



Copyright Office

[Docket No. 2026-6]

Music Streaming Fraud

AGENCY: U.S. Copyright Office, Library of Congress.

ACTION: Notice of inquiry.

SUMMARY: Pursuant to a congressional request, the United States Copyright Office is soliciting information from the public regarding issues related to music streaming fraud.

DATES: Written comments must be received no later than 11:59 p.m. Eastern Time on

[INSERT DATE 45 DAYS AFTER THE DATE OF PUBLICATION IN THE

***FEDERAL REGISTER*].** Written reply comments must be received no later than 11:59

p.m. Eastern Time on **[INSERT DATE 75 DAYS AFTER THE DATE OF**

PUBLICATION IN THE *FEDERAL REGISTER*].

ADDRESSES: For reasons of government efficiency, the Copyright Office is using the

regulations.gov system for the submission and posting of public comments in this

proceeding. All comments should be submitted electronically through *regulations.gov*.

Specific instructions for submitting comments are available on the Office's website at

<https://www.copyright.gov/policy/music-streaming-fraud>. If electronic submission of

comments is not feasible due to lack of access to a computer or the internet, please

contact the Office using the contact information below for special instructions.

FOR FURTHER INFORMATION CONTACT: Rhea Efthimiadis, Assistant to the

General Counsel, by email at USCOGeneralCounsel@copyright.gov or by telephone at

(202) 707-8350.

SUPPLEMENTARY INFORMATION:

I. Background

Earlier this year, the United States Copyright Office (“Office”) received a letter from Representative Scott Fitzgerald (the “Congressional Request”) expressing concerns over streaming fraud and its impact on royalties for sound recordings and musical works.¹ The Congressional Request asked the Office to “examine the prevalence of streaming fraud across digital platforms and how it may be affecting the music industry as a whole.”²

In response to the Congressional Request, this notice provides background on streaming fraud and the music industry. The notice solicits public comments that, together with the Office’s own research, may contribute to Congress’s understanding of streaming fraud, current efforts to curb this problem, and potential solutions.

A. Economic Importance of Music Streaming

Current consumption of recorded music is driven largely by digital streaming.³ The Digital Media Association estimates that “streaming [is] now driving around 70% of global sales,” making it a significant contributor to the music economy’s overall health.⁴ For sound recording copyright owners (*e.g.*, record labels), the latest figures place streaming-specific revenues at approximately \$9.5 billion domestically⁵ and \$22 billion

¹ Letter from Rep. Scott Fitzgerald, Comm. on the Judiciary, to Shira Perlmutter, Register of Copyrights and Dir., U.S. Copyright Office at 1–4 (May 21, 2026) (“Congressional Request”), <https://www.copyright.gov/policy/music-streaming-fraud/usco-letter-on-music-streaming-fraud.pdf>.

² *Id.* at 1–4.

³ See U.S. Copyright Office, Copyright and the Music Marketplace 70 (2015), <https://perma.cc/RP5F-K779> (“In recent years there has been a profound shift in the way music is consumed—from purchases of physical albums, to downloads of digital singles, to on-demand access through digital streaming services.”).

⁴ Digi. Media Ass’n (“DIMA”), DIMA Annual Report 2025 20 (2025), <https://perma.cc/NB68-DU2L>.

⁵ Recording Indus. Ass’n of Am. (“RIAA”), RIAA Year-End Recorded Music Revenue Report (2025), <https://perma.cc/R3CD-U3CF>; see Lauryn Sink, *US Recorded Music 2025 Annual Revenue Achieves New High*, MusicRow (Mar. 16, 2026), <https://perma.cc/8RCG-P68Y> (“According to the RIAA 2025 Year-End Recorded Music Revenue Report, the US wholesale annual revenue achieved a record high of \$11.5 billion last year. Last year, streaming revenues grew to \$9.5 billion and for the fifth straight year, streaming represented 82% of total US revenue.”); see also Ariel King, *RIAA 2026 Mid-Year Report: Streaming Growth Drives Revenue*

globally.⁶ While public data about streaming-specific revenues for musical works is not available, total revenue for their copyright owners (e.g., music publishers) is reported to be approximately \$7.3 billion domestically⁷ and \$10 billion globally.⁸ Publicly available sources predict that music streaming revenue will grow significantly over the next decade.⁹ Unfortunately, these benefits can be undercut by streaming fraud.

B. How Music Streaming Fraud Operates

Music streaming fraud¹⁰ can be defined as “the illegitimate practice of using deceptive, inappropriate, or unpermitted methods to artificially increase the number of

to \$6 Billion, CD Sales Increase More Than 50%, Billboard (Sep. 1, 2026), <https://www.billboard.com/pro/riaa-2026-mid-year-report/> (reporting that the RIAA’s 2026 Mid-Year Report reflected a 4.7% increase of total streaming revenue).

