

110TH CONGRESS
2D SESSION

S. _____

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

IN THE SENATE OF THE UNITED STATES

Mr. LEAHY (for himself and Mr. HATCH) introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

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

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Shawn Bentley Orphan
5 Works Act of 2008”.

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

8 (a) LIMITATION ON REMEDIES.—Chapter 5 of title
9 17, United States Code, is amended by adding at the end
10 the following:

1 **“§ 514. Limitation on remedies in cases involving or-**
2 **phan works**

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

5 “(1) MATERIALS AND STANDARDS.—The term
6 ‘materials and standards’ includes—

7 “(A) the records of the Copyright Office
8 that are relevant to identifying and locating
9 copyright owners;

10 “(B) sources of copyright ownership infor-
11 mation reasonably available to users, including
12 private databases;

13 “(C) industry practices and guidelines of
14 associations and organizations;

15 “(D) technology tools and expert assist-
16 ance, including resources for which a charge or
17 subscription fee is imposed, to the extent that
18 the use of such resources is reasonable for, and
19 relevant to, the scope of the intended use; and

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

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

2 The term ‘notice of the claim for infringement’
3 means, with respect to a claim for copyright in-
4 fringement, a written notice that includes at a min-
5 imum the following:

6 “(A) The name of the owner of the in-
7 fringed copyright.

8 “(B) The title of the infringed work, any
9 alternative titles of the infringed work known to
10 the owner of the infringed copyright, or if the
11 work has no title, a description in detail suffi-
12 cient to identify it.

13 “(C) An address and telephone number at
14 which the owner of the infringed copyright may
15 be contacted.

16 “(D) Information from which a reasonable
17 person could conclude that the owner of the in-
18 fringed copyright’s claims of ownership and in-
19 fringement are valid.

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

21 The ‘owner of the infringed copyright’ is the legal
22 owner of the exclusive right under section 106, or
23 any party with the authority to grant or license such
24 right, that is applicable to the infringement.

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

9 “(b) CONDITIONS FOR ELIGIBILITY.—

10 “(1) CONDITIONS.—

11 “(A) IN GENERAL.—Notwithstanding sec-
12 tions 502 through 505, and subject to subpara-
13 graph (B), in a civil action brought under this
14 title for infringement of copyright in a work,
15 the remedies for infringement shall be limited
16 in accordance with subsection (c) if the in-
17 fringer—

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

24 “(I) performed and documented
25 a qualifying search, in good faith, for

1 the owner of the infringed copyright;
2 and

3 “(II) was unable to locate the
4 owner of the infringed copyright;

5 “(ii) provided attribution, in a manner
6 that is reasonable under the circumstances,
7 to the owner of the infringed copyright, if
8 such owner was known with a reasonable
9 degree of certainty, based on information
10 obtained in performing the qualifying
11 search;

12 “(iii) included with the use of the in-
13 fringing work a symbol or other notice of
14 the use of the infringing work, in a man-
15 ner prescribed by the Register of Copy-
16 rights;

17 “(iv) asserts in the initial pleading to
18 the civil action the right to claim such limi-
19 tations;

20 “(v) consents to the jurisdiction of
21 United States district court, or such court
22 holds that the infringer is within the juris-
23 diction of the court; and

24 “(vi) at the time of making the initial
25 discovery disclosures required under Rule

1 26 of the Federal Rules of Civil Procedure,
2 states with particularity the basis for the
3 right to claim the limitations, including a
4 detailed description and documentation of
5 the search undertaken in accordance with
6 paragraph (2)(A).

7 “(B) EXCEPTION.—Subparagraph (A)
8 does not apply if, after receiving notice of the
9 claim for infringement and having an oppor-
10 tunity to conduct an expeditious good faith in-
11 vestigation of the claim, the infringer—

12 “(i) fails to negotiate reasonable com-
13 pensation in good faith with the owner of
14 the infringed copyright; or

15 “(ii) fails to render payment of rea-
16 sonable compensation in a reasonably time-
17 ly manner.

