

AMENDMENT NO. _____ Calendar No. _____

Purpose: To provide a limitation on judicial remedies in copyright infringement cases involving orphan works.

IN THE SENATE OF THE UNITED STATES—110th Cong., 2d Sess.

S. 2913

To provide a limitation on judicial remedies in copyright infringement cases involving orphan works.

Referred to the Committee on _____ and
ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT IN THE NATURE OF A SUBSTITUTE intended
to be proposed by Mr. LEAHY (for himself and Mr. HATCH)

Viz:

- 1 Strike all after the enacting clause and insert the fol-
- 2 lowing:
- 3 **SECTION 1. SHORT TITLE.**
- 4 This Act may be cited as the “Shawn Bentley Orphan
- 5 Works Act of 2008”.

1 **SEC. 2. LIMITATION ON REMEDIES IN CASES INVOLVING**
2 **ORPHAN WORKS.**

3 (a) LIMITATION ON REMEDIES.—Chapter 5 of title
4 17, United States Code, is amended by adding at the end
5 the following:

6 **“§ 514. Limitation on remedies in cases involving or-**
7 **phan works**

8 “(a) DEFINITIONS.—In this section, the following
9 definitions shall apply:

10 “(1) MATERIALS.—The term ‘materials’ in-
11 cludes—

12 “(A) the records of the Copyright Office
13 that are relevant to identifying and locating
14 copyright owners;

15 “(B) sources of copyright ownership infor-
16 mation and, where appropriate, licensor infor-
17 mation, reasonably available to users, including
18 private databases;

19 “(C) technology tools and expert assist-
20 ance; and

21 “(D) electronic databases, including data-
22 bases that are available to the public through
23 the Internet, that allow for searches of copy-
24 righted works and for the copyright owners of
25 works, including through text, sound, and
26 image recognition tools.

1 “(2) NOTICE OF CLAIM OF INFRINGEMENT.—

2 The term ‘notice of claim of infringement’ means,
3 with respect to a claim of copyright infringement, a
4 written notice sent from the owner of the infringed
5 copyright or a person acting on the owner’s behalf
6 to the infringer or a person acting on the infringer’s
7 behalf, that includes at a minimum—

8 “(A) the name of the owner of the in-
9 fringed copyright;

10 “(B) the title of the infringed work, any
11 alternative titles of the infringed work known to
12 the owner of the infringed copyright, or if the
13 work has no title, a description in detail suffi-
14 cient to identify that work;

15 “(C) an address and telephone number at
16 which the owner of the infringed copyright or a
17 person acting on behalf of the owner may be
18 contacted; and

19 “(D) information reasonably sufficient to
20 permit the infringer to locate the infringer’s
21 material in which the infringed work resides.

22 “(3) OWNER OF THE INFRINGED COPYRIGHT.—

23 The ‘owner of the infringed copyright’ is the owner
24 of any particular exclusive right under section 106
25 that is applicable to the infringement, or any person

1 or entity with the authority to grant or license such
2 right on an exclusive or nonexclusive basis.

3 “(4) REASONABLE COMPENSATION.—The term
4 ‘reasonable compensation’ means, with respect to a
5 claim of infringement, the amount on which a willing
6 buyer and willing seller in the positions of the in-
7 fringer and the owner of the infringed copyright
8 would have agreed with respect to the infringing use
9 of the work immediately before the infringement
10 began.

11 “(b) CONDITIONS FOR ELIGIBILITY.—

12 “(1) CONDITIONS.—

13 “(A) IN GENERAL.—Notwithstanding sec-
14 tions 502 through 506, and subject to subpara-
15 graph (B), in an action brought under this title
16 for infringement of copyright in a work, the
17 remedies for infringement shall be limited in ac-
18 cordance with subsection (c) if the infringer—

19 “(i) proves by a preponderance of the
20 evidence that before the infringement
21 began, the infringer, a person acting on be-
22 half of the infringer, or any person jointly
23 and severally liable with the infringer for
24 the infringement—

1 “(I) performed and documented
2 a qualifying search, in good faith, to
3 locate and identify the owner of the
4 infringed copyright; and

5 “(II) was unable to locate and
6 identify an owner of the infringed
7 copyright;

8 “(ii) provided attribution, in a manner
9 that is reasonable under the circumstances,
10 to the legal owner of the infringed copy-
11 right, if such legal owner was known with
12 a reasonable degree of certainty, based on
13 information obtained in performing the
14 qualifying search;

15 “(iii) included with the public dis-
16 tribution, display, or performance of the
17 infringing work a symbol or other notice of
18 the use of the infringing work, the form
19 and manner of which shall be prescribed
20 by the Register of Copyrights, which may
21 be in the footnotes, endnotes, bottom mar-
22 gin, end credits, or in any other such man-
23 ner as to give notice that the infringed
24 work has been used under this section;

