state law, or federal law.