

# The Music Modernization Act Passes Clears New Way For Royalty Payments



The U.S. Senate unanimously passed the Music Modernization Act of 2018 Tuesday night despite recent conflicts about it within the music industry. The legislation will not be complete until the House Of Representatives approves it and President Trump signs it. The act is designed to make it easier for copyright holders, producers and engineers to be compensated. Sirius XM and Music Choice opposed the bill with the former taking issue with recordings made before 1972 being recognized. Sirius XM also had a problem with terrestrial radio being exempt from paying royalties for master recordings and was lobbying against the act.

Two-hundred artists including Paul McCartney and John Legend signed a letter threatening to boycott Sirius XM if they did support the bill. The company ultimately supported the bill after some last-minute compromises were made that included the promise from the RIAA and record companies to give them a fixed rate through 2027.

The legislation is now called the Orrin G. Hatch Music Modernization Act because of Senator Orrin Hatch's (R-UT) vehement support of the bill. Hatch is also a songwriter and him along with Senator Lamar Alexander (R-TN) called the act "the most important legislation in a generation." The changes will streamline and ensure that artists, songwriters, producers, engineers and other music contributors receive royalty payments.