1 “(iv) asserts in the initial pleading to
2 the civil action eligibility for such limita-
3 tions;

4 “(v) consents to the jurisdiction of
5 United States district court, or, in the ab-
6 sence of such consent, if such court holds
7 that the infringer is within the jurisdiction
8 of the court; and

9 “(vi) at the time of making the initial
10 discovery disclosures required under rule
11 26 of the Federal Rules of Civil Procedure,
12 states with particularity the basis for eligi-
13 bility for the limitations, including a de-
14 tailed description and documentation of the
15 search undertaken in accordance with
16 paragraph (2)(A) and produces docu-
17 mentation of the search.

18 “(B) EXCEPTION.—Subparagraph (A)
19 does not apply if the infringer or a person act-
20 ing on behalf of the infringer receives a notice
21 of claim of infringement and, after receiving
22 such notice and having an opportunity to con-
23 duct an expeditious good faith investigation of
24 the claim, the infringer—

1 “(i) fails to engage in negotiation in
2 good faith regarding reasonable compensa-
3 tion with the owner of the infringed copy-
4 right; or

5 “(ii) fails to render payment of rea-
6 sonable compensation in a reasonably time-
7 ly manner after reaching an agreement
8 with the owner of the infringed copyright
9 or under an order described in subsection
10 (c)(1)(A).

11 “(2) REQUIREMENTS FOR SEARCHES.—

12 “(A) REQUIREMENTS FOR QUALIFYING
13 SEARCHES.—

14 “(i) IN GENERAL.—A search ordi-
15 narily qualifies under paragraph
16 (1)(A)(i)(I) if the infringer, a person act-
17 ing on behalf of the infringer, or any per-
18 son jointly and severally liable with the in-
19 fringer for the infringement, makes use of
20 the materials and otherwise undertakes a
21 diligent effort to locate the owner of the in-
22 fringed work. A diligent effort will ordi-
23 narily be based on best practices, as appli-
24 cable, and any other actions reasonable
25 and appropriate under the facts relevant to

1 that search, including further actions
2 based on facts uncovered during the initial
3 search, and be performed before, and at a
4 time reasonably proximate to, the infringe-
5 ment.

6 “(ii) LACK OF IDENTIFYING INFORMA-
7 TION.—The fact that a particular copy or
8 phonorecord lacks identifying information
9 pertaining to the owner of the infringed
10 copyright is not sufficient to meet the con-
11 ditions under paragraph (1)(A)(i)(I).

12 “(iii) USE OF RESOURCES FOR
13 CHARGE.—A qualifying search under para-
14 graph (1)(A)(i)(I) may include use of re-
15 sources for which a charge or subscription
16 fee is imposed, to the extent that the use
17 of such resources is reasonable for, and
18 relevant to, the scope of the intended use.

19 “(B) INFORMATION TO GUIDE SEARCHES;
20 BEST PRACTICES.—

21 “(i) STATEMENTS OF BEST PRAC-
22 TICES.—The Register of Copyrights shall
23 maintain and make available to the public,
24 including through the Internet, at least 1
25 statement of best practices for each cat-

1 egory, or, in the Register’s discretion, sub-
2 category of work under section 102(a) of
3 this title, for conducting and documenting
4 a search under this subsection, which will
5 ordinarily include reference to materials
6 relevant to a search. The Register may
7 maintain more than 1 statement for each
8 category or subcategory, as appropriate.

9 “(ii) CONSIDERATION OF RELEVANT
10 MATERIALS.—The Register of Copyrights
11 shall, from time to time, update or modify
12 each statement of best practices at the
13 Register’s discretion and should, in main-
14 taining and updating such statements, con-
15 sider materials and any relevant guidelines
16 submitted to the Register that, in the Reg-
17 ister’s discretion, are reasonable and rel-
18 evant to the requirements of a qualifying
19 search, and databases for pictorial, graph-
20 ical, and sculptural works, where appro-
21 priate and reasonably available for a given
22 use.

23 “(3) PENALTY FOR FAILURE TO COMPLY.—If
24 an infringer fails to comply with any requirement

1 under this subsection, the infringer is not eligible for
2 a limitation on remedies under this section.

3 “(c) LIMITATIONS ON REMEDIES.—The limitations
4 on remedies in an action for infringement of a copyright
5 to which this section applies are the following:

6 “(1) MONETARY RELIEF.—

7 “(A) GENERAL RULE.—Subject to sub-
8 paragraph (B), an award for monetary relief
9 (including actual damages, statutory damages,
10 costs, and attorney’s fees) may not be made
11 other than an order requiring the infringer to
12 pay reasonable compensation to the owner of
13 the exclusive right under the infringed copy-
14 right for the use of the infringed work.