⁶ See, e.g., *Global Music Report 2026: Global Recorded Music Revenues Grow 6.4% as Record Companies Drive Innovation*, Int’l Fed’n of the Phonographic Indus. (“IFPI”) (Mar. 18, 2026), <https://perma.cc/B23V-ZHNN> (“Total streaming revenues surpassed US\$22 billion and accounted for 69.6% of global recorded music income.”).

⁷ *US Music Publishing Revenues Hit \$7.3B in 2025, NMPA Reveals at Annual Meeting Honoring P!nk, Julian Bunetta and Harvey Mason Jr.*, Nat’l Music Publishers’ Ass’n (“NMPA”) (June 11, 2026), <https://perma.cc/YL6D-CQRZ>; Press Release, Int’l Confederation of Societies of Authors and Composers (“CISAC”), Statement on CISAC Global Collections Report 2025 (Nov. 5, 2025), <https://perma.cc/JX2G-N486> (“Streaming and subscription services now represent more than a third of total global collections income, reflecting a seven-fold increase (+596.2%) in digital revenues since 2015.”).

⁸ *Omdia: Music Publishing Revenue Growth to Outshine Recorded-Music Over the Next Five Years*, Omdia (Oct. 20, 2025), <https://perma.cc/KA38-898B> (“[G]lobal music publisher revenue will top the \$10bn mark for the first time this year. Moreover, revenue is set to rise annually for the next five years. Total income is projected to exceed \$13bn for the first time in 2029 and then reach the \$14bn milestone the following year.”).

⁹ See, e.g., *Music Streaming Market Size, Share and Growth Analysis*, SkyQuest Tech. (Nov. 2025), <https://perma.cc/8J42-GVZK>; *Music Streaming Market Size & Share – Growth Analysis and Forecast 2027-2036*, Rsch. Nester (Aug. 31, 2026), <https://perma.cc/LEA3-NJC2> (valuing streaming market size as \$65 billion in 2026 and forecasting a market size of \$279.41 billion in 2036); *Music Streaming Market (2026 - 2033)*, Grand View Rsch., <https://perma.cc/K4VM-F65K> (last visited Sep. 25, 2026) (calculating music streaming revenue at \$54.1 billion in 2025 and projecting growth to \$158.1 billion in 2033); Elizabeth Dilts Marshall, *Global Recorded Music Retail Revenue to Top \$121 Billion by 2033, MIDiA Report Says*, Billboard (Aug. 13, 2026), <https://www.billboard.com/pro/recorded-music-revenue-more-than-double-2033-report/> (reflecting MIDiA’s projection that, “[b]y 2033, global recorded music revenues are expected to grow by 62.9% to \$121.1 billion, from \$74.3 billion in 2025,” and that “streaming will continue to be the primary driver of growth”).

¹⁰ Streaming fraud may also be referred to as “stream manipulation” or “artificial streaming” and be used as a blanket statement to describe various criminal offenses. See Sealed Indictment at 2–17, *U.S. v. Smith*, No. 24-cr-504 (S.D.N.Y. Sep. 4, 2024) (“Smith Indictment”), Doc. No. 3, <https://perma.cc/RQL5-6T6Q> (discussing a “streaming fraud” indictment alleging conspiracy to

streams a song or album receives in order to skew public perception of notoriety, to gain financial rewards, or any other benefit(s) not otherwise obtained by legitimate means.”¹¹

Streaming services commonly pay for their use of copyrighted works by dedicating a percentage of their revenue to royalty pools, which are then used to pay various rights owners.¹² Those royalties may be paid directly to those rightsholders, or may first flow through different intermediaries, including distributors¹³ and statutory collectives, such as SoundExchange and the Mechanical Licensing Collective (“MLC”), and other collective management organizations (“CMOs”) or performance rights organizations (“PROs”).¹⁴ Generally, under this “pro-rata” system, the more a song is played on a streaming service, the more revenue that song’s rightsholders will receive.¹⁵

Unfortunately, this system can incentivize bad actors to fraudulently or deceptively inflate “plays” of their songs, diverting money from rights owners of

commit wire fraud under 18 U.S.C. 1349, wire fraud under 18 U.S.C. 2 and 18 U.S.C. 1343, and money laundering conspiracy under 18 U.S.C. 1956(h)).

¹¹ *Streaming Fraud 101*, Music Fights Fraud All., <https://perma.cc/M2GA-AERD> (defining “streaming fraud”) (last visited Sep. 25, 2026).

