

publishers, including foreign works through SESAC's reciprocal licensing agreements with foreign performing rights organizations.

Founded in 1962, NACUBO is a membership organization that represents more than 2,100 colleges and universities in the United States, with a mission to advance the economic viability, business practices and support for higher education institutions in fulfillment of their missions. To obtain further input and guidance during negotiations that led to this joint proposal, NACUBO consulted with the American Council on Education ("ACE"), the nation's most visible and influential higher education organization, representing more than 1,700 colleges and universities. Many of the college and university members of NACUBO operate noncommercial radio stations that are not affiliated with NPR, and these members rely on the Section 118 license in connection with the musical compositions included in their radio broadcasts.

THE SESAC-NACUBO JOINT PROPOSAL

SESAC and NACUBO hereby propose SESAC blanket license fees for the covered stations for the five-year period 2018 through 2022. A chart of the proposed rates embodying the SESAC-NACUBO joint proposal is attached hereto as Appendix A. ACE supports the proposal as well. No revisions to the text of the governing regulation, i.e. 37 C.F.R. § 381.5, are proposed: a copy of the proposed governing regulation is attached as Appendix B.¹

SESAC and NACUBO propose these fees as the SESAC license fee for all college radio stations which are not affiliated with NPR ("College Radio Stations"), which the Judges may adopt and incorporate within 37 C.F.R. § 381.5. Such adoption in the regulations would

¹ The rates in 37 C.F.R. § 381.5(c)(1) and (2) for public performances of musical compositions in the American Society of Composers, Authors and Publishers' and Broadcast Music, Inc.'s repertoires are addressed in separate joint proposals submitted by NACUBO and each of those entities.

make further proceedings, including hearings, unnecessary for these stations insofar as their performance of SESAC music is concerned.²

The Judges have statutory authority to make revisions to terms and rates pursuant to 17 U.S.C. § 801(b)(1). SESAC and NACUBO have no objection to the proposed changes to 37 C.F.R. § 381.5 being printed and made available to the public in the form of a Federal Register notice.

CONCLUSION

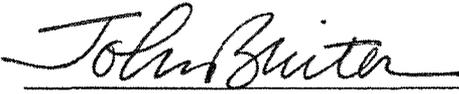
SESAC and NACUBO request that the Judges adopt this joint proposal for a modification of fees to be paid by College Radio Stations pursuant to Section 118 of the Copyright Act. SESAC and NACUBO request that 37 C.F.R. § 381.5 be amended with the new rates.

² SESAC and NACUBO submit a joint proposal, rather than entering into a voluntary agreement, because NACUBO does not have the power to bind all College Radio Stations to an agreement.

Respectfully submitted,

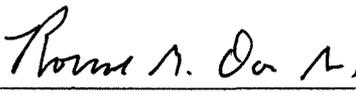
SESAC, INC.

NATIONAL ASSOCIATION OF
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Date: September 1, 2016

APPENDIX A

2018 rate: The 2017 rate, subject to the annual cost of living adjustment set forth below.

2019 rate: The 2018 rate, subject to the annual cost of living adjustment set forth below.

2020 rate: The 2019 rate, subject to the annual cost of living adjustment set forth below.

2021 rate: The 2020 rate, subject to the annual cost of living adjustment set forth below.

2022 rate: The 2021 rate, subject to the annual cost of living adjustment set forth below.

The annual cost of living adjustment shall be made in accordance with the greater of:

(1) The change, if any, in the Consumer Price Index (all consumers, all items) published by the U.S. Department of Labor, Bureau of Labor Statistics during the twelve (12) month period from the most recent Index, published before December 1 of the year immediately prior to the applicable year; or

(2) One and one-half percent (1.5%).

APPENDIX B

§381.5 Performance of musical compositions by public broadcasting entities licensed to colleges and universities.

(a) *Scope.* This section applies to the performance of copyrighted published nondramatic musical compositions by noncommercial radio stations which are licensed to accredited colleges, accredited universities, or other accredited nonprofit educational institutions and which are not affiliated with National Public Radio. For purposes of this section, accreditation of institutions providing post-secondary education shall be determined by a regional or national accrediting agency recognized by the Council for Higher Education Accreditation or the United States Department of Education; and accreditation of institutions providing elementary or secondary education shall be as recognized by the applicable state licensing authority.

(b) *Voluntary license agreements.* Notwithstanding the schedule of rates and terms established in this section, the rates and terms of any license agreements entered into by copyright owners and colleges, universities, and other nonprofit educational institutions concerning the performance of copyrighted musical compositions, including performances by noncommercial radio stations, shall apply in lieu of the rates and terms of this section.

(c) *Royalty rate.* A public broadcasting entity within the scope of this section may perform published nondramatic musical compositions subject to the following schedule of royalty rates:

(1) For all such compositions in the repertory of ASCAP, the royalty rates shall be as follows:

* * *

(2) For all such compositions in the repertory of BMI, the royalty rates shall be as follows:

* * *

(3) For all such compositions in the repertory of SESAC, the royalty rates shall be as follows:

- (i) 2018: The 2017 rate, subject to the annual cost of living adjustment in accordance with paragraph (c)(3)(vi) of this section.
- (ii) 2019: The 2018 rate, subject to the annual cost of living adjustment in accordance with paragraph (c)(3)(vi) of this section.
- (iii) 2020: The 2019 rate, subject to the annual cost of living adjustment in accordance with paragraph (c)(3)(vi) of this section.

- (iv) 2021: The 2020 rate, subject to the annual cost of living adjustment in accordance with paragraph (c)(3)(vi) of this section.
 - (v) 2022: The 2021 rate, subject to the annual cost of living adjustment in accordance with paragraph (c)(3)(vi) of this section.
 - (vi) Such cost of living adjustment to be made in accordance with the greater of
 - (A) The change, if any, in the Consumer Price Index (all consumers, all items) published by the U.S. Department of Labor, Bureau of Labor Statistics during the twelve (12) month period from the most recent Index, published before December 1 of the year immediately prior to the applicable year; or
 - (B) One and one-half percent (1.5%).
- (4) For the performance of any other such compositions: \$1.

(d) *Payment of royalty rate.* The public broadcasting entity shall pay the required royalty rate to *** SESAC not later than January 31 of each year. Each annual payment to *** SESAC shall be accompanied by a signed declaration stating the number of full-time students enrolled in the educational entity operating the station and/or the effective radiated power (ERP) as specified in its current FCC license. An exact copy of such declaration shall be furnished to * * * SESAC.

(e) *Records of use.* A public broadcasting entity subject to this section shall furnish to *** SESAC, upon request, a music-use report during one week of each calendar year. *** SESAC shall not in any one calendar year request more than 10 stations to furnish such reports.

CERTIFICATE OF SERVICE

I hereby certify that on this 1st day of September, 2016, a copy of the foregoing Joint Proposal of SESAC, Inc. and National Association of College and University Business Officers was sent by overnight delivery, or by electronic mail delivery to those that have consented to such means of delivery, to the following:

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