15 “(B) FURTHER LIMITATIONS.—An order
16 requiring the infringer to pay reasonable com-
17 pensation for the use of the infringed work may
18 not be made under subparagraph (A) if the in-
19 fringer is a nonprofit educational institution,
20 museum, library, archives, or a public broad-
21 casting entity (as defined in subsection (f) of
22 section 118), or any of such entities’ employees
23 acting within the scope of their employment,
24 and the infringer proves by a preponderance of
25 the evidence that—

1 “(i) the infringement was performed
2 without any purpose of direct or indirect
3 commercial advantage;

4 “(ii) the infringement was primarily
5 educational, religious, or charitable in na-
6 ture; and

7 “(iii) after receiving a notice of claim
8 of infringement, and having an opportunity
9 to conduct an expeditious good faith inves-
10 tigation of the claim, the infringer prompt-
11 ly ceased the infringement.

12 “(2) INJUNCTIVE RELIEF.—

13 “(A) GENERAL RULE.—Subject to sub-
14 paragraph (B), the court may impose injunctive
15 relief to prevent or restrain any infringement
16 alleged in the civil action. If the infringer has
17 met the requirements of subsection (b), the re-
18 lief shall, to the extent practicable and subject
19 to applicable law, account for any harm that
20 the relief would cause the infringer due to its
21 reliance on subsection (b).

22 “(B) EXCEPTION.—In a case in which the
23 infringer has prepared or commenced prepara-
24 tion of a new work of authorship that recasts,
25 transforms, adapts, or integrates the infringed

1 work with a significant amount of original ex-
2 pression, any injunctive relief ordered by the
3 court may not restrain the infringer’s continued
4 preparation or use of that new work, if—

5 “(i) the infringer pays reasonable
6 compensation in a reasonably timely man-
7 ner after the amount of such compensation
8 has been agreed upon with the owner of
9 the infringed copyright or determined by
10 the court; and

11 “(ii) the court also requires that the
12 infringer provide attribution, in a manner
13 that is reasonable under the circumstances,
14 to the legal owner of the infringed copy-
15 right, if requested by such owner.

16 “(C) LIMITATIONS.—The limitations on in-
17 junctive relief under subparagraphs (A) and (B)
18 shall not be available to an infringer if the in-
19 fringer asserts in the action that neither the in-
20 fringer nor any representative of the infringer
21 acting in an official capacity is subject to suit
22 in the courts of the United States for an award
23 of damages for the infringement, unless the
24 court finds that the infringer—

1 “(i) has complied with the require-
2 ments of subsection (b); and

3 “(ii) has made an enforceable promise
4 to pay reasonable compensation to the
5 owner of the exclusive right under the in-
6 fringed copyright.

7 “(D) RULE OF CONSTRUCTION.—Nothing
8 in subparagraph (C) shall be construed to au-
9 thorize or require, and no action taken under
10 such subparagraph shall be deemed to con-
11 stitute, either an award of damages by the
12 court against the infringer or an authorization
13 to sue a State.

14 “(E) RIGHTS AND PRIVILEGES NOT
15 WAIVED.—No action taken by an infringer
16 under subparagraph (C) shall be deemed to
17 waive any right or privilege that, as a matter of
18 law, protects the infringer from being subject to
19 suit in the courts of the United States for an
20 award of damages.

21 “(d) PRESERVATION OF OTHER RIGHTS, LIMITA-
22 TIONS, AND DEFENSES.—This section does not affect any
23 right, or any limitation or defense to copyright infringe-
24 ment, including fair use, under this title. If another provi-
25 sion of this title provides for a statutory license that would

1 permit the use contemplated by the infringer, that provi-
2 sion applies instead of this section.

3 “(e) COPYRIGHT FOR DERIVATIVE WORKS AND COM-
4 PILATIONS.—Notwithstanding section 103(a), an infringer
5 who qualifies for the limitation on remedies afforded by
6 this section shall not be denied copyright protection in a
7 compilation or derivative work on the basis that such com-
8 pilation or derivative work employs preexisting material
9 that has been used unlawfully under this section.

10 “(f) EXCLUSION FOR FIXATIONS IN OR ON USEFUL
11 ARTICLES.—The limitations on remedies under this sec-
12 tion shall not be available to an infringer for infringements
13 resulting from fixation of a pictorial, graphic, or sculptural
14 work in or on a useful article that is offered for sale or
15 other distribution to the public.”.