¹² *See* Smith Indictment at 2.

¹³ Independent musicians may use music distributors to deliver their sound recordings to streaming services and collect any royalties owed. Publishing administrators similarly manage permissions and royalties for a song’s musical work. *See* Donald S. Passman, *All You Need to Know About the Music Business* 209–10, 310 (2024). This notice uses the term “distributor” broadly to include both sound recording distributors and musical work administration services.

¹⁴ *See id.* at 2–3.

¹⁵ *See, e.g., id.* at 2; Congressional Request at 2; *see also* 37 CFR 385.2 (defining “Play” for the statutory mechanical license as an eligible stream or limited download “lasting 30 seconds or more and, if a track lasts in its entirety under 30 seconds . . . the entire duration of the track,” but excluding a play caused by user manipulation); 37 CFR 370.4(b) (defining “Play frequency” for certain services using the section 114 license as “the number of times a sound recording is publicly performed by [an eligible service] during the relevant period, without respect to the number of listeners receiving the sound recording”).

legitimately streamed works. Streaming fraudsters use bot farms,¹⁶ click farms,¹⁷ playlist stuffing,¹⁸ account hijacking,¹⁹ or other methods of user manipulation²⁰ to inflate their songs' plays. These activities are frequently accomplished by unethical marketing companies.²¹ Streaming fraudsters may also engage in "copyright fraud," a term that, as used here, would include claiming others' original works as their own or uploading and claiming manipulated versions of others' works, sometimes called "carbon copying" or "ghost tracking."²²

¹⁶ Clovis McEvoy, *How AI-Generated Songs are Fueling the Rise of Streaming Farms*, WIPO Mag. (May 27, 2025), <https://perma.cc/Q7JQ-62CE> ("Using armies of bots or forming entire streaming farms, fraudsters artificially inflate streaming numbers, diverting billions of dollars from the finite royalty pool – funds that should be allocated to right holders such as music creators, artists, labels, or publishers – into their own bank accounts."); JC Sanchez, *How to Identify Fake Streams and What to Do*, Orphiq (July 23, 2026), <https://perma.cc/2VJN-9VUH> ("Bot farms . . . range from basic scripts to operations that mimic human listening patterns with varied session lengths and skip rates.").

¹⁷ JC Sanchez, *How to Identify Fake Streams and What to Do*, Orphiq (July 23, 2026), <https://perma.cc/2VJN-9VUH> ("Click farms use human workers in low-cost labor markets who create accounts and stream specific songs."); Eric Drott, *Fake Streams, Listening Bots, and Click Farms: Counterfeiting Attention in the Music Economy*, 38 Am. Music 153, 168–70 (2020), <https://perma.cc/D7FS-UDX9> (defining "click farms" and describing the difficulty in identifying all the members of a click farm's supply chain); see also Meghan O'Donnell, *Streaming Fraud in 2026: The \$2B Problem & How the Music Industry is Fighting Back*, Trolley (Mar. 30, 2026), <https://perma.cc/4UXV-5J4C> ("Click farmers use smartphones, computers, and tablets to form a network of devices that play given songs on repeat to artificially boost streaming numbers. The techniques employed make these listens appear human-generated, creating the illusion of a large number of genuine listeners.").

¹⁸ JC Sanchez, *How to Identify Fake Streams and What to Do*, Orphiq (July 23, 2026), <https://perma.cc/2VJN-9VUH> ("Playlist stuffing adds songs to playlists that receive bot traffic.").

¹⁹ *Id.* ("Account hijacking uses compromised accounts to stream songs without the real owner knowing. The streams look like they come from real users because the accounts are real.").

²⁰ 37 CFR 385.2 (defining "User Manipulation" for the statutory mechanical license as "any behavior that artificially distorts the number of Plays, including, but not limited to, the use of manual (e.g., click farms) or automated (e.g., bots) means").

²¹ See Aruni Soni et al., *This Masquerade: Streaming Fraud and Copyright*, 72 J. Copyright Soc'y 1005, 1006–08 (2025), <https://perma.cc/77EV-GKEL>; Eric Drott, *Fake Streams, Listening Bots, and Click Farms: Counterfeiting Attention in the Music Economy*, 38 Am. Music 153, 162–63 (2020), <https://perma.cc/D7FS-UDX9> (describing the advertising campaign of several media companies offering different services to increase social media influence on streaming platforms through fraudulent techniques).

