

(h) Commencing January 1, 2009, the royalty rate for secondary transmission of analog signals of broadcast stations by satellite carriers shall be as follows:

- (1) For private home viewing—
  - (i) 24 cents per subscriber per month for distant superstations.
  - (ii) 24 cents per subscriber per month for distant network stations.
- (2) For viewing in commercial establishments, 48 cents per subscriber per month for distant superstations.

[62 FR 55759, Oct. 28, 1997, as amended at 64 FR 71660, Dec. 22, 1999; 70 FR 17320, Apr. 6, 2005; 70 FR 39179, July 7, 2005; 73 FR 14185, Mar. 17, 2008; 74 FR 12093, Mar. 23, 2009]

**§ 258.4 Royalty fee for secondary transmission of digital signals of broadcast stations by satellite carriers.**

(a) Commencing January 1, 2005, the royalty rate for secondary transmission of digital signals of broadcast stations by satellite carriers shall be as follows:

- (1) For private home viewing—
  - (i) 20 cents per subscriber per month for distant superstations.
  - (ii) 17 cents per subscriber per month for distant network stations.
- (2) For viewing in commercial establishments, 40 cents per subscriber per month for distant superstations.

(b) Commencing January 1, 2006, the royalty rate for secondary transmission of digital signals of broadcast stations by satellite carriers shall be as follows:

- (1) For private home viewing—
  - (i) 21.5 cents per subscriber per month for distant superstations.
  - (ii) 20 cents per subscriber per month for distant network stations.
- (2) For viewing in commercial establishments, 43 cents per subscriber per month for distant superstations.

(c) Commencing January 1, 2007, the royalty rate for secondary transmission of digital signals of broadcast stations by satellite carriers shall be as follows:

- (1) For private home viewing—
  - (i) 23 cents per subscriber per month for distant superstations.
  - (ii) 23 cents per subscriber per month for distant network stations.

(2) For viewing in commercial establishments, 46 cents per subscriber per month for distant superstations.

(d) Commencing January 1, 2008, the royalty rate for secondary transmission of digital signals of broadcast stations by satellite carriers shall be as follows:

- (1) For private home viewing—
  - (i) 24 cents per subscriber per month for distant superstations.
  - (ii) 24 cents per subscriber per month for distant network stations.
- (2) For viewing in commercial establishments, 48 cents per subscriber per month for distant superstations.

(e) Commencing January 1, 2009, the royalty rate for secondary transmission of digital signals of broadcast stations by satellite carriers shall be as follows:

- (1) For private home viewing—
  - (i) 24 cents per subscriber per month for distant superstations.
  - (ii) 24 cents per subscriber per month for distant network stations.
- (2) For viewing in commercial establishments, 48 cents per subscriber per month for distant superstations.

(f) For purposes of calculating the royalty rates for secondary transmission of digital signals of broadcast stations by satellite carriers—

(1) In the case of digital multicasting, the rates in paragraphs (a) through (e) of this section apply to each digital stream that a satellite carrier or distributor retransmits pursuant to section 119; *provided*, however that no additional royalty shall be paid for the carriage of any material related to the programming on such stream; and

(2) Satellite carriers and distributors are not required to pay a section 119 royalty for the retransmission of a digital signal to a subscriber who resides in a community where that signal is “significantly viewed,” within the meaning of 17 U.S.C. 119(a)(3) and (b)(1), as amended.

[70 FR 39179, July 7, 2005, as amended at 73 FR 14185, Mar. 17, 2008; 74 FR 12093, Mar. 23, 2009]

**PART 260—RATES AND TERMS FOR  
PREEXISTING SUBSCRIPTION  
SERVICES' DIGITAL TRANS-  
MISSIONS OF SOUND RECORD-  
INGS AND MAKING OF EPHEM-  
ERAL PHONORECORDS**

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AUTHORITY: 17 U.S.C. 114, 801(b)(1).

SOURCE: 63 FR 25413, May 8, 1998, unless otherwise noted.

**§ 260.1 General**

(a) This part 260 establishes rates and terms of royalty payments for the public performance of sound recordings by nonexempt preexisting subscription services in accordance with the provisions of 17 U.S.C. 114(d)(2), and the making of ephemeral phonorecords in connection with the public performance of sound recordings by nonexempt preexisting subscription services in accordance with the provisions of 17 U.S.C. 112(e).

(b) Upon compliance with 17 U.S.C. 114 and the terms and rates of this part, nonexempt preexisting subscription services may engage in the activities set forth in 17 U.S.C. 114(d)(2).

(c) Upon compliance with 17 U.S.C. 112(e) and the terms and rates of this part, nonexempt preexisting subscription services may engage in the activities set forth in 17 U.S.C. 112(e) without limit to the number of ephemeral phonorecords made.

(d) For purposes of this part, Licensee means any preexisting subscription service as defined in 17 U.S.C. 114(j)(11).

[68 FR 39840, July 3, 2003]

**§ 260.2 Royalty fees for the digital performance of sound recordings and the making of ephemeral phonorecords by preexisting subscription services.**

(a) Commencing January 1, 2002 and continuing through December 31, 2003, a Licensee's monthly royalty fee for the public performance of sound recordings pursuant to 17 U.S.C. 114(d)(2) and the making of any number of ephemeral phonorecords to facilitate such performances pursuant to 17 U.S.C. 112(e) shall be 7.0% of such Licensee's monthly gross revenues resulting from residential services in the United States.

(b) Commencing January 1, 2004 and continuing through December 31, 2007, a Licensee's monthly royalty fee for the public performance of sound recordings pursuant to 17 U.S.C. 114(d)(2) and the making of any number of ephemeral phonorecords to facilitate such performances pursuant to 17 U.S.C. 112(e) shall be 7.25% of such Licensee's monthly gross revenues resulting from residential services in the United States.

(c) Commencing in the year 2003 and continuing through the year 2007, each Licensee making digital performances of sound recordings pursuant to 17 U.S.C. 114(d)(2) and ephemeral phonorecords pursuant to 17 U.S.C. 112(e) shall make an advance payment of \$100,000 per year, payable no later than January 20th of each year; Provided, however, that for 2003, the annual advance payment shall be due on August 20, 2003. The annual advance payment shall be nonrefundable, but the royalties due and payable for a given year or any month therein under paragraphs (a) and (b) of this section shall be recoupable against the annual advance payment for such year; Provided, however, that any unused annual advance payment for a given year shall not carry over into a subsequent year.

(d) A Licensee shall pay a late fee of 1.5% per month, or the highest lawful rate, whichever is lower, for any payment received after the due date. Late fees shall accrue from the due date until payment is received.