18 “(2) REQUIREMENTS FOR SEARCHES.—

19 “(A) REQUIREMENTS FOR QUALIFYING
20 SEARCHES.—

21 “(i) IN GENERAL.—For purposes of
22 paragraph (1)(A)(i)(I), a search is quali-
23 fying if the infringer undertakes a diligent
24 effort to locate the owner of the infringed
25 copyright.

1 “(ii) DETERMINATION OF DILIGENT
2 EFFORT.—In determining whether a
3 search is diligent under this subparagraph,
4 a court shall consider whether—

5 “(I) the actions taken in per-
6 forming that search are reasonable
7 and appropriate under the facts rel-
8 evant to that search, including wheth-
9 er the infringer took actions based on
10 facts uncovered by the search itself;

11 “(II) the infringer employed the
12 applicable best practices maintained
13 by the Register of Copyrights under
14 subparagraph (B); and

15 “(III) the infringer performed
16 the search before using the work and
17 at a time that was reasonably prox-
18 imate to the commencement of the in-
19 fringement.

20 “(iii) LACK OF IDENTIFYING INFOR-
21 MATION.—The fact that a particular copy
22 or phonorecord lacks identifying informa-
23 tion pertaining to the owner of the in-
24 fringed copyright is not sufficient to meet

1 the conditions under paragraph
2 (1)(A)(i)(I).

3 “(B) INFORMATION TO GUIDE SEARCHES;
4 BEST PRACTICES.—

5 “(i) STATEMENTS OF BEST PRAC-
6 TICES.—The Register of Copyrights shall
7 maintain and make available to the public,
8 including through the Internet, current
9 statements of best practices for conducting
10 and documenting a search under this sub-
11 section.

12 “(ii) CONSIDERATION OF RELEVANT
13 MATERIALS AND STANDARDS.—In main-
14 taining the statements of best practices re-
15 quired under clause (i), the Register of
16 Copyrights shall, from time to time, con-
17 sider materials and standards that may be
18 relevant to the requirements for a quali-
19 fying search under subparagraph (A).

20 “(3) PENALTY FOR FAILURE TO COMPLY.—If
21 an infringer fails to comply with any requirement
22 under this subsection, the infringer is subject to all
23 the remedies provided in section 502 through 505,
24 subject to section 412.

1 “(c) LIMITATIONS ON REMEDIES.—The limitations
2 on remedies in a civil action for infringement of a copy-
3 right to which this section applies are the following:

4 “(1) MONETARY RELIEF.—

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

14 “(B) FURTHER LIMITATIONS.—An order
15 requiring the infringer to pay reasonable com-
16 pensation for the use of the infringed work may
17 not be made under subparagraph (A) if the in-
18 fringer is a nonprofit educational institution,
19 museum, library, or archives, or a public broad-
20 casting entity (as defined in subsection (f) of
21 section 118) and the infringer proves by a pre-
22 ponderance of the evidence that—

23 “(i) the infringement was performed
24 without any purpose of direct or indirect
25 commercial advantage;

1 “(ii) the infringement was primarily
2 educational, religious, or charitable in na-
3 ture; and

4 “(iii) after receiving notice of the
5 claim for infringement, and after con-
6 ducting an expeditious good faith inves-
7 tigation of the claim, the infringer prompt-
8 ly ceased the infringement.

9 “(C) EXCEPTION TO FURTHER LIMITA-
10 TION.—Notwithstanding the limitation estab-
11 lished under subparagraph (B), if the owner of
12 an infringed copyright proves, and a court
13 finds, that the infringer has earned proceeds di-
14 rectly attributable to the use of the infringed
15 work by the infringer, the portion of such pro-
16 ceeds attributable to such infringement may be
17 awarded to the owner.

18 “(2) INJUNCTIVE RELIEF.—

19 “(A) GENERAL RULE.—Subject to sub-
20 paragraph (B), the court may impose injunctive
21 relief to prevent or restrain any infringement
22 alleged in the civil action.