²² See Meghan O'Donnell, *Streaming Fraud in 2026: The \$2B Problem & How the Music Industry is Fighting Back*, Trolley (Mar. 30, 2026), <https://perma.cc/4UXV-5J4C> ("[T]he idea is relatively simple—a fraudster takes an artist's original work, manipulates it enough to fool the algorithm (e.g., speeding it up or slowing it down), and uploads it as their own recording.").

Streaming fraud is already harming copyright owners, performers, songwriters, digital music providers²³ (“DMPs”), and others. While the primary harm is the dilution of the royalty revenue pool,²⁴ it can also cause secondary harms, such as affecting where songs are placed on a DMP’s playlist or in an algorithm’s queue;²⁵ “distorting the [streaming] data artists and venues use to make key business decisions,” including “when and where to tour”;²⁶ “reduc[ing] the likelihood of music fans discovering talented, lesser-known artists”;²⁷ or causing other reputational or financial harms.²⁸ As the fraud detection platform Beatdapp has explained, streaming fraud “does more than just drain revenue,” “[i]t poisons your analytics, wastes marketing spend, compromises user trust in your charts and leaderboards, and leads to inaccurate payouts that damage partner relationships.”²⁹

C. Combatting Music Streaming Fraud

²³ Also referred to as “digital service providers” (“DSPs”) or simply “streaming services.”

²⁴ See *End Streaming Fraud*, Music Bus. Worldwide (Feb. 26, 2026), <https://perma.cc/AWJ7-ZXSK> (“Because streaming services pay rightsholders from a finite pool of revenue, income is being diverted from legitimate creators who attracted users, subscriptions, and advertising to these platforms in the first place.”); Daniel Brooks, *Streaming Fraud Crackdown 2026: How Spotify, Apple, and Distributors are Killing Fake Streams*, Chartlex (Apr. 28, 2026), <https://perma.cc/X56B-T3XA> (“[E]very dollar fraudulently extracted is a dollar pulled from the legitimate royalty pool that pays everyone else.”).

²⁵ See Music Observer Staff, *How Music Streaming Fraud is Impacting Artists and Fans Alike*, Music Observer (Jan. 23, 2026), <https://perma.cc/AH3J-EZTB> (“When fake streams flood the system, legitimate artists get pushed down the algorithm.”).

²⁶ Congressional Request at 3.

²⁷ Meghan O’Donnell, *Streaming Fraud in 2026: The \$2B Problem & How the Music Industry is Fighting Back*, Trolley (Mar. 30, 2026), <https://perma.cc/4UXV-5J4C>.

²⁸ See Sift Trust and Safety Team, *Streaming Fraud: What it is and How it Works*, Sift (Aug. 4, 2025), <https://perma.cc/7Z7Y-DFL2> (noting streaming fraud’s financial and reputational harms to digital music providers (“DMPs”)).

²⁹ *Protect Your Platform with Unmatched Anomaly Detection*, Beatdapp, <https://perma.cc/DH7A-CGNY> (last visited Sep. 25, 2026).

Leaders from across the music industry have condemned streaming fraud.³⁰ As one music executive stated, “[t]here aren’t a lot of advocates for fraud.”³¹ Different industry sectors—including DMPs, distributors, vendors, copyright owners, PROs and CMOs, and law enforcement—have approached the problem in different ways. Below, the Office has identified some publicly reported strategies used to combat streaming fraud. These are intended to be illustrative, not exhaustive, especially as not all such efforts have been made public.³²

DMPs have implemented strategies both internally and with outside partners to combat streaming fraud. Internal approaches can include daily evaluations of suspected artificial streams,³³ including analyzing metrics like listening time, users’ geographic locations, users’ streams of specific artists, and the relationship of saves and follows to

³⁰ See, e.g., *NMPA Inks Deals With Udio & KLAY, Marking First Industry-Wide Licensing Pacts With Major AI Music Firms*, NMPA (June 10, 2026), <https://perma.cc/2JQV-Z7V3> (statement of David Israelite, President and CEO, NMPA); *End Streaming Fraud*, Music Bus. Worldwide (Feb. 26, 2026), <https://perma.cc/AWJ7-ZXSK> (op-ed by Victoria Oakley, CEO, IFPI, and Mitch Glazier, CEO, RIAA); Daniel Tencer, *Rob Stringer says music streaming fraud ‘is a problem that must be eliminated’, calls for better payouts from short-form video platforms*, Music Bus. Worldwide (May 25, 2023), <https://perma.cc/39BF-Y4NT> (“Fraud on key DSPs is a problem that must be eliminated through aggressive enforcement by these DSPs and distributors, or by changing payment methods [*i.e.*, royalty payout models] to better reduce the incentive for fraud.”) (statement of Rob Stringer, Chairman, Sony Music Grp.); DIMA, DIMA Annual Report 2026 6 (June 2026), <https://perma.cc/M4LA-WNL3> (agreeing that streaming fraud “weakens the integrity of the music ecosystem: if left unmitigated, it could distort royalty distributions, skew performance metrics, and disadvantage artists and rightsholders who are operating legitimately”).