16 (b) TECHNICAL AND CONFORMING AMENDMENT.—
17 The table of sections for chapter 5 of title 17, United
18 States Code, is amended by adding at the end the fol-
19 lowing:

“514. Limitation on remedies in cases involving orphan works.”.

20 (c) EFFECTIVE DATE.—

21 (1) IN GENERAL.—The amendments made by
22 this section shall—

23 (A) take effect on the later of—

24 (i) January 1, 2009; or

25 (ii) the date which is the earlier of—

1 (I) 30 days after the date on
2 which the Copyright Office publishes
3 notice in the Federal Register that it
4 has certified under section 3 that
5 there exist and are available at least
6 2 separate and independent search-
7 able, electronic databases, that allow
8 for searches of copyrighted works that
9 are pictorial, graphic, and sculptural
10 works, and are available to the public;
11 or

12 (II) January 1, 2013; and

13 (B) apply to infringing uses that com-
14 mence on or after that effective date.

15 (2) DEFINITION.—In this subsection, the term
16 “pictorial, graphic, and sculptural works” has the
17 meaning given that term in section 101 of title 17,
18 United States Code.

19 **SEC. 3. DATABASES OF PICTORIAL, GRAPHIC, AND SCULP-**
20 **TURAL WORKS.**

21 The Register of Copyrights shall undertake a process
22 to certify that there exist and are available databases that
23 facilitate a user’s search for pictorial, graphic, and sculp-
24 tural works that are subject to copyright protection under
25 title 17, United States Code. The Register shall only cer-

1 tify that databases are available under this section if such
2 databases are determined to be effective and not prohibi-
3 tively expensive and include the capability to be searched
4 using 1 or more mechanisms that allow for the search and
5 identification of a work by both text and image and have
6 sufficient information regarding the works to enable a po-
7 tential user of a work to identify or locate the copyright
8 owner or authorized agent.

9 **SEC. 4. REPORT TO CONGRESS.**

10 Not later than December 12, 2014, the Register of
11 Copyrights shall report to the Committee on the Judiciary
12 of the Senate and the Committee on the Judiciary of the
13 House of Representatives on the implementation and ef-
14 fects of the amendments made by section 2, including any
15 recommendations for legislative changes that the Register
16 considers appropriate.

17 **SEC. 5. STUDY ON REMEDIES FOR SMALL COPYRIGHT**
18 **CLAIMS.**

19 (a) IN GENERAL.—The Register of Copyrights shall
20 conduct a study with respect to remedies for copyright in-
21 fringement claims by an individual copyright owner or a
22 related group of copyright owners seeking small amounts
23 of monetary relief, including consideration of alternative
24 means of resolving disputes currently heard in the United
25 States district courts. The study shall cover the infringe-

1 ment claims to which section 514 of title 17, United States
2 Code, apply, and other infringement claims under that
3 title.

4 (b) PROCEDURES.—The Register of Copyrights shall
5 publish notice of the study required under subsection (a),
6 providing a period during which interested persons may
7 submit comments on the study, and an opportunity for
8 interested persons to participate in public roundtables on
9 the study. The Register shall hold any such public
10 roundtables at such times as the Register considers appro-
11 priate.

12 (c) REPORT TO CONGRESS.—Not later than 2 years
13 after the date of the enactment of this Act, the Register
14 of Copyrights shall prepare and submit to the Committee
15 on the Judiciary of the Senate and the Committee on the
16 Judiciary of the House of Representatives a report on the
17 study conducted under this section, including such admin-
18 istrative, regulatory, or legislative recommendations that
19 the Register considers appropriate.

20 **SEC. 6. STUDY ON COPYRIGHT DEPOSITS.**

21 (a) IN GENERAL.—The Comptroller General of the
22 United States shall conduct a study examining the func-
23 tion of the deposit requirement in the copyright registra-
24 tion system under section 408 of title 17, United States
25 Code, including—

1 (1) the historical purpose of the deposit require-
2 ment;

3 (2) the degree to which deposits are made avail-
4 able to the public currently;

5 (3) the feasibility of making deposits, particu-
6 larly visual arts deposits, electronically searchable by
7 the public for the purpose of locating copyright own-
8 ers; and

9 (4) the impact any change in the deposit re-
10 quirement would have on the collection of the Li-
11 brary of Congress.

12 (b) REPORT.—Not later than 2 years after the date
13 of the enactment of this Act, the Comptroller General shall
14 submit to the Committee on the Judiciary of the Senate
15 and the Committee on the Judiciary of the House of Rep-
16 resentatives a report on the study conducted under this
17 section, including such administrative, regulatory, or legis-
18 lative recommendations that the Comptroller General con-
19 siders appropriate.