SEC. 13301. EDUCATIONAL USE COPYRIGHT EXEMPTION.

(a) SHORT TITLE- This subtitle may be cited as the `Technology, Education, and Copyright Harmonization Act of 2002'.

(b) EXEMPTION OF CERTAIN PERFORMANCES AND DISPLAYS FOR EDUCATIONAL USES- Section 110 of title 17, United States Code, is amended--

(1) by striking paragraph (2) and inserting the following:

`(2) except with respect to a work produced or marketed primarily for performance or display as part of mediated instructional

activities transmitted via digital networks, or a performance or display that is given by means of a copy or phonorecord that is

not lawfully made and acquired under this title, and the transmitting government body or accredited nonprofit educational

institution knew or had reason to believe was not lawfully made and acquired, the performance of a nondramatic literary or

musical work or reasonable and limited portions of any other work, or display of a work in an amount comparable to that

which is typically displayed in the course of a live classroom session, by or in the course of a transmission, if--

`(A) the performance or display is made by, at the direction of, or under the actual supervision of an instructor as an

integral part of a class session offered as a regular part of the systematic mediated instructional activities of a

governmental body or an accredited nonprofit educational institution;

(B) the performance or display is directly related and of material assistance to the teaching content of the transmission;

`(C) the transmission is made solely for, and, to the extent technologically feasible, the reception of such transmission is limited to--

 $\hat{\}(i)$ students officially enrolled in the course for which the transmission is made; or

`(ii) officers or employees of governmental bodies as a part of their official duties or employment; and

`(D) the transmitting body or institution--

`(i) institutes policies regarding copyright, provides informational materials to faculty, students, and relevant staff members that accurately describe, and promote compliance with, the laws of the United States relating to copyright, and provides notice to students that materials used in connection with the course may be subject to copyright protection; and

`(ii) in the case of digital transmissions--

`(I) applies technological measures that reasonably

prevent--

`(aa) retention of the work in accessible form by recipients of the transmission from the transmitting body or institution for longer than the class session; and

`(bb) unauthorized further dissemination of the work in accessible form by such recipients to others; and

`(II) does not engage in conduct that could reasonably be expected to interfere with technological measures used by copyright owners to prevent such retention or unauthorized further dissemination;'; and

(2) by adding at the end the following:

`In paragraph (2), the term `mediated instructional activities' with respect to the performance or display of a work by digital

transmission under this section refers to activities that use such work as an integral part of the class experience, controlled by or

under the actual supervision of the instructor and analogous to the type of performance or display that would take place in a

live classroom setting. The term does not refer to activities that use, in 1 or more class sessions of a single course, such works as

textbooks, course packs, or other material in any media, copies or phonorecords of which are typically purchased or acquired by

the students in higher education for their independent use and retention or are typically purchased or acquired for elementary

and secondary students for their possession and independent use.

`For purposes of paragraph (2), accreditation--

`(A) with respect to an institution providing post-secondary education, shall be as determined by a regional or national accrediting agency recognized by the Council on Higher Education Accreditation or the United States Department of Education; and

`(B) with respect to an institution providing elementary or secondary education, shall be as recognized by the applicable state certification or licensing procedures.

`For purposes of paragraph (2), no governmental body or accredited nonprofit educational institution shall be liable for

infringement by reason of the transient or temporary storage of material carried out through the automatic technical process of

a digital transmission of the performance or display of that material as authorized under paragraph (2). No such material stored

on the system or network controlled or operated by the transmitting body or institution under this paragraph shall be

maintained on such system or network in a manner ordinarily accessible to anyone other than anticipated recipients. No such

copy shall be maintained on the system or network in a manner ordinarily accessible to such anticipated recipients for a longer

period than is reasonably necessary to facilitate the transmissions for which it was made.'.

(c) EPHEMERAL RECORDINGS-

(1) IN GENERAL- Section 112 of title 17, United States Code, is amended--

(A) by redesignating subsection (f) as subsection (g); and

(B) by inserting after subsection (e) the following:

(f)(1) Notwithstanding the provisions of section 106, and without limiting the application of subsection (b), it is not an infringement

of copyright for a governmental body or other nonprofit educational institution entitled under section 110(2) to transmit a

performance or display to make copies or phonorecords of a work that is in digital form and, solely to the extent permitted in

paragraph (2), of a work that is in analog form, embodying the performance or display to be used for making transmissions authorized under section 110(2), if--

`(A) such copies or phonorecords are retained and used solely by the body or institution that made them, and no further copies

or phonorecords are reproduced from them, except as authorized under section 110(2); and

`(B) such copies or phonorecords are used solely for transmissions authorized under section 110(2).

(2) This subsection does not authorize the conversion of print or other analog versions of works into digital formats, except that such

conversion is permitted hereunder, only with respect to the amount of such works authorized to be performed or displayed under section 110(2), if--

`(A) no digital version of the work is available to the institution; or

`(B) the digital version of the work that is available to the institution is subject to technological protection measures that prevent its use for section 110(2).'.

(2) TECHNICAL AND CONFORMING AMENDMENT- Section 802(c) of title 17, United States Code, is amended in the third sentence by striking `section 112(f)' and inserting `section 112(g)'.

(d) PATENT AND TRADEMARK OFFICE REPORT-

(1) IN GENERAL- Not later than 180 days after the date of enactment of this Act and after a period for public comment, the Undersecretary of Commerce for Intellectual Property, after consultation with the Register of Copyrights, shall submit to the Committees on the Judiciary of the Senate and the House of Representatives a report describing technological protection systems that have been implemented, are available for implementation, or are proposed to be developed to protect digitized copyrighted works and prevent infringement, including upgradeable and self-repairing systems, and systems that have been developed, are being developed, or are proposed to be developed in private voluntary industry-led entities through an open broad based consensus process. The report submitted to the Committees shall not include any recommendations, comparisons,

or comparative assessments of any commercially available products that may be mentioned in the report.

(2) LIMITATIONS- The report under this subsection--

(A) is intended solely to provide information to Congress; and

(B) shall not be construed to affect in any way, either directly or by implication, any provision of title 17, United States

Code, including the requirements of clause (ii) of section 110(2)(D) of that title (as added by this subtitle), or the

interpretation or application of such provisions, including evaluation of the compliance with that clause by any

governmental body or nonprofit educational institution.