³¹ Elias Leight, *Beatdapp, Universal Music Group to Collaborate in Fighting Streaming Fraud*, Billboard (Jan. 19, 2024), <https://perma.cc/35UN-Y299> (statement of Michael Nash, Chief Digi. Officer and EVP, Universal Music Grp.).

³² See, e.g., 91 FR 33208, 33214 (June 3, 2026) (noting the Mechanical Licensing Collective’s (“MLC”) belief that it “must keep specific [fraud] detection and prevention strategies confidential to preserve their effectiveness”).

³³ See *Artificial Streaming and paid 3rd-party services that guarantee streams*, Spotify, <https://perma.cc/8WWD-4L9E> (last visited Sep. 25, 2026); Stuart Dredge, *Apple Talks Music Fraud: ‘On Apple Music Less Than 1% of Streams are Manipulated,’ Music:Ally* (Jan. 21, 2025), <https://perma.cc/5ZMR-UCUG> (discussing Apple Music’s efforts).

total streams.³⁴ DMPs have also imposed fines on uploaders of artificially streamed songs.³⁵

In addition, DMPs are working with others to fight streaming fraud. Some have empowered users and artists to report suspected streaming fraud themselves,³⁶ or partnered with vendors to detect and prevent streaming fraud.³⁷

Music distributors have taken various approaches to combatting streaming fraud.³⁸ They have bolstered their identity verification departments, created “Trust and Safety Departments,” and implemented “know your customer” (KYC) protocols.³⁹ Some

³⁴ See generally Daniel Brooks, *Streaming Fraud Crackdown 2026: How Spotify, Apple, and Distributors are Killing Fake Streams*, Chartlex (Apr. 28, 2026), <https://perma.cc/X56B-T3XA>; JC Sanchez, *How to Identify Fake Streams and What to Do*, Orphiq (July 23, 2026), <https://perma.cc/2VJN-9VUH>.

³⁵ See, e.g., Chance Miller, *Apple Music Doubles the Penalties for Fraudulent Streaming*, 9to5mac (Feb. 11, 2026), <https://perma.cc/XS9U-GU7G> (“Apple’s strategy in squashing Apple Music fraud consists of a sliding scale of fines . . . When it was first implemented, the fee was 5% and capped at 25%. As of this month [February 2026], however, Apple has doubled the fee. It now starts at 10% and is capped at 50%.”); Daniel Brooks, *Streaming Fraud Crackdown 2026: How Spotify, Apple, and Distributors are Killing Fake Streams*, Chartlex (Apr. 28, 2026), <https://perma.cc/X56B-T3XA> (“Spotify now charges distributors a \$10 fee per track with detected fraudulent streams.”).

³⁶ *Reporting Violations*, SoundCloud, <https://perma.cc/Z5C2-9VB8> (last visited Sep. 25, 2026) (enabling users or artists to report streaming fraud).

³⁷ See, e.g., *Protect Your Platform with Unmatched Anomaly Detection*, Beatdapp, <https://perma.cc/DH7A-CGNY> (last visited Sep. 25, 2026) (explaining that its systems are appropriate for DMPs, developers, and artists); *Search*, Pex, <https://perma.cc/GV95-Z6Q8> (last visited Sep. 25, 2026) (explaining how its technology can find alternate versions that do not match the original song). Vendors also provide their fraud detection and prevention services to distributors, copyright owners, and others. Elias Leight, *Beatdapp, Universal Music Group to Collaborate in Fighting Streaming Fraud*, Billboard (Jan. 19, 2024), <https://perma.cc/35UN-Y299> (noting that Universal Music Group and SoundExchange have engaged vendors to fight streaming fraud); 91 FR 33208, 33214 (noting that the MLC “engages with third-party vendors with fraud detection expertise and pursues collaboration with other industry stakeholders to bolster prevention and detection efforts”).

³⁸ See, e.g., Eamonn Forde, *AI, bot farms and innocent indie victims: how music streaming became a hotbed of fraud and fakery*, The Guardian (June 3, 2025), <https://perma.cc/JJT4-TP5A> (noting that music distributor Fuga “gives streaming patterns a ‘severity score,’ separating out ‘non-human listening patterns’ to spot fraud”) (quoting Darren Owen, COO, Fuga)).

