



Talking Points

Concerning changes to the House “College Opportunity and Affordability Act of 2007” as introduced November 9, 2007.

The House bill to reauthorize the Higher Education Act (HEA), “College Opportunity and Affordability Act of 2007,” addresses the problem of copyright infringement on campus networks in two parts. The higher education community supports the first part that deals with disclosure of institutional policies and opposes the second part that requires campuses to develop new institutional plans for addressing infringement on their networks.

Part one occurs in Sec. 485, DISCLOSURE OF POLICIES AND SANCTIONS RELATED TO COPYRIGHT INFRINGEMENT.—Section 485(a)(1) requires institutions to report to their students annually on their policies and practices with respect to copyright infringement on campus networks. *This is the same provision included in the Senate HEA bill and the higher education community supports this provision.*

Part two occurs in a new SEC. 494 (A), CAMPUS-BASED DIGITAL THEFT PREVENTION, which requires that all institutions eligible for financial aid under Title IV “(2) develop a plan for offering alternatives to illegal downloading or peer-to-peer distribution of intellectual property as well as a plan to explore technology-based deterrents to prevent such illegal activity.” *These requirements are unacceptable and the higher education community urges that this section be removed from the bill.*

- Campuses that offer legal downloading services typically must charge a student fee to cover the expense. Taken across all campuses, this practice could represent a transfer of over \$400 million annually from higher education to the entertainment industry while raising the cost of higher education.
- Most colleges and universities have already considered offering legal, online music or movie services. Their students, however, have often told them they do not want to use or pay for these services because they do not carry musicians that the students want, do not work with Apple iPods, etc. The failure of industry to create and offer attractive downloading services should not lead to a federal solution in which colleges and universities must bear an additional financial burden so that industry can sell more of these services.
- Today’s technologies to deter copyright infringement on college and university networks are expensive, do not solve the problem, and fail to meet basic requirements identified by higher education community experts in a workshop of the Joint Committee of Higher Education and the Entertainment Community on



April 19-20, 2007. Installing deterrent technology now at every campus would require an even larger increase in the cost of higher education.

- The higher education community is already working with the entertainment industry to explore technology-based deterrents as planned in the next steps of this workshop.
- Campus networks are a small fraction of the copyright infringement problem. The MPAA estimates that 18.4% of copyright infringers are college students and that they are responsible for 44% of revenue lost to copyright infringement. These figures are inaccurate and overstate the case. Yet even by these figures, since less than 20% of college students live on campus and use the residence hall networks, this means that less than 4% of the infringers are using campus networks, and they are responsible for less than 9% of the losses. Over 91% of the claimed losses are on commercial networks. While solving this small part of the problem on campus networks would be desirable, any solutions will be partial, difficult, and expensive, and will only move the problem elsewhere. Campus networks should not be singled out with respect to commercial networks when addressing copyright infringement.

We oppose the provision in part (2) of section 494 (A) and urge that it be eliminated.