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

1 or integrates the infringed work with a signifi-
2 cant amount of the infringer’s original expres-
3 sion, any injunctive relief ordered by the
4 court—

5 “(i) may not restrain the infringer’s
6 continued preparation or use of that new
7 work;

8 “(ii) shall require that the infringer
9 pay reasonable compensation to the legal
10 or beneficial owner of the exclusive right
11 under the infringed copyright for the use
12 of the infringed work; and

13 “(iii) shall require that the infringer
14 provide attribution, in a manner that is
15 reasonable under the circumstances, to the
16 owner of the infringed copyright, if re-
17 quested by such owner.

18 “(C) LIMITATIONS.—The limitations on in-
19 junctive relief under subparagraphs (A) and (B)
20 shall not be available to an infringer if the in-
21 fringer asserts in the civil action that neither
22 the infringer or any representative of the in-
23 fringer acting in an official capacity is subject
24 to suit in the courts of the United States for an
25 award of damages to the legal or beneficial

1 owner of the exclusive right under the infringed
2 copyright under section 106, unless the court
3 finds that the infringer—

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

6 “(ii) has made an enforceable promise
7 to pay reasonable compensation to the
8 legal or beneficial owner of the exclusive
9 right under the infringed copyright.

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

17 “(E) RIGHTS AND PRIVILEGES NOT
18 WAIVED.—No action taken by an infringer
19 under subparagraph (C) shall be deemed to
20 waive any right or privilege that, as a matter of
21 law, protects the infringer from being subject to
22 suit in the courts of the United States for an
23 award of damages to the legal or beneficial
24 owner of the exclusive right under the infringed
25 copyright under section 106.

1 “(d) PRESERVATION OF OTHER RIGHTS, LIMITA-
2 TIONS, AND DEFENSES.—This section does not affect any
3 right, limitation, or defense to copyright infringement, in-
4 cluding fair use, under this title. If another provision of
5 this title provides for a statutory license that would permit
6 the infringement contemplated by the infringer if the
7 owner of the infringed copyright cannot be located, that
8 provision applies instead of this section.

9 “(e) COPYRIGHT FOR DERIVATIVE WORKS AND COM-
10 PILATIONS.—Notwithstanding section 103(a), an infringer
11 who qualifies for the limitation on remedies afforded by
12 this section with respect to the use of a copyrighted work
13 shall not be denied copyright protection in a compilation
14 or derivative work on the basis that such compilation or
15 derivative work employs preexisting material that has been
16 used unlawfully under this section.”.

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

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

21 **SEC. 3. DATABASE OF PICTORIAL, GRAPHIC, AND SCULP-**
22 **TURAL WORKS.**

23 (a) ESTABLISHMENT OF DATABASE.—

24 (1) IN GENERAL.—The Register of Copyrights
25 shall undertake a certification process for the estab-

1 lishment of an electronic database that facilitates
2 the search for pictorial, graphic, and sculptural
3 works that are subject to copyright protection under
4 title 17, United States Code.

5 (2) PROCESS AND STANDARDS FOR CERTIFI-
6 CATION.—The process and standards for certifi-
7 cation of the electronic database required under
8 paragraph (1) shall be established by the Register of
9 Copyrights, except that certification may not be
10 granted if the electronic database does not contain—

11 (A) the name of all authors of the work, if
12 known, and contact information for any author
13 if the information is readily available;

14 (B) the name of the copyright owner if dif-
15 ferent from the author, and contact information
16 of the copyright owner;

17 (C) the title of the copyrighted work, if
18 such work has a title;

19 (D) with respect to a copyrighted work
20 that includes a visual image, a visual image of
21 the work, or, if such a visual image is not avail-
22 able, a description sufficient to identify the
23 work;

1 (E) one or more mechanisms that allow for
2 the search and identification of a work by both
3 text and image; and

4 (F) security measures that reasonably pro-
5 tect against unauthorized access to, or copying
6 of, the information and content of the electronic
7 database.

8 (b) PUBLIC AVAILABILITY.—The Register of Copy-
9 rights—

10 (1) shall make available to the public through
11 the Internet a list of all electronic databases that are
12 certified in accordance with this section; and

13 (2) may include any database so certified in a
14 statement of best practices established under section
15 514(b)(5)(B) of title 17, United States Code.

