



# VETERANS OF FOREIGN WARS

OF THE UNITED STATE  
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## ASCAP & BMI

### The Amendment to copyrights law is as follows:

“That Section 110 of title 17 of the United States code is amended:

- 1) by adding at the end thereof the following new paragraph:
  - 10) notwithstanding anything in paragraph 4 above, the following is not an infringement of copyright: performance of a non-dramatic literary or musical work in the course of a social function which is organized and promoted by a non-profit Veterans organization or a non-profit fraternal organization to which the general public is not invited, but **not including the invitees of the organization**, if the proceeds from the performance, after deducting the reasonable costs of producing the performance, are used exclusively for charitable purposes and not for financial gain. For purposed of this section, the social functions of any college or university fraternity or sorority shall not be included unless the social function is held solely to raise funds for a specific charitable purpose”.

In other words, and as we understand the amendment, VFW Posts will not be required to pay royalty fees to copyright holders after the effective date of the law when live music is performed in Post Homes, provided:

- 1) the function is limited to VFW and Auxiliary members and their bonafide guests and **not open to the Public:** and
- 2) **All profit** after paying entertainment expenses **is used for charitable purposes only.**

Yours in Comradeship,

State Adjutant

Department of Minnesota, VFW

## Subject! Musical Performance Royalties

We have been advised that American Society Composers, Authors and Publishers (ASCAP) representatives have been contacting VFW Posts in certain sections of the country regarding payment of license fee for live music that is performed on VFW premises,

For your information and dissemination to Posts that may offer live music as a part of the social activities for VFW members, the following information is provided.

An amendment to HR 4441 was signed into Public Law 97-366 by the President of the United States in 1982. The amendment exempts non-profit veterans' and fraternal organizations from the requirement that performance royalties (license fees) be paid to copyright holders, primarily ASCAP and Broadcast Music, Inc. (BMI).

Both ASCAP and BMI have recognized the exemption of VFW Posts where proper notice has been given by the Post that they meet the following exemption requirements;

1. The function wherein live music is performed must be limited to VFW and Auxiliary members and their bona fide guests and not open to the general public.
2. All profit, after paying reasonable costs of producing the performance, must be used for charitable purposes.

ASCAP and BMI have cooperated in the past by terminating licensing agreements with VFW Posts that meet the above criteria. Units that have been contacted by representatives of ASCAP and BMI should immediately remind those Representatives that Posts complying with the above criteria are exempt under PL 97-366. Posts should maintain records that will substantiate their claim to exempt under PL 97-366.

### **NATIONAL HEADQUARTERS BULLETIN**

November, 1982

ASCAP/BMI: The President has signed into law, H.R. 4441 which contains an amendment to exempt on-profit veterans' and fraternal organizations from the requirement that performance royalties (license fees) be paid to copyright holders, primarily ASCAP and BMI.

A portion of the text of the amendment is quoted for the information of all units: "...Performance of a non-dramatic literary or work in the course of a social function which is organized and promoted by a non-profit veterans' organization or a non-profit fraternal organization to which the general public is not invited, but not including the invitees of the organizations, if proceeds from the performance after deducting the reasonable costs of Producing the performance, are used exclusively for charitable purposes and not for financial gain..."

Additional details will be provided to Posts and Departments as soon as a copy of the Bill is available and its provisions have been researched.

### **NATIONAL HEADQUARTERS BULLETIN**

April 1983

ASCAP/BMI INVOICES: Because ASCAP and BMI have no way of knowing if a Post meets the licensing exemption requirements of Public Law 97-366, posts may continue to receive Invoices for license fees, so long as Posts continue to meet the two following exemption requirements, they should return the invoices and write "Exempt under Public Law 97-366" on the invoice.

1. The function wherein live music is performed must be limited to VFW and Auxiliary members and their bona fide guests, and not open to the public.
2. All profit, after paying the reasonable costs of producing the performance must be used for charitable purposes.

Please caution Posts to maintain such records as are required to substantiate their claims that the events are for members and guests only and that profits there from were used for charitable purposes.