

**§ 251.60**

statements of account and royalty fees by those sections.

[59 FR 23981, May 9, 1994, as amended at 61 FR 37215, July 17, 1996; 63 FR 65556, Nov. 27, 1998; 64 FR 36576, July 7, 1999]

**Subpart F—Rate Adjustment Proceedings**

**§ 251.60 Scope.**

This subpart governs only those proceedings dealing with royalty rate adjustments affecting cable (17 U.S.C. 111), the making of ephemeral recordings (17 U.S.C. 112), certain digital audio transmissions (17 U.S.C. 114), the manufacture and distribution of phonorecords, including digital phonorecord deliveries (17 U.S.C. 115), performances on coin-operated phonorecord players (jukeboxes) (17 U.S.C. 116), noncommercial educational broadcasting (17 U.S.C. 118) and satellite carriers (17 U.S.C. 119). Those provisions of subpart E of this part generally regulating the conduct of proceedings shall apply to rate adjustment proceedings, unless they are inconsistent with the specific provisions of this subpart.

[59 FR 23981, May 9, 1994, as amended at 59 FR 63042, Dec. 7, 1994; 61 FR 37215, July 17, 1996; 63 FR 30635, June 5, 1998; 63 FR 65556, Nov. 27, 1998]

**§ 251.61 Commencement of adjustment proceedings.**

(a) In the case of cable, ephemeral recordings, certain digital audio transmissions, phonorecords, digital phonorecord deliveries, and coin-operated phonorecord players (jukeboxes), rate adjustment proceedings shall commence with the filing of a petition by an interested party according to the following schedule:

(1) *Cable*: During 1995, and each subsequent fifth calendar year.

(2) *Ephemeral recordings*: During a 60-day period prescribed by the Librarian in 1999, 2000, and at 2-year intervals thereafter, or as otherwise agreed to by the parties.

(3) *Digital audio transmissions*: For preexisting digital subscription transmission services and preexisting satellite digital audio radio services:

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(i) During a 60-day period commencing on July 1, 2001 and at 5-year intervals thereafter, or

(ii) During a 60-day period prescribed by the Librarian in a proceeding to set reasonable terms and rates for a new type of subscription digital audio transmission service; and for an eligible nonsubscription service or a new subscription service:

(A) During a 60-day period prescribed by the Librarian in 1999.

(B) During a 60-day period commencing on July 1, 2000, and at 2-year intervals thereafter.

(C) During a 60-day period prescribed by the Librarian in a proceeding to set reasonable terms and rates for a new type of eligible nonsubscription service or new subscription service, or

(D) As otherwise agreed to by the parties.

(4) *Phonorecords*: During 1997 and each subsequent tenth calendar year.

(5) *Digital phonorecord deliveries*: During 1997 and each subsequent fifth calendar year, or as otherwise agreed to by the parties.

(6) *Coin-operated phonorecord players (jukeboxes)*: Within one year of the expiration or termination of a negotiated license authorized by 17 U.S.C. 116.

(b) Cable rate adjustment proceedings may also be commenced by the filing of a petition, according to 17 U.S.C. 801(b)(2)(B) and (C), if the Federal Communications Commission amends certain of its rules with respect to the carriage by cable systems of broadcast signals, or with respect to syndicated and sports programming exclusivity.

(c) In the case of noncommercial educational broadcasting, a petition is not necessary for the commencement of proceedings. Proceedings commence with the publication of a notice of the initiation of arbitration proceedings in the FEDERAL REGISTER on June 30, 1997, and at five year intervals thereafter.

(d) In the case of the satellite carrier compulsory license, rate adjustment proceedings shall commence on January 1, 1997, in accordance with 17 U.S.C. 119(c)(3)(A), for satellite carriers who

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are not parties to a voluntary agreement filed with the Copyright Office in accordance with 17 U.S.C. 119(c)(2).

[59 FR 23981, May 9, 1994, as amended at 59 FR 63042, Dec. 7, 1994; 61 FR 37215, July 17, 1996; 63 FR 65556, Nov. 27, 1998]

### § 251.62 Content of petition.

(a) In the case of a petition for rate adjustment proceedings for cable, ephemeral recordings, certain digital audio transmissions, phonorecords, digital phonorecord deliveries, and coin-operated phonorecord players (jukeboxes), the petition shall detail the petitioner's interest in the royalty rate sufficiently to permit the Librarian of Congress to determine whether the petitioner has a "significant interest" in the matter. The petition must also identify the extent to which the petitioner's interest is shared by other owners or users; owners or users with similar interests may file a petition jointly.

(b) In the case of a petition for rate adjustment proceedings as the result of a Federal Communications Commission rule change, the petition shall also set forth the actions of the Federal Communications Commission on which the petition for a rate adjustment is based.

[59 FR 23981, May 9, 1994, as amended at 61 FR 37216, July 17, 1996; 63 FR 65557, Nov. 27, 1998]

### § 251.63 Consideration of petition; settlements.

(a) To allow time for the parties to settle their differences concerning cable, phonorecord, and jukebox rate adjustments, the Librarian of Congress shall, after the filing of the petition under § 251.62 and before the 45-day period specified in § 251.45(b)(2)(i), designate a 30-day period for negotiation of a settlement. The Librarian shall cause notice of the dates for that period to be published in the FEDERAL REGISTER.

(b) In the case of a settlement among the parties to a proceeding, the Librarian may, upon the request of the parties, submit the agreed upon rate to the public in a notice-and-comment proceeding. The Librarian may adopt the rate embodied in the proposed settlement without convening an arbitra-

tion panel, provided that no opposing comment is received by the Librarian from a party with an intent to participate in a CARP proceeding.

[59 FR 63042, Dec. 7, 1994, as amended at 61 FR 37216, July 17, 1996; 61 FR 63718, Dec. 2, 1996]

### § 251.64 Disposition of petition; initiation of arbitration proceeding.

After the end of the 45-day precontroversy discovery period, and after the Librarian has ruled on all motions and objections filed under § 251.45, the Librarian will determine the sufficiency of the petition, including, where appropriate, whether one or more of the petitioners' interests are "significant." If the Librarian determines that a petition is significant, he or she will cause to be published in the FEDERAL REGISTER a declaration of a controversy accompanied by a notice of initiation of an arbitration proceeding. The same declaration and notice of initiation shall be made for noncommercial educational broadcasting and the satellite carrier compulsory license in accordance with 17 U.S.C. 118 and 119, respectively. Such notice shall, to the extent feasible, describe the nature, general structure, and schedule of the proceeding.

[59 FR 23981, May 9, 1994, as amended at 59 FR 63042, Dec. 7, 1994; 65 FR 39820, June 28, 2000]

### § 251.65 Deduction of costs of rate adjustment proceedings.

In accordance with 17 U.S.C. 802(h)(1), the Librarian of Congress and the Register of Copyrights may assess the reasonable costs incurred by the Library of Congress and the Copyright Office as a result of the rate adjustment proceedings directly to the parties participating in the proceedings.

[59 FR 63042, Dec. 7, 1994]

## Subpart G—Royalty Fee Distribution Proceedings

### § 251.70 Scope.

This subpart governs only those proceedings dealing with distribution of royalty payments deposited with the Register of Copyrights for cable (17 U.S.C. 111), satellite carrier (17 U.S.C.