

Merriweather Scalped Ticketing Screenshots.pdf

Uploaded by: Audrey Fix Schaefer

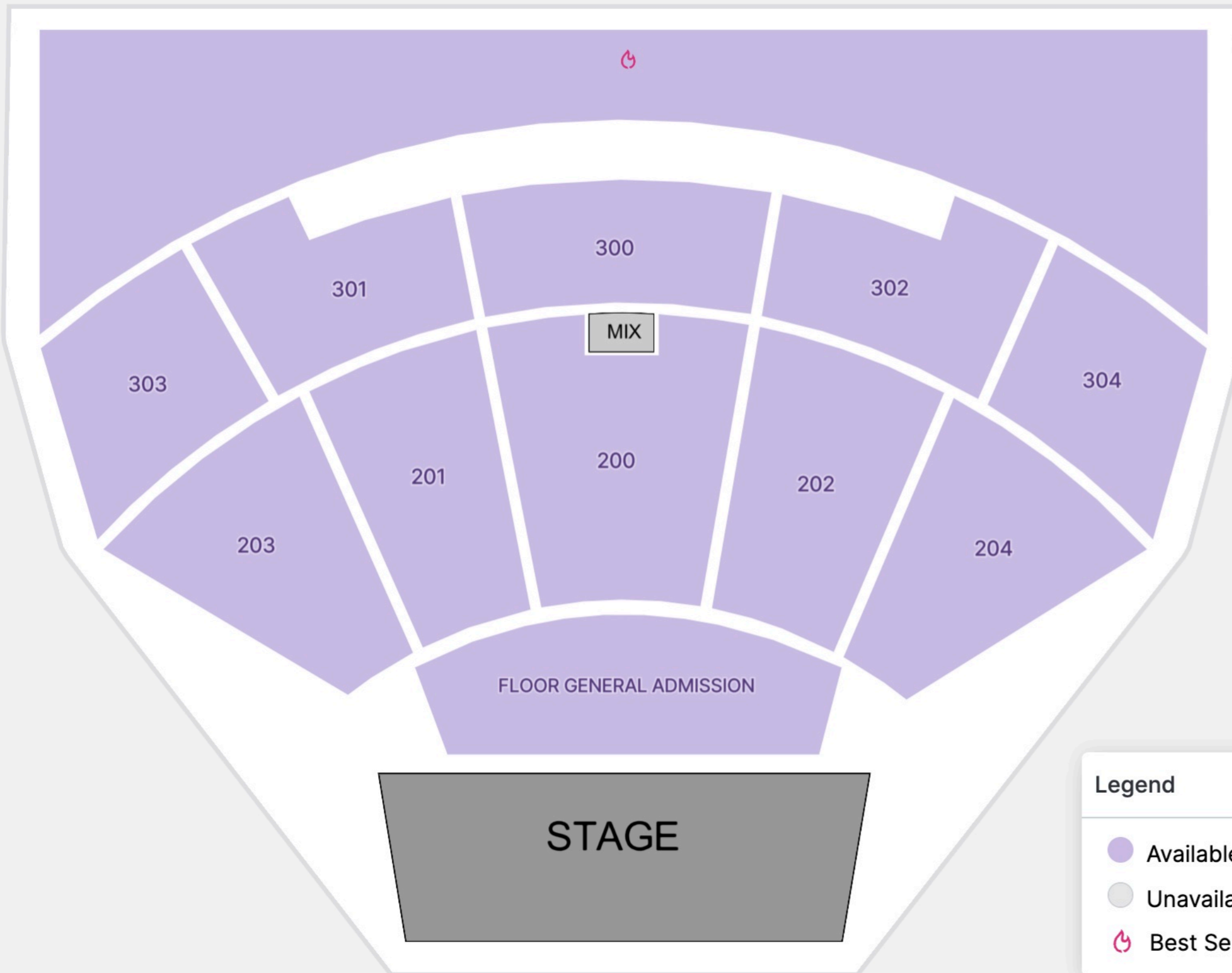
Position: FAV

Hozier
May 17 • Fri • 8:00PM • 2024
Merriweather Post Pavilion, Columbia, MD, USA

Not looking for Hozier? [Sell](#) [My Tickets](#) [Sign In](#)

To gain access to the event, you need to be accompanied by the original buyer of tickets.

Filters | 2 tickets | \$348 - \$11,820+ | Front rows | Zones



- No image available
- Section Pit Fan
2 tickets
Clear view ⓘ **\$14,044 each**
- Section Diamond Fan
2 tickets
Clear view ⓘ **\$14,628 each**
- Section Gold Deluxe
2 tickets
Clear view ⓘ **\$17,848 each**
- Section 300
2 tickets, seated together ⓘ **\$