

Appendix A

A BILL

To restore the balance to Copyright Law and to promote creativity and innovation.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; PURPOSES

(a) **SHORT TITLE**— This Act may be cited as the “Copyright Reform Act of 2010.”

(b) **PURPOSES**— The purposes of this Act are—

(1) to further innovation, to protect copyright holders, and to ensure consumer access to new technologies;

(2) to protect the creative endeavors of artists and innovators from the chilling effect of abusive practices, such as misrepresentation of the scope of copyrights or the scope of lawful use;

(3) to improve the adequacy of information available to consumers, to prevent deception, and to improve competition in the marketplace;

(4) to foster the delivery of nondramatic musical works through new technological channels, to strengthen competition in the market for music, and to assure that copyright holders reap the benefits of technological change by clarifying the rights implicated by the digital transmission of such works and by creating a simplified regime for licensing of such works; and

(5) to promote the fair use of copyrighted works, to enable the development of information location tools, and to encourage creative building upon existing works.

SECTION 2. FAIR USE REFORM.

(a) **INCIDENTAL, NON-CONSUMPTIVE, OR NONCOMMERCIAL PERSONAL USES.**
—Section 107 of title 17, United States Code, is amended by inserting after “research,” the following: “or a use that is incidental, non-consumptive, or both noncommercial and personal;”

(b) **REMITTING STATUTORY DAMAGES FOR REASONABLE FAIR USE DEFENSES.**
—Section 504(c)(2) of title 17, United States Code, is amended by striking the language following “his or her use of the copyrighted work was a fair use under section 107” up to the beginning of paragraph (3).

(c) **COSTS AND FEES NOT AWARDED FOR REASONABLE FAIR USE DEFENSES.**
—Section 505 of title 17, United States Code, is amended by adding at the end of the section the following:

“The court shall not award costs or an attorney's fee to a copyright holder in any case where an infringer believed and had reasonable grounds for believing that his or her use of the copyrighted work was a fair use under section 107.”