³⁹ Jorge Brea, *Fighting Streaming Fraud at the Distributor Level*, SYMPHONIC BLOG (June 17, 2024), <https://perma.cc/9583-6259> (describing the company’s “know your customer” protocols and identification verification systems); Gabija Stankeviciute, *Streaming Fraud: How it Affects the Music Industry*, Idenfy Blog (June 23, 2026), <https://perma.cc/ZN2A-ZZ7G> (“The most effective first step [to combatting streaming fraud] is lowering user anonymity, which is why many companies rely on Know Your Customer (KYC) measures, or identity verification . . .”).

require their clients (songwriters or performing artists) to agree to standard contract terms prohibiting streaming fraud⁴⁰ and subjecting violators to contractual penalties that range from issuing warnings to closing accounts⁴¹ or imposing monetary penalties.⁴² Despite these efforts, some “music-streaming scammers” are able to continue their “lucrative schemes” by “bouncing from distributor to distributor” once they are detected—a problem that has led at least one distributor to propose the creation of “a worldwide database of individuals found to be abusing the streaming system.”⁴³ The Music Fights Fraud Alliance, launched in 2023, was created to enable distributors and DMPs to better coordinate their efforts to combat streaming fraud.⁴⁴

Entities representing copyright owners’ interests have taken steps to prevent both streaming and copyright fraud, including through data-accuracy and related initiatives.⁴⁵ Some copyright owners have partnered with DMPs and distributors in their efforts⁴⁶ and

⁴⁰ See Aruni Soni et al., *This Masquerade: Streaming Fraud and Copyright*, 72 J. Copyright Soc’y 1005, 1007 (2025), <https://perma.cc/77EV-GKEL> (statement of Patra Sinner, Gen. Counsel, Symphonic Distribution) (explaining that their company’s template contract addresses improper activity, including streaming fraud and copyright infringement).

⁴¹ See, e.g., *What is Artificial Streaming?*, DistroKid, <https://perma.cc/LE53-GHDR> (last visited Sep. 25, 2026); *What’s the Deal With Streaming Fraud?*, TuneCore, <https://perma.cc/7J8Q-RKLM> (last visited Sep. 25, 2026).

⁴² *What is Artificial Streaming?*, CD Baby, <https://perma.cc/93JE-3ZQ7> (last updated Feb. 2026).

⁴³ *Sir Lucian Grainge’s Royalty Payout Letter was a ‘Hallelujah Moment’ for Streaming’s Anti-Fraud Movement*, Music Bus. Worldwide (Jan. 17, 2023), <https://perma.cc/743T-YFVU> (statement of Nick Dunn, CEO, Horus Music); see also Aruni Soni et al., *This Masquerade: Streaming Fraud and Copyright*, 72 J. Copyright Soc’y 1005, 1016–17 (2025), <https://perma.cc/77EV-GKEL> (statement of Jon Glass, Senior VP, Head of Digi. Legal Affairs, Warner Music Grp.) (noting that “information sharing is important” to prevent streaming fraud).

⁴⁴ Dan Rys, *Digital Music Companies Band Together to Combat Streaming Fraud With New Task Force*, Billboard (June 14, 2023), <https://www.billboard.com/pro/digital-music-companies-combat-streaming-fraud-initiative/>.

⁴⁵ CISAC, Global Annual Report 2025 9, 20 (2025), <https://perma.cc/VQ6W-TGW5> (describing efforts to “prevent fraud and inaccurate data during the musical works registration process”); *ASCAP and BMI Announce Joint Task Force to Address Fraud*, ASCAP (May 18, 2023), <https://perma.cc/TGM9-STNB> (noting focus on data integrity and identity verification and validation and efforts related to “raising awareness around suspicious activity and schemes” and “shar[ing] best practices”).

⁴⁶ See, e.g., Press Release, Universal Music Grp., Statement on Universal Music Group and Amazon Music Expand Global Relationship (Dec. 22, 2024), <https://perma.cc/T4F3-ZYKJ> (noting that collaboration that would “protect[] against fraud and misattribution”). But see Bill

recently IFPI announced the launch of its “Streaming Integrity Initiative,” joining copyright owners and distributors who have “commit[ed] to baseline practices to prevent, detect and respond to streaming fraud.”⁴⁷ Others have proposed creative solutions, such as replacing the pro-rata royalty system with an artist- or user-centric model, to prevent the dilution of royalties owed for legitimate plays.⁴⁸

Law enforcement agencies also play an important role.⁴⁹ In one recent high-profile case, the United States Department of Justice indicted a defendant in North Carolina on charges of wire fraud, conspiracy to commit wire fraud, and conspiracy to commit money laundering related to streaming fraud.⁵⁰ The defendant, Michael Smith,

