

## General Assembly

February Session, 2024

## Substitute Bill No. 148



## AN ACT MAKING CERTAIN TERMS IN ELECTRONIC BOOK AND DIGITAL AUDIOBOOK LICENSE AGREEMENTS OR CONTRACTS UNENFORCEABLE.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. (NEW) (*Effective July 1, 2026*) (a) As used in this section:
- 2 (1) "Electronic literary material" means any digital audiobook or electronic book;
- 4 (2) "Digital audiobook" means a sound recording of a reading of any 5 literary production that has been converted into or published in a digital 6 audio file that may be listened to on a computer or portable electronic
- 7 device;
- 8 (3) "Electronic book" means a text document that has been converted 9 into or published in a digital format that may be read on a computer or 10 portable electronic device;
- 11 (4) "Portable electronic device" means any self-contained electronic
- 12 device for personal use for communicating, reading, viewing, listening,
- 13 playing video games or computing, including, but not limited to, a
- 14 mobile telephone, tablet computer, electronic book reader and other
- 15 similar devices;
- 16 (5) "Library" includes (A) any public library, public elementary

school library, secondary school library, tribal library, academic library, research library or public archive that is funded (i) directly or indirectly, in whole or in part, during a fiscal year by the state or a political subdivision of the state, including, but not limited to, matching expenditures, grants, loans, bonding, insurance or guarantees, and (ii) for the duration of the fiscal year after the receipt of such funding and

the fiscal year next succeeding; and (B) the State Library;

- (6) "Publisher" means any person in the business of the manufacture, promulgation, license or sale of books, audiobooks, journals, magazines, newspapers or other literary productions, including those in the form of electronic literary materials, and includes any aggregator who enters into a contract with any library for the purpose of providing materials for purchase or license from any publisher;
  - (7) "Aggregator" means any person in the business of licensing access to electronic literary material collections that include electronic literary materials from multiple publishers;
  - (8) "Technological protection measure" means any technology that enhances the security of loaning or circulating electronic literary materials by a library;
  - (9) "Borrower" means any person or organization, including another library, to whom a library loans a copy of electronic literary material;
  - (10) "Loan" means the creation and transmission by a library to a borrower of a copy of any electronic literary material and the deletion of such copy by the library upon the expiration of the loan period; and
  - (11) "Loan period" means the period of time commencing with the creation and transmission by a library to a borrower of a copy of any electronic literary material and concluding with the deletion of such copy by the library, as determined by the library.
- 45 (b) The provisions of this section shall apply to any contract or license 46 agreement entered into or renewed on and after July 1, 2026, by a library

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- in the state with a publisher for the license of any electronic literary material.
- (c) No library in this state shall enter into any contract or license agreement with a publisher that precludes, limits or restricts the library from performing customary operational or lending functions, including any provision that:
- 53 (1) Prohibits the library from loaning any electronic literary material, 54 including through any interlibrary loan system;
  - (2) Restricts the number of times the library may loan any electronic literary material over the course of the contract or license agreement if such contract or agreement also restricts the library's loan period for electronic literary material;
- (3) Limits the number of electronic literary material licenses the library may purchase on the same date such electronic literary material is made available for purchase by the public;
- (4) Prohibits the library from making nonpublic preservation copiesof any electronic literary material;
- 64 (5) Restricts the library from disclosing the terms of the contract or 65 license agreement to any other library in the state;
  - (6) Restricts the duration of the contract or license agreement unless the library also has the option of a contract or license agreement on commercially reasonable terms in consideration of the library's mission, that either (A) is based on a pay-per-use model, or (B) provides for the perpetual public use of the electronic literary material; or
- 71 (7) Requires the library to violate the provisions of section 11-25 of 72 the general statutes.
- (d) A contract or license agreement between a publisher and a library
   may require:

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- 75 (1) A limitation on the number of borrowers the library may allow to 76 have simultaneous access to any electronic literary material; or
- 77 (2) The library's reasonable use of any technological protection 78 measure that prevents a borrower from:
- 79 (A) Maintaining access to any electronic literary material beyond the access period specified in the contract or license agreement; and
- 81 (B) Providing other borrowers with access to any electronic literary 82 material.
  - (e) Any contract or license agreement concerning electronic literary material that includes provisions prohibited by subdivisions (1) to (7), inclusive, of subsection (c) of this section shall be unenforceable only as to those provisions.
  - (f) No person shall attempt to enforce a provision described in subdivisions (1) to (7), inclusive, of subsection (c) of this section against a library, including, but not limited to, by means of a technological protection measure, except that a person may seek resolution of a dispute concerning such provision in a judicial forum. Any violation of the provisions of this subsection shall constitute an unfair trade practice for purposes of subsection (a) of section 42-110b of the general statutes and shall be enforced by the Attorney General.

This act shall take effect as follows and shall amend the following sections:

Section 1 | July 1, 2026 | New section

## Statement of Legislative Commissioners:

In Subsec. (a)(9), "media of any type" was changed to "a copy of electronic literary material" for internal consistency; in Subsec. (c)(2), "contract or" was added before "license agreement" and "contract or" was added before "agreement" for internal consistency; and in Subsec. (d)(2)(A), "license" was changed to "contract or license agreement" for internal consistency.

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PD Joint Favorable Subst. -LCO