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(Original Signature of Member)

119TH CONGRESS
1ST SESSION

H. R. _____

To amend title 17, United States Code, to secure the rights of visual artists to copyright, to provide for resale royalties, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. NADLER introduced the following bill; which was referred to the Committee on _____

A BILL

To amend title 17, United States Code, to secure the rights of visual artists to copyright, to provide for resale royalties, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “American Royalties
5 Too Act of 2025”.

1 **SEC. 2. RESALE ROYALTY.**

2 (a) COLLECTION OF RESALE ROYALTY FOR VISUAL
3 ART.—Chapter 1 of title 17, United States Code, is
4 amended by inserting after section 106A the following:

5 **“§ 106B. Collection of resale royalty for visual art**

6 “(a) DEFINITIONS.—In this section:

7 “(1) ART MARKET PROFESSIONAL.—The term
8 ‘art market professional’ means a person engaged in
9 the business of buying and selling works of visual
10 art to the public.

11 “(2) AUTHOR’S SUCCESSOR.—The term ‘au-
12 thor’s successor’ means an individual who holds the
13 right of the author of a work of visual art to the re-
14 sale royalty after the death of the author as defined
15 under subsection (e)(3).

16 “(3) COMMERCIAL RESALE.—The term ‘com-
17 mercial resale’ means a sale of a resale copy of a
18 work of visual art by, or with the intervention of, an
19 art market professional, subsequent to the first sale
20 of that copy.

21 “(4) PRICE.—The term ‘price’ means the ag-
22 gregate of all payments in cash, credit, or in-kind by
23 or on behalf of a purchaser, excluding any fees for
24 services rendered by the art market professional in
25 connection with such sale.

1 “(5) RESALE COPY.—The term ‘resale copy’,
2 for the purposes of this section, means the material
3 object in which the work of visual art is fixed by or
4 under the authority of the author, in a single or lim-
5 ited edition.

6 “(6) VISUAL ARTISTS’ COLLECTING SOCI-
7 ETIES.—The term ‘visual artists’ collecting societies’
8 means entities that have been designated to admin-
9 ister the resale royalty under this section.

10 “(b) COLLECTION GENERALLY.—Independent of the
11 exclusive rights provided in section 106, the author of a
12 work of visual art shall be entitled to a royalty for the
13 commercial resale of a resale copy of the work by a person
14 other than the author or the author’s successor for a price
15 of \$5,000 or more.

16 “(c) DURATION.—The entitlement to a resale royalty
17 shall subsist simultaneously with and for the duration of
18 the term of copyright protection afforded to the work of
19 visual art pursuant to chapter 3 of this title.

20 “(d) CALCULATION AND PAYMENT OF ROYALTY.—

21 “(1) IN GENERAL.—The royalty for the sale of
22 a resale copy of a work of visual art under this sec-
23 tion shall be an amount equal to the lesser of—

1 “(A) 5 percent of the price paid for the re-
2 sale copy of the work of visual art in that sale;
3 or

4 “(B) \$50,000.

5 “(2) ADJUSTMENT OF AMOUNT.—In 2022 and
6 each year thereafter, the dollar amount described in
7 paragraph (1)(B) shall be increased by an amount
8 equal to the product of—

9 “(A) that dollar amount; and

10 “(B) the cost-of-living adjustment deter-
11 mined under section 1(f)(3)(A) of the Internal
12 Revenue Code of 1986 for the year, determined
13 by substituting ‘the C–CPI–U for calendar year
14 2024’ for ‘the CPI for calendar year 2024’ and
15 all that follows in clause (ii) of that section.

16 “(e) COLLECTION AND PAYMENT OF ROYALTY.—

17 “(1) COLLECTION.—Not later than 90 days
18 after the date of the final payment for the purchase
19 of the resale copy of the work of visual art, the art
20 market professional shall pay the resale royalty cal-
21 culated under subsection (d) to such visual artists’
22 collecting societies as are designated by the Register
23 of Copyrights under subsection (i).

24 “(2) DISTRIBUTION.—Not fewer than four
25 times each year at quarterly intervals, any visual

1 artists' collecting society to which payments are
2 made under paragraph (1) shall distribute to the au-
3 thor or the author's successor as copyright owner in
4 an amount equal to the difference between—

5 “(A) all royalties attributable to the sales
6 of resale copies of works of visual art by the au-
7 thor; and

8 “(B) the reasonable administrative ex-
9 penses of the collecting society as determined
10 by regulations issued under subsection (i).

11 “(3) SUCCESSORS.—In a case in which an au-
12 thor is dead, the right of that author to the resale
13 royalty shall transfer as bequeathed by will. In the
14 absence of a will, the right shall be apportioned as
15 follows:

16 “(A) The widow or widower is entitled to
17 the entire royalty of the author unless there are
18 any surviving children or grandchildren of the
19 author, in which case the widow or widower is
20 entitled to one-half of the author's royalty.

