



## LIBRARY OF CONGRESS

### Copyright Royalty Board

#### 37 CFR Part 385

[Docket No. 25-CRB-0013-PR (2028-2032)]

#### Determination of Rates and Terms for Making and Distributing Phonorecords

#### (Phonorecords V)

**AGENCY:** Copyright Royalty Board (CRB), Library of Congress.

**ACTION:** Notice of proposed settlement for statutory royalty rates and terms.

**SUMMARY:** The Copyright Royalty Judges are publishing for comment proposed continuation of regulations for rates and terms applicable during the period beginning January 1, 2028, and ending December 31, 2032, for the section 115 statutory license for making and distributing phonorecords of nondramatic musical works.

**DATES:** Comments and objections, if any, are due no later than [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

**ADDRESSES:** You may submit comments, identified by docket number 25-CRB-0013-PR (2028-2032), online using eCRB, the Copyright Royalty Board's online electronic filing application, at <https://app.crb.gov>.

*Instructions:* To send your comment through eCRB, if you don't have a user account, you will first need to register for an account and wait for your registration to be approved. Approval of user accounts is only available during business hours. Once you have an approved account, you can only sign in and file your comment after setting up multi-factor authentication, which can be done at any time of day. All comments must include the Copyright Royalty Board name and the docket number for this proposed rule. All properly filed comments will appear without change in eCRB at <https://app.crb.gov>, including any personal information provided.

*Docket:* For access to the docket to read background documents or comments received, go to eCRB at <https://app.crb.gov> and perform a case search for docket 25-CRB-0013-PR (2028-2032).

**FOR FURTHER INFORMATION CONTACT:** Anita Brown, CRB Program Specialist, at (202) 707-7658, [crb@loc.gov](mailto:crb@loc.gov).

**SUPPLEMENTARY INFORMATION:**

Section 115 of the Copyright Act, title 17 of the United States Code, requires a copyright owner of a nondramatic musical work to grant a license (also known as the “mechanical” compulsory license) to any person who wants to make and distribute phonorecords of that work, provided that the copyright owner has allowed phonorecords of the work to be produced and distributed, and that the licensee complies with the statute and regulations. In addition to the production or distribution of physical phonorecords (compact discs, vinyl, cassette tapes, and the like), section 115 applies to digital transmissions of phonorecords, including permanent digital downloads and ringtones.

Chapter 8 of the Copyright Act requires the Copyright Royalty Judges (Judges) to conduct proceedings every five years to determine the rates and terms for the section 115 license. 17 U.S.C. 801(b)(1), 804(b)(4). Accordingly, the Judges commenced the current proceeding in December 2025, by publishing notice of the commencement and a request that interested parties submit petitions to participate. *See* 90 FR 61424 (Dec. 31, 2025).

The Judges received petitions to participate in the current proceeding from Eight Mile Music Companies, Amazon.com Services LLC, Apple Inc., Copyright Owners (joint petitioners Nashville Songwriters Association International (NSAI) and National Music Publishers' Association (NMPA)), Google LLC, George Johnson, Joint Record Company Participants (filed by Recording Industry Association of America, Inc. for joint petitioners Sony Music Entertainment, UMG Recordings, Inc., and Warner Music Group

Corp.), Global Music Rights, LLC,<sup>1</sup> American Association of Independent Music (A2IM), Music Artists Coalition (MAC), Songwriters Guild of America, Inc., Spotify USA Inc., David Powell,<sup>2</sup> Pandora Media LLC, Word Collections, Inc.

The Judges gave notice to all participants of the three-month negotiation period required by 17 U.S.C. 803(b)(3) and directed that, if the participants were unable to negotiate a settlement, they should submit Written Direct Statements no later than October 5, 2026. On June 29, 2026, the Judges received a motion stating that several participants had reached a partial settlement regarding the rates and terms under Section 115 of the Copyright Act, namely, for physical phonorecords, permanent downloads, ringtones, and music bundles for the 2028–2032 rate period and seeking approval of that partial settlement. *See Motion to Adopt Settlement of Statutory Royalty Rates and Terms for Subpart B Configurations*, Docket No. 25-CRB-0013-PR (2028-2032) at 1. (June 29, 2026) (“Motion”) (eCRB no. 78742).<sup>3</sup>

The movants<sup>4</sup> state that they have agreed that the Subpart B Configuration Rates and Terms presently set forth in 37 C.F.R. Part 385 Subpart B, along with related provisions in Subpart A, should not be amended except for continuing inflation adjustments to the rates for physical phonorecords and permanent downloads, and thus should continue as set forth in 37 C.F.R. § 385.10 and § 385.11(a)(2), (b), and (c) (with § 385.11(a)(1) continuing to reflect the current year’s rate calculated in accordance with § 385.11(a)(2)). Therefore, the proposed partial settlement would not require any changes to the current relevant regulatory text. Motion at 2.

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<sup>1</sup> Global Music Rights, LLC subsequently withdrew from the proceeding (eCRB no. 78125).

<sup>2</sup> David Powell was subsequently dismissed from the proceeding (eCRB no. 78090).

<sup>3</sup> The Movants who filed the Motion are “Publisher/Songwriter Participants” (NMPA, NSAI and MAC) and the “Record Company Participants,” (Sony Music Entertainment, UMG Recordings, Inc. and Warner Music Group Corp., and A2IM). Motion at 1.

<sup>4</sup> The Movants have had settlement conversations regarding the so-called Subpart B rates and terms with the other copyright owner Participants in the Proceeding (Songwriters Guild of America, World Collections, Inc., Eight Mile Music Companies, and George Johnson), who declined to join this settlement. Motion at 2.

Section 801(b)(7)(A) of the Copyright Act authorizes the Judges to adopt rates and terms negotiated by "some or all of the participants in a proceeding at any time during the proceeding" provided they are submitted to the Judges for approval. This section provides that the Judges shall provide notice and an opportunity to comment on the agreement to (1) those that would be bound by the terms, rates, or other determination set by the agreement and (2) participants in the proceeding that would be bound by the terms, rates, or other determination set by the agreement. *See* section 801(b)(7)(A). The Judges may decline to adopt the agreement as a basis for statutory terms and rates for participants not party to the agreement if any *participant* objects and the Judges conclude that the agreement does not provide a reasonable basis for setting statutory terms or rates. *Id.*

If the Judges adopt rates and terms reached pursuant to a negotiated settlement, those rates and terms are binding on all copyright owners of musical works and those using the musical works in the activities described in the proposed regulations

The Judges solicit comments on whether they should adopt the proposed regulations as statutory rates and terms relating to the making and distribution of physical or digital phonorecords of nondramatic musical works. Comments and objections regarding the rates and terms and the minor revisions must be submitted no later than [INSERT DATE 30 DAYS AFTER THE DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

Dated: July 8, 2026.

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**Trevor Jefferson,**  
*Chief Copyright Royalty Judge*