HOUSE BILL REPORT

SSB 5030

As Passed House April 10, 1991

Title: An act relating to the protection of recording rights.

Brief Description: Prohibiting the unauthorized reproduction or recording of material.

Sponsor(s): Senate Committee on Law & Justice (originally sponsored by Senators Nelson, Talmadge and Thorsness).

Brief History:

Reported by House Committee on: Judiciary, March 22, 1991, DP; Passed House, April 10, 1991, 95-0.

HOUSE COMMITTEE ON JUDICIARY

Majority Report: Do pass. Signed by 13 members: Representatives Ludwig, Vice Chair; Padden, Ranking Minority Member; Paris, Assistant Ranking Minority Member; Broback; Hargrove; Inslee; R. Meyers; Mielke; Riley; Scott; D. Sommers; Tate; and Vance.

Staff: Bill Perry (786-7123).

Background: In 1971, the Legislature prohibited retailers from selling audio or video recordings without labeling that identifies the recorder. The offense is punishable by a fine of up to \$100. In 1974, the Legislature enacted a law prohibiting the unauthorized sale, or reproduction for sale, of sound recordings. The penalties provided include confiscation of illegal material, a fine of up to \$1,000, and imprisonment for up to one year. Neither of these laws has been amended since enactment.

A number of federal laws also apply to record piracy, and civil remedies are also available for injured parties.

In recent years, dramatic changes have occurred in audio and visual recording techniques and capabilities. During the same period, the sale of bootleg recordings, and other related pirating or counterfeiting operations have become a large problem for the recording industry. Summary of Bill: The statutes on unauthorized commercial reproduction of recordings are substantially rewritten. Definitions of recording techniques and products are updated. Increased penalties are provided for each of the new offenses that replace the previous prohibitions. In addition, forfeiture procedures are provided for confiscating contraband recordings.

Felony crimes are created for the following offenses:

- o The <u>unauthorized commercial reproduction</u>, or the sale, transport or use of reproductions, of recordings made before February 15, 1972, the date federal law gave copyright protection to sound recordings.
- o The <u>unauthorized recording of a live performance</u> or the sale, advertisement for sale, or transport of an unauthorized recording of a live performance. Absent a written agreement, the performer of a live performance is presumed to own the rights to record the performance.
- o The <u>failure to disclose the origin of a recording</u> when selling a recording with knowledge that it does not display the true name and address of the manufacturer in a prominent place.

Escalating penalties are provided for each of the three offenses based on repeat convictions and the number of violations within a 180-day period. The maximum penalty for the most serious kind of each offense is a fine of \$250,000 and 10 years in prison. Middle range violations carry the same maximum fine, but a maximum prison term of five years. The lowest range of violations carries a maximum penalty of \$25,000 and imprisonment of one year.

Prosecutors are given the authority to pursue forfeiture proceedings against any contraband material without regard to culpable knowledge or intent on the part of a possessor of the material.

Radio and television broadcasts and recordings of public proceedings are exempted from the act.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: None.

Testimony Against: None.

Witnesses: None.