



January 31, 2017

Chairman Robert W. Goodlatte  
Chairman  
House Judiciary Committee  
2138 Rayburn House Office Building  
U.S. House of Representatives  
Washington, D.C. 20515

The Honorable John Conyers, Jr.  
Ranking Member  
House Judiciary Committee  
B351 Rayburn House Office Building  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Chairman Goodlatte and Ranking Member Conyers,

On behalf of the more than one million members and supporters of the Council for Citizens Against Government Waste (CCAGW), I submit the following comments to your proposal to modernize the U.S. Copyright Office (USCO). Your efforts to address this issue are appreciated, and I thank you for the opportunity to provide input into the committee's work.

Most Americans do not often think about how property rights affect them in their daily lives. If they consider the subject at all, they are likely to be more aware of the monetary value of private property than intellectual property (IP). People will protect their valuables at home and work by locking their doors and installing security systems, and they usually have a good idea of how much their business, home, car, and investments are worth. However, few people realize that nearly every product they use, music they enjoy, and story that entertains them are the result of someone's idea, or IP; nor are they likely to know the value of IP to the economy. Today, copyright intensive industries contribute more than \$1.2 trillion to the U.S. GDP, and employ 5.5 million workers.<sup>1</sup>

The founding fathers understood the value of IP, including copyright, and they encouraged its protection in the General Welfare Clause, Article 1, Section 8 of the Constitution: "To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries."

## **1. The Register of Copyrights and Copyright Office Structure**

CCAGW supports removing the USCO from the jurisdiction of the LOC, while retaining it within the legislative branch. The Register of Copyrights should be subject to the same nomination and consent process as other senior government officials. In addition, legislation should provide the USCO with a separate operating budget, staffing, and information technology (IT) authority separate from the general operating budget of the Library of Congress (LOC).

As the committee is well aware, the Librarian of Congress has an ongoing public survey to determine the best qualifications for the next Register of Copyrights. The Register of Copyrights is a position of high responsibility and trust, delivering impartial counsel to Congress, courts, and other government agencies. To maintain its important role with respect to Congress in particular, the most important quality of the next register is autonomy. The register should no longer be a direct hire by the Librarian of Congress; instead, as recommended in your proposal, should be subject to the same nomination and consent procedures as other non-elected officials of the legislative branch.

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<sup>1</sup> Stephen E. Siwek, "Copyright Industries in the U.S. Economy, 2016 Report," International Intellectual Property Alliance, December 2016, <http://www.iipawebsite.com/pdf/2016CpyrtRptFull.PDF>.

CCAGW also supports the proposed addition of several new positions within the USCO, such as the chief economist, the chief technologist, and a deputy register. These positions will enable the register to make informed decisions on the day-to-day operations of the USCO, as well as plan for its future needs.

Once the USCO is independent of the LOC, it should be directed to utilize its funding to improve its technology and services.

## 2. Information Technology Upgrades

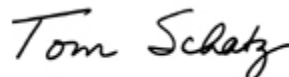
CCAGW strongly supports the modernization of information technology (IT) systems across the federal government as a key component for saving taxpayer dollars. This can be achieved at the USCO through the use of more efficient IT systems (including the use of cloud computing); streamlining the existing copyright application processes; enhancing public and private sector communications; and ensuring an increased cybersecurity posture.

On March 31, 2015, the Government Accountability Office issued a report which found that the LOC failed to have a strategic information technology (IT) plan that would help address significant weaknesses in provisioning services through the USCO.<sup>2</sup> GAO stated that the LOC had not completed an IT strategic plan, which hindered the timeliness of copyright registrations. USCO continues to struggle to improve its services in large part because it lacks the authority to address its problems. On September 3, 2015, the *Washington Post* reported that the USCO's electronic registration system had failed, causing an estimated \$650,000 in lost fees, and affecting approximately 12,000 customers.<sup>3</sup>

On May 9, 2016, the USCO provided the House Appropriations Committee with an IT modernization plan, with estimated costs of \$165 million over a five-year period.<sup>4</sup> These upgrades are important to improving and streamlining the copyright registration process. However, unless the USCO has autonomy over its own budget, there is no guarantee that necessary resources will be expended by the Librarian of Congress for this modernization process.

Again, CCAGW appreciates your efforts to reform and modernize the U.S. Copyright Office, and looks forward to working with you further to accomplish this objective. If you have any questions regarding these comments, please feel free to contact either myself or CCAGW Director of Technology and Telecommunications Policy Deborah Collier at (202) 467-5300. Thank you.

Sincerely,



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<sup>2</sup> Joel C. Willemsen, "Library of Congress: Strong Leadership Needed to Address Serious Information Technology Management Weaknesses," U.S. Government Accountability Office, March 31, 2015, GAO-15-315, <http://www.gao.gov/products/GAO-15-315>.

<sup>3</sup> Peggy McGlone, "Copyright Office's online registration hasn't worked for almost a week," *The Washington Post*, September 3, 2015, [https://www.washingtonpost.com/lifestyle/style/copyright-offices-online-registration-hasnt-worked-for-almost-a-week/2015/09/03/b12781e2-5261-11e5-9812-92d5948a40f8\\_story.html?utm\\_term=.d2d3281b9d95](https://www.washingtonpost.com/lifestyle/style/copyright-offices-online-registration-hasnt-worked-for-almost-a-week/2015/09/03/b12781e2-5261-11e5-9812-92d5948a40f8_story.html?utm_term=.d2d3281b9d95).

<sup>4</sup> Letter to The Honorable Tom Graves, Chairman, Subcommittee on Legislative Branch, Committee on Appropriations, Regarding Funding Strategy for and timeline for implementing February 29, 2016 Provisional Information Technology Modernization Plan and Cost Analysis, May 9, 2016, <https://www.copyright.gov/reports/usco-it-funding-strategy.pdf>.