



ORIGINAL

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To the Members of the Bar Who Practice Before the Tribunal:

Yesterday, Representatives Mike Synar and Patricia Schroeder introduced a bill entitled, "Copyright Royalty Tribunal Sunset Act of 1985." Section 3 of the bill would transfer to the Register of Copyrights the functions of the Copyright Royalty Tribunal to distribute royalty fees deposited with the Register of Copyrights for secondary transmissions by cable systems and for public performances of nondramatic musical works on jukeboxes. Section 6 of the bill would provide that any functions exercised by the Copyright Royalty Tribunal after June 12, 1985 under any provision transferred under section 3 would have no effect.

The Tribunal has two distribution proceedings currently under way. Last November, we declared that a controversy exists as to the distribution of 5% of the 1983 jukebox royalty fund. In April, we declared that a controversy exists as to the distribution of the 1983 cable royalty fund. In response to a motion by the Phase I claimants to the 1983 cable distribution proceeding, we have scheduled a distribution of 50% of the 1983 cable royalty fund for June 27, 1985 (\$39,691,457).

Section 804(e) of the Copyright Act of 1976 requires the Tribunal to render its final decision in any distribution proceeding with one year from the date a controversy is declared. The Tribunal is compelled by existing law to carry out its functions, and to carry them expeditiously. Therefore, the Tribunal shall make the partial distribution scheduled for June 27, 1985, and shall continue its cable distribution proceedings, and jukebox distribution proceedings as planned. The hearing of the direct case of the Phase I claimants in the cable distribution proceeding will begin June 19.

We regret that this situation puts the parties "at risk." Should the bill introduced yesterday become law, the Tribunal will seek guidance as to the proper procedures to follow to implement section 6 of the bill.


Edward W. Ray
Acting Chairman

Dated: June 13, 1985



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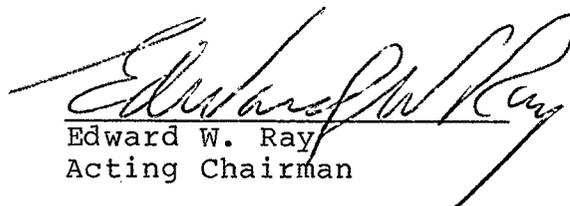
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