21 “(B) Any surviving child of the author,
22 and any surviving child of any dead child of the
23 author, is entitled to the royalty of the author
24 in accordance with this section as follows:

1 “(i) A single surviving child of the au-
2 thor or single surviving grandchild that is
3 the child of a deceased child of the author
4 is entitled to the entire royalty of the au-
5 thor if there is no surviving spouse.

6 “(ii) If there is no surviving spouse
7 and more than one child of the author,
8 alive or dead, each child is entitled to an
9 equal share of the royalty, and the share of
10 any deceased child shall be split equally
11 among all surviving grandchildren that de-
12 scend from the deceased child.

13 “(iii) If there is a surviving spouse,
14 each child of the author is entitled to an
15 equal share of one-half of the royalty, and
16 the share of any deceased child shall be
17 split equally among all surviving grand-
18 children that descend from the deceased
19 child.

20 “(C) In the event that the author’s widow
21 or widower, children, and grandchildren are not
22 living, the entitlement to collect a resale royalty
23 is extinguished.

24 “(D) Where a work of visual art is a joint
25 work, each joint author is entitled to an equal

1 share of any resale royalty. Where an author
2 who is a joint author is dead, his or her share
3 of any resale royalty shall be apportioned
4 among his or her successors in accordance with
5 this paragraph (3).

6 “(4) UNCLAIMED ROYALTIES.—

7 “(A) ESCROW.—Subject to subparagraph
8 (B), if, after a good faith effort, a visual artists’
9 collecting society is not able to make a timely
10 distribution under paragraph (2) because the
11 collecting society is unable to locate the author
12 or the author’s successor, the collecting society
13 shall—

14 “(i) deposit the amount that would
15 have been distributed to the author or au-
16 thors’ successor into an interest-bearing
17 escrow account until the author or the au-
18 thor’s successor has been identified and lo-
19 cated, and continue to make reasonable
20 good faith efforts to identify and locate the
21 author or author’s successor, including by
22 administering and publicizing, including on
23 the visual artists’ collecting society’s
24 website, a process by which authors or the

1 author's successor can claim any royalty
2 due under this subsection; and

3 “(ii) upon locating the author or au-
4 thor's successor, distribute the amount de-
5 scribed in clause (i), including interest, to
6 the author or author's successor.

7 “(B) TRANSFER.—If the author or the au-
8 thor's successor is not located during the 3-year
9 period beginning on the date on which the sale
10 of the resale copy of the work of visual art cov-
11 ered under this section occurs, the amount that
12 would have been distributed to the author or
13 the author's successor under paragraph (2)
14 shall be transferred to the Copyright Office for
15 the purposes of developing and conducting pro-
16 grams and educational initiatives in support of
17 artists in the United States. Distribution of
18 funds under this subparagraph satisfies the ob-
19 ligations of the visual artists' collecting society
20 under this subsection with respect to those
21 funds.

22 “(5) ADMINISTRATION.—Visual artists' col-
23 lecting societies shall administer all amounts col-
24 lected under this subsection in accordance with gen-
25 erally accepted accounting principles.

1 “(f) FAILURE TO PAY OR DISTRIBUTE ROYALTY.—

2 “(1) RIGHT OF ACTION.—

3 “(A) If an art market professional fails to
4 pay a royalty in accordance with subsection (e)
5 to a visual artists’ collecting society designated
6 by the Register of Copyrights, such a society,
7 either by itself or jointly with any other such
8 society, may bring an action in a district court
9 of the United States to recover an amount
10 equal to the amount of the royalty and attor-
11 ney’s fees but if no such society exercises this
12 right within one year from the date payment is
13 due, the author or author’s successors may
14 within three years from the date payment is
15 due bring an action in a district court of the
16 United States to recover an amount equal to
17 three times the amount of the royalty and at-
18 torney’s fees.

19 “(B) If a visual artists’ collecting society
20 to which a royalty payment is made under sec-
21 tion (e)(1) fails to distribute the royalty in ac-
22 cordance with subsection (e)(2) or (3), the au-
23 thor or author’s successors may within three
24 years from the date the society received the roy-
25 alty payment bring an action in a district court

1 of the United States to recover an amount
2 equal to three times the amount of the royalty
3 and attorney's fees.

4 “(2) COLLECTING SOCIETIES.—With the per-
5 mission of the person to whom the resale royalty is
6 due under paragraph (1), visual artists' collecting
7 societies may bring a suit on that person's behalf
8 under this subsection.