16 **SEC. 4. EFFECTIVE DATE.**

17 (a) IN GENERAL.—With respect to works other than
18 pictorial, graphic, and sculptural works, the amendments
19 made by section 2 shall apply to infringements that com-
20 mence on or after January 1, 2009.

21 (b) PICTORIAL, GRAPHIC, AND SCULPTURAL
22 WORKS.—With respect to pictorial, graphic, and sculp-
23 tural works, the amendments made by section 2 shall—

24 (1) take effect on the earlier of—

1 (A) the date on which the Copyright Office
2 certifies under section 3 at least 2 separate and
3 independent searchable, comprehensive, elec-
4 tronic databases, that allow for searches of
5 copyrighted works that are pictorial, graphic,
6 and sculptural works, and are available to the
7 public through the Internet; or

8 (B) January 1, 2011; and

9 (2) apply to infringing uses that commence on
10 or after that effective date.

11 (c) PUBLICATION IN FEDERAL REGISTER.—The
12 Register of Copyrights shall publish the effective date de-
13 scribed in subsection (b)(1) in the Federal Register, to-
14 gether with a notice that the amendments made by section
15 2 take effect on that date with respect to pictorial, graph-
16 ic, and sculptural works.

17 (d) DEFINITION.—In this section, the term “pic-
18 torial, graphic, and sculptural works” has the meaning
19 given that term in section 101 of title 17, United States
20 Code.

21 **SEC. 5. REPORT TO CONGRESS.**

22 Not later than December 12, 2014, the Register of
23 Copyrights shall report to the Committee on the Judiciary
24 of the Senate and the Committee on the Judiciary of the
25 House of Representatives on the implementation and ef-

1 facts of the amendments made by section 2, including any
2 recommendations for legislative changes that the Register
3 considers appropriate.

4 **SEC. 6. STUDY ON REMEDIES FOR SMALL COPYRIGHT**
5 **CLAIMS.**

6 (a) **IN GENERAL.**—The Register of Copyrights shall
7 conduct a study with respect to remedies for copyright in-
8 fringement claims by an individual copyright owner or a
9 related group of copyright owners seeking small amounts
10 of monetary relief, including consideration of alternative
11 means of resolving disputes currently heard in the United
12 States district courts. The study shall cover the infringe-
13 ment claims to which section 514 of title 17, United States
14 Code, apply, and other infringement claims under such
15 title 17.

16 (b) **PROCEDURES.**—The Register of Copyrights shall
17 publish notice of the study required under subsection (a),
18 providing a period during which interested persons may
19 submit comments on the study, and an opportunity for
20 interested persons to participate in public roundtables on
21 the study. The Register shall hold any such public
22 roundtables at such times as the Register considers appro-
23 priate.

24 (c) **REPORT TO CONGRESS.**—Not later than 2 years
25 after the date of the enactment of this Act, the Register

1 of Copyrights shall prepare and submit to the Committee
2 on the Judiciary of the Senate and the Committee on the
3 Judiciary of the House of Representatives a report on the
4 study conducted under this section, including such admin-
5 istrative, regulatory, or legislative recommendations that
6 the Register considers appropriate.

7 **SEC. 7. STUDY ON COPYRIGHT DEPOSITS.**

8 (a) IN GENERAL.—The Comptroller General of the
9 United States shall conduct a study examining the func-
10 tion of the deposit requirement in the copyright registra-
11 tion system under section 408 of title 17, United States
12 Code, including—

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

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

17 (3) the feasibility and desirability of making de-
18 posits, particularly visual arts deposits, electronically
19 searchable by the public for the purpose of locating
20 copyright owners; and

21 (4) the impact any change in the deposit re-
22 quirement would have on the collection of the Li-
23 brary of Congress.

24 (b) REPORT.—Not later than 2 years after the date
25 of the enactment of this Act, the Register of Copyrights

1 shall submit to the Committee on the Judiciary of the
2 House of Representatives and the Committee on the Judi-
3 ciary of the Senate a report on the study conducted under
4 this section, including such administrative, regulatory, or
5 legislative recommendations that the Register considers
6 appropriate.