

Reported Recommending
 Ind. Postponed
 Passed House
 Failed to Pass House
 Passed Senate
 Failed to Pass Senate

House File 455

February 27, 1947.
 Judiciary No. 2.

By WALTER of Pottawattamie,
 SLOANE, HICKLIN, FIMMEN, NEL-
 SON of Woodbury and AINSWORTH.

A BILL FOR

An Act to provide for the licensing and regulation of persons, firms, associations or corporations, other than the true or original composer, who issue licenses or other agreements for the public rendition of copyrighted musical numbers by persons within the state of Iowa; to provide for the licensing and regulation of persons, other than the actual composer, engaged in the business or occupation of investigating the public rendition of copyrighted musical numbers by persons within the state of Iowa; and to provide for the enforcement of this act by the secretary of state and by prescribing penalties for the violation of or noncompliance with this act.

Be It Enacted by the General Assembly of the State of Iowa:

1 Section 1. No person, firm, association or corporation,
 2 other than the true or original composer, shall, either
 3 directly or indirectly, issue licenses, or other agreements,
 4 for the public rendition of copyrighted musical numbers by
 5 persons within this state unless said person, firm,
 6 association or corporation shall first obtain a license from
 7 the secretary of state or transact such business within this
 8 state.

1 Sec. 2. Any person, firm, association or corporation,
 2 other than the true or original composer, desiring to obtain

3 such license, shall file with the secretary of state a true
4 copy of the articles of association, partnership, incorporation
5 or organization, whichever the case may be, together with a
6 verified statement showing:

7 (a) The names, salaries or compensation of its
8 officers, agents or assignees.

9 (b) The titles of the musical numbers owned,
10 controlled or otherwise held by him or it.

11 (c) The rates to be charged users thereof, and the
12 basis therefor.

13 (d) If assignees, the purchase price, or other
14 agreement between the true or original composers and him or it.

15 (e) The total gross receipts received by him or it
16 for the preceding year.

17 (f) The total disbursements made by him or it during
18 the preceding year, and to whom and for what such disbursements
19 were made.

1 Sec. 3. At the time of filing said verified statement,
2 each person, firm, association or corporation, other than the
3 true or original composer, shall pay to the secretary of state
4 a franchise tax equivalent to ten per cent of his or its
5 entire gross receipts from persons within this state for or
6 on account of licenses or other agreements for the public
7 rendition of copyrighted musical numbers within this state for
8 the preceding year. The secretary of state shall thereupon
9 issue to the applicant a license to transact such business in

10 the state. Such license shall expire on the thirty-first day
11 of December of each year and may be renewed by the payment
12 of such franchise tax and the filing of the copy and verified
13 statement referred to in Section 2 of this act.

1 Sec. 4. Any person, firm, association or corporation who
2 shall request the playing of any copyrighted musical number,
3 in any public place, with intent and for the purpose of making
4 such rendition a basis for an infringement suit against the
5 proprietor thereof, or any other person; or who shall, without
6 first obtaining the necessary license therefor, attempt, by
7 threats of suit, or other means, either oral or in writing, to
8 compel persons in this state to purchase licenses for the
9 rendition of musical numbers shall be deemed guilty of a
10 misdemeanor, and upon conviction thereof, shall be punished by
11 a fine of five hundred dollars for each offense, and in
12 addition thereto, upon the application of any person interested
13 therein, any court of competent jurisdiction may issue
14 injunctions restraining such acts or practices.

1 Sec. 5. No person, except the actual composer thereof,
2 shall engage in whole or in part in the business or
3 occupation of obtaining, or hold himself or herself out as
4 one who can obtain, information concerning, or in anywise
5 engage in the investigation of, public rendition of
6 copyrighted musical numbers by persons within this state
7 without first obtaining a license so to do from the secretary
8 of state.

1 Sec. 6. Any person seeking to act as investigator or to
2 engage in such business or occupation, either in whole or in
3 part, shall file a written application with the secretary of
4 state setting forth the applicant's name, residence, former
5 and present occupation, employer's name, names of copyright
6 owner or owners for whom information is sought, the basis and
7 rate of remuneration, if any, for such employment or services
8 and any other information as the secretary of state may require
9 or deem necessary to properly carry out the intents and
10 purposes of Sections 5, 6 and 7 of this act. Upon the filing
11 of the application and the payment of the license fee of
12 twenty dollars, the secretary of state shall issue to the
13 applicant a license for the period ending the thirty-first
14 day of December of the year of the making of the application.
15 All changes of employers or copyrighted owners shall, not later
16 than ten days after any change occurs, be reported to the
17 secretary of state.

1 Sec. 7. Any person violating any provision of Sections 5,
2 6 and 7 of this act shall be guilty of a misdemeanor and upon
3 conviction thereof, shall be punished by a fine of not less
4 than two hundred dollars nor more than five hundred dollars
5 for each offense. For the purpose of said Sections 5, 6 and 7
6 each report of a musical number alleged to have been publicly
7 rendered shall be deemed a separate offense.

1 Sec. 8. The secretary of state shall enforce the provisions
2 of this act to the end that all persons, firms, associations

3 and corporations affected by this act shall secure the required
4 licenses and otherwise comply with its provisions. The secretary
5 of state on his own initiative or upon complaint may investigate
6 suspected or reported violations of this act and shall report
7 the facts in connection therewith to the proper enforcement
8 officers for prosecution.

EXPLANATION OF H. F. 455

Persons and associations, for the most part non-residents, are engaged in collecting large sums of money annually from Iowa residents for the playing of copyrighted music and substantially all of the money so collected is immediately sent out of the state. Such persons and associations pay no taxes to Iowa on this money. Moreover, their business is of such size and the methods employed in the conduct thereof are of such nature that persons carrying on the business should be licensed to the end that existing abuses may be eliminated and the state obtain proper revenue therefrom. Such objects are accomplished by the foregoing bill which is patterned after a similar statute enacted by Wisconsin in 1935.