9 “(3) EXCLUSIVE REMEDIES.—The remedies
10 provided under this subsection shall be the exclusive
11 remedies for a failure to pay or distribute a royalty
12 in accordance with subsection (e).

13 “(g) NO TRANSFERS.—The entitlement to a royalty
14 under this section may not be sold, assigned, or otherwise
15 transferred or waived.

16 “(h) ELIGIBILITY TO RECEIVE ROYALTY PAY-
17 MENT.—Any visual artists' collecting society that collects
18 a royalty under this section for the sale of a resale copy
19 of a work of visual art shall distribute the royalty to—

20 “(1) any author of the work of visual art—

21 “(A) who is a citizen of or domiciled in the
22 United States;

23 “(B) who is a citizen of or domiciled in a
24 country that provides a royalty for the resale of
25 a resale copy of a work of visual art; or

1 “(C) whose work of visual art is first cre-
2 ated in the United States or in a country that
3 provides a royalty for the resale of a copy of a
4 work of visual art; or

5 “(2) the successor of an author described in
6 paragraph (1).

7 “(i) REGULATIONS.—The Register of Copyrights may
8 conduct such proceedings and adopt such regulations as
9 necessary or appropriate to effectuate the provisions of
10 this section, including to—

11 “(1) establish a process by which entities are
12 designated as a visual artists’ collecting societies au-
13 thorized to administer royalty collections and dis-
14 tributions under this section, which process shall re-
15 quire such entities to—

16 “(A) have experience in licensing the copy-
17 rights of authors of works of visual art in the
18 United States; or

19 “(B) have experience in collecting, main-
20 taining, and distributing monies on behalf of
21 artists in accordance with generally accepted
22 accounting principles;

23 “(2) determine the reasonable administrative
24 expenses that the visual artists’ collecting societies

1 may deduct from the royalties payable under sub-
2 section (e)(2)(B);

3 “(3) establish a process by which—

4 “(A) visual artists’ collecting societies may
5 obtain from any art market professional the
6 sale price, date of sale, and other such informa-
7 tion as the Register of Copyrights deems appro-
8 priate, for each sale of a resale copy of a work
9 of visual art covered by this section; and

10 “(B) an author of a work of visual art or,
11 if the author is dead, the author’s successor
12 may obtain from visual artists’ collecting soci-
13 eties any information in the possession of the
14 collecting societies, including the information
15 obtained under clause (A) and the amount of
16 any royalty paid to the collecting societies, that
17 relates to a sale of any resale copies of such au-
18 thor’s work; and

19 “(4) establish a process by which the visual art-
20 ists’ collecting societies may lose their designation as
21 such if, in the judgment of the Register, the entity
22 fails to substantially carry out the duties of a visual
23 artist’s collecting society or fails to comply with the
24 appropriate standards of conduct under this section

1 or any applicable regulations adopted by the Reg-
2 ister.

3 “(j) CLOSEST ALTERNATIVE DESIGNATION.—If the
4 Register is unable to identify an entity that fulfills each
5 of the qualifications set forth in clauses (A) through (B)
6 in section (i)(1), or if an entity is identified and the Reg-
7 ister finds cause not to designate such entity, the Register
8 may designate any entity that most nearly fulfills such
9 qualifications for purposes of carrying out the responsibil-
10 ities of the visual artists’ collecting societies and for which
11 the Register does not find cause not to designate. If the
12 Register judges that no entity nearly fulfills the qualifica-
13 tions for the purposes of carrying out the responsibilities
14 of the visual artists’ collecting societies, then the Register
15 may promulgate regulations for an alternative method for
16 collecting and distributing resale royalties.”

17 (b) TECHNICAL AND CONFORMING AMENDMENT.—
18 The table of sections for chapter 1 of title 17, United
19 States Code, is amended by inserting after the item relat-
20 ing to section 106A the following:

“106B. Collection of resale royalty for visual art.”

21 **SEC. 3. NOTICE OF COPYRIGHT.**

22 Section 401 of title 17, United States Code, is
23 amended by adding at the end the following:

1 “(e) NON-APPLICABILITY TO WORKS OF VISUAL
2 ART.—The provisions of this section shall not apply to a
3 work of visual art.”.

4 **SEC. 4. STUDY REQUIRED.**

5 Not later than 5 years after the date of the enact-
6 ment of this Act, the Register of Copyrights shall conduct
7 a study on the implementation of this Act and submit to
8 the Committee on the Judiciary of the Senate and the
9 Committee on the Judiciary of the House of Representa-
10 tives a report on the results, including any recommenda-
11 tions for legislation.

12 **SEC. 5. EFFECTIVE DATE.**

13 This Act and the amendments made by this Act shall
14 take effect on the date that is one year after the date of
15 enactment of this Act.