Donahue, ‘*AI-Generated Slop*’: UMG Sues DistroKid for ‘Flooding’ Streaming Platforms With Junk Music, *Billboard* (Sep. 15, 2026), <https://www.billboard.com/pro/universal-music-sues-distrokid-in-lawsuit-over-ai-songs/> (reporting a copyright owner’s lawsuit against a distributor for copyright infringement and Delaware Uniform Deceptive Trade Practices Act and suggesting that the distributor “help[ed] to saturate the market with ‘mass AI-generated, SEO-optimized, and copyright-infringing slop’ that [was] deceptively passed off as human-created music” (quoting Compl. at 3–4, UMG Recordings, Inc. v. Distrokid LLC, No. 26-cv-1156 (D. Del. Sep. 15, 2026), Doc. No. 1)).

⁴⁷ Kristin Robinson, *IFPI Launches Initiative to Combat Streaming Fraud*, *Billboard* (Sep. 14, 2026), <https://www.billboard.com/pro/ifpi-initiative-fight-streaming-fraud/> (the initiative’s “five core commitments” involve “Know Your Customer” checks, “[c]ontent vetting,” “[d]etection, investigation and mitigation of suspected fraud,” “[i]ntelligence sharing,” and “[c]ontinuously strengthening and measuring anti-fraud systems to address evolving threats”).

⁴⁸ See Aruni Soni, et al., *This Masquerade: Streaming Fraud and Copyright*, 72 J. Copyright Soc’y 1005, 1013–14 (2025), <https://perma.cc/77EV-GKEL> (statement of Jon Glass, Senior VP, Head of Digi. Legal Affairs, Warner Music Grp.) (describing a royalty distribution model where royalties are distributed according to each user’s plays, instead of dividing a larger, “pooled group of revenue” by all users’ plays).

⁴⁹ U.S. Dep’t of Just. (“DOJ”), Press Release, Statement on North Carolina Musician Charged With Music Streaming Fraud Aided By Artificial Intelligence (Sep. 4, 2024) (“DOJ Press Release”), <https://perma.cc/C6C7-HH32>; see also Dylan Smith, *Co-Conspirator Details Emerge in Massive \$10 Million Streaming Fraud Indictment — Including the CEO of a Major AI Music Company*, *Digi. Music News* (Sep. 5, 2024), <https://perma.cc/F67W-BKA2> (describing the criminal investigation into the streaming fraud scheme).

⁵⁰ Smith Indictment at 15–17.

had created thousands of “bot” accounts on streaming platforms, used those accounts to stream his uploaded songs,⁵¹ and fraudulently collected some \$10 million in royalties.⁵²

Outside of the United States, a Danish man was recently sentenced to prison and fined for artificially inflating stream counts.⁵³ An alarming report out of Sweden found that “crime networks linked to drugs, fraud, and contract killings have for years used . . . false streams of songs published by artists with ties to the gangs,” to “effectively launder[] the [gang’s] money.”⁵⁴ And there appear to be growing concerns that organized crime will use streaming fraud for money-laundering and other nefarious purposes.⁵⁵

II. Congressional Request and Subjects of Inquiry

The Congressional Request asked for information on “the prevalence of streaming fraud across digital platforms and how it may be affecting the music industry as a

⁵¹ In this case, the hundreds of thousands of songs that the defendant uploaded were created with artificial intelligence (“AI”). *Id.* at 10–11. As the Congressional Request noted, “there is nothing inherently wrong with using AI as a creative tool in music development, or the organic growth of AI-generated music,” but there are concerns that “generative AI can serve as a catalyst for criminals to perpetrate streaming fraud[,]” especially as streaming fraud scales relative to the number of songs involved in the scheme. Congressional Request at 2; Smith Indictment at 9 (“To successfully execute the streaming fraud scheme . . . the defendant[] needed access to a large volume of songs. Although [the defendant] was himself a musician and had access to a small catalog of music that he owned, . . . [the defendant] needed to own far more songs for his scheme to generate meaningful illicit proceeds.”).

⁵² Smith Indictment at 5, 12; DOJ, Press Release, Statement on North Carolina Man Pleads Guilty To Music Streaming Fraud Aided By Artificial Intelligence (Mar. 19, 2026), <https://perma.cc/WPB3-TSCS>. In March 2026, the defendant pleaded guilty to one count of conspiracy to commit wire fraud, and sentencing is scheduled for October 2026. DOJ Press Release; Order Setting Sentencing for 10/6/2026 at 3:00 PM Before Judge John G. Koeltl, No. 24-cr-504 (S.D.N.Y. June 10, 2026).

