Expressing the sense of Congress that it is the duty of the Federal Government to establish a new royalty program to provide income to featured and non-featured performing artists whose music or audio content is listened to on streaming music services, like Spotify.

Whereas streaming music services have become the dominant method of music consumption, and presently account for roughly 83 percent of total recorded music revenue in the United States;

Whereas providers of streaming music service, like Spotify, saw a 13.4-percent increase in revenues in 2020, bringing Spotify’s streaming music service total revenue to $10,100,000,000;
Whereas musicians have created the content responsible for these record valuations, but are only compensated on average $0.007 per stream;

Whereas providers of streaming music service compensate featured artists at a significantly lower rate than traditional physical record sales;

Whereas non-featured artists are presently compensated for digital radio play but receive no compensation by providers of streaming music service for streaming plays;

Whereas the COVID–19 pandemic has significantly disrupted the live concert industry, thereby reducing alternative sources of non-royalty income for musicians;

Whereas, to the extent the rise of streaming music services has benefited musicians, it has done so in an unequal manner, with benefits accruing mostly to those with sufficient bargaining power to negotiate with large companies on an individual basis;

Whereas existing royalty and remuneration practices are insufficient to address and cover new modes of consumption and distribution of music, as well as properly reflect the value captured by streaming music services through data gathering and advertising sales;

Whereas ensuring that both featured and non-featured artists are adequately compensated for their work strengthens the creative economy and creates an environment within the United States wherein such artists feel respected;

Whereas the United States risks falling behind in investing in musicians within the United States compared to countries such as France and Canada, that have proposed new legislation in the past 4 years to address inequities in the music-streaming industry;
Whereas major record companies, like Universal Music Group and Sony Music, who license musical works to streaming music services simultaneously hold significant shareholder stakes in the underlying streaming audio service-providing companies, encouraging collusion at the expense of the musicians and performing artists themselves; and

Whereas copyright collectives like SoundExchange, which administer statutory licenses and collect and distribute royalties on behalf of featured and non-featured artists, and owners of copyrights in music recordings, are critical to the economic health of the music industry: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That is the sense of Congress that—

(1) it is the duty of the Federal Government to establish a new statutory royalty program—

(A) to provide musicians, whose recorded work is listened to on streaming music services, like Spotify, reasonable remuneration through a royalty payment earned on a per-stream basis;

(B) to ensure streaming music services, which have become the dominant method of music consumption, compensate musicians at fair rates that are not significantly lower than rates earned on traditional physical record sales;

(C) to avoid falling behind in investing in musicians within the United States compared to
other countries that have already proposed legis-
islation to address inequalities in the music in-
dustry; and

(D) to promote an environment wherein
the musicians within the United States feel re-
spected; and

(2) the statutory royalty program should be—

(A) administered by SoundExchange and
the Copyright Royalty Board, who will together
calculate, collect, retain, and distribute the roy-
alty payments to all eligible musicians whose re-
corded work is listened to on streaming music
services in accordance with the standards and
guidelines established by the scheme; and

(B) funded by mandatory pro rata con-
tributions collected by SoundExchange from eli-
gible providers of music-streaming service, as
defined by the program, with the option for
SoundExchange to request additional direct
public funding as it deems to be necessary and
appropriate.