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**Copyright Royalty Board**

**37 CFR Part 386**

**[Docket No. 2013-8 CRB Satellite COLA]**

**Cost of Living Adjustment to Satellite Carrier Compulsory License Royalty Rates**

**AGENCY:** Copyright Royalty Board, Library of Congress.

**ACTION:** Final rule.

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**SUMMARY:** The Copyright Royalty Judges announce a cost of living adjustment (COLA) of 1% in the royalty rates satellite carriers pay for a compulsory license under the Copyright Act. The COLA is based on the change in the Consumer Price Index from October 2012 to October 2013.

**DATES:** *Effective Date:* January 1, 2014.

*Applicability Dates:* These rates are applicable to the period January 1, 2014, through December 31, 2014.

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**SUPPLEMENTARY INFORMATION:** The satellite carrier compulsory license establishes a statutory copyright licensing scheme for the retransmission of distant television programming by satellite carriers. 17 U.S.C. 119. Congress created the license in 1988 and has reauthorized the license for additional five-year periods, most recently with the Satellite Television Extension and Localism Act of 2010 (STELA), Public Law 111-175.

On August 31, 2010, the Copyright Royalty Judges (Judges) adopted rates for the section 119 compulsory license for the 2010-2014 term. *See* 75 FR 53198. The rates adopted by the

Judges were proposed by Copyright Owners and Satellite Carriers<sup>1</sup> and were unopposed. *Id.* Section 119(c)(2) of the Copyright Act requires the Judges to adjust the adopted rates annually “to reflect any changes occurring in the cost of living adjustment as determined by the most recent Consumer Price Index (for all consumers and for all items) [CPI-U] published \* \* \* before December 1 of the preceding year.” Section 119 also requires that “[n]otification of the adjusted fees shall be published in the **Federal Register** at least 25 days before January 1.” 17 U.S.C. 119(c)(2). Today’s notice fulfills this obligation.

The change in the cost of living as determined by the CPI-U during the period from the most recent index published before December 1, 2012, to the most recent index published before December 1, 2013, is 1%.<sup>2</sup> Application of the 1% COLA to the current rate for the secondary transmission of broadcast stations by satellite carriers for private home viewing—27 cents per subscriber per month—results in the same rate of 27 cents per subscriber per month (rounded to the nearest cent). *See* 37 CFR § 386.2(b)(1). Application of the 1% COLA to the current rate for viewing in commercial establishments—54 cents per subscriber per month—results in an adjusted rate of 55 cents per subscriber per month (rounded to the nearest cent). *See* 37 CFR § 386.2(b)(2).

### **List of Subjects in 37 CFR Part 386**

Copyright, Satellite, Television.

### **Final Regulations**

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<sup>1</sup> Program Suppliers and Joint Sports Claimants comprised the Copyright Owners while DIRECTV, Inc.; DISH Network, LLC and National Programming Service, LLC, comprised the Satellite Carriers.

<sup>2</sup> On November 20, 2013, the Bureau of Labor Statistics announced that the CPI-U increased 1.0% over the last 12 months.

In consideration of the foregoing, the Judges amend part 386 of title 37 of the Code of Federal Regulations as follows:

**PART386—ADJUSTMENT OF ROYALTY FEES FOR SECONDARY TRANSMISSIONS BY SATELLITE CARRIERS**

1. The authority citation for part 386 continues to read as follows:

**Authority:** 17 U.S.C. 119(c), 801(b)(1).

2. Section 386.2 is amended by revising paragraphs (b)(1)(v) and (b)(2)(v) as follows:

**§ 386.2 Royalty fee for secondary transmission by satellite carriers.**

\* \* \* \* \*

(b)\*\*\*

(1) \* \* \*

(v) 2014: 27 cents per subscriber per month.

(2) \* \* \*

(v) 2014: 55 cents per subscriber per month.

Dated: November 21, 2013

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Suzanne M. Barnett,  
Chief Copyright Royalty Judge.

**[BILLING CODE:1410-72-P]**

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