⁵³ See Mandy Dalugdug, *Court Increases Prison Sentence for Danish Man Convicted of Streaming Fraud*, Music Bus. Worldwide (Feb. 10, 2025), <https://perma.cc/GS2U-NLWR> (“The scheme involved releasing edited versions of music copied from Danish musicians under his own name” and resulted in a criminal conviction for data fraud and copyright infringement leading to a prison sentence and restitution exceeding \$45,000 USD.).

⁵⁴ See Ashley King, *Swedish Investigatory Report Reveals Spotify as Money-Laundering ‘ATM for Criminal Gangs,’* Digi. Music News (Sep. 6, 2023), <https://perma.cc/5A3N-3QH2>.

⁵⁵ See NMPA Inks Deals With Udio & KLAY, Marking First Industry-Wide Licensing Pacts With Major AI Music Firms, NMPA (June 10, 2026), <https://perma.cc/2JQV-Z7V3> (“There is growing concern by the U.S. government that [streaming fraud] is being used to launder money for organized crime and even to finance terrorism. Streaming fraud is a national security issue.”) (statement of David Israelite, President and CEO, NMPA).

whole.”⁵⁶ To aid Congress’s understanding of these issues, the Office is soliciting written responses on the subjects of inquiry below.

1. How is streaming fraud executed? What data is available about the prevalence of specific schemes (*e.g.*, bot farms, click farms, playlist manipulation, and fraudulent marketing companies)?
2. What industry policies or practices may be inadvertently contributing to streaming fraud?
3. What data is available on the current and projected economic impacts of streaming fraud?
4. What data is available on the relationship of streaming fraud to “the effects of AI-generated [music]” and “the licensing and distribution . . . royalties” for the performance and reproduction of musical works and sound recordings?⁵⁷
5. What data is available on the relationship of streaming fraud to various aspects of live music performances, including venue selection, ticket sales, or “secondary sales (*e.g.*, food and beverage, merchandise, parking, etc.)?”⁵⁸
6. What methods have been used by various stakeholders to combat streaming fraud and how effective have those methods been? Commenters may wish to address:
 - a. How various stakeholders are differently positioned to prevent fraudulent activity or investigate suspicious behavior;
 - b. The effectiveness of policies regarding trusted distributors, content verification, customer verification, royalty clawback, fines, and content removal; and

⁵⁶ Congressional Request at 4.

⁵⁷ *Id.*

⁵⁸ *Id.* at 3.

- c. How stakeholders are using vendors to combat streaming fraud.
- 7. How can ownership or usage data be employed to better combat streaming fraud? Commenters may wish to address:
 - a. Sharing of suspicious activity reports or other efforts to increase transparency;
 - b. A shared database to track instances of known streaming fraud;
 - c. Metadata standardization and use; or
 - d. Labeling of content that is ineligible for statutory royalties.
- 8. What are some potential voluntary, statutory, or regulatory solutions to streaming fraud? Commenters may wish to address:
 - a. Any voluntary initiatives or best practices that are currently being considered;
 - b. Whether legislation providing for a remedy such as no-fault injunctive relief⁵⁹ could be used to address streaming fraud; and
 - c. How rules governing information-sharing could be adjusted to better combat streaming fraud.⁶⁰
- 9. How can streaming fraud be better addressed through criminal enforcement? Commenters may wish to address:

⁵⁹ See, e.g., Block Bad Electronic Art and Recording Distributors Act of 2025, 119th Cong. (2025) (discussion draft), <https://perma.cc/MV3W-YW2V>; American Copyright Protection Act of 2026, H.R.10364, 119th Cong. (2026), <https://perma.cc/8EBM-66HQ>; Deterring Extraterritorial Foreign Exploitation of Networks Damaging Intellectual Property (DEFEND IP) Act, H.R.10575, 119th Cong. (2026), <https://perma.cc/8JNV-NUUS>.

⁶⁰ The U.S. Department of the Treasury’s (“Treasury”) Financial Crimes Enforcement Network (“FinCEN”) recently issued a Fact Sheet encouraging collaborative efforts between financial agencies including the sharing of suspicious activity reports. See generally, *Section 314(b) Fact Sheet*, FinCEN (June 12, 2026), <https://perma.cc/R49A-2UFD> (discussing Treasury’s steps to increase information sharing between financial institutions to curb crimes, including money laundering and fraud, and explaining when and how the information can be shared through a statutory safe harbor).

- a. Effective approaches to pursuing criminal prosecutions related to streaming fraud, including at the state and local level; and
- b. Uses of streaming fraud by organized crime.

10. Any additional recommendations for Congress to address issues related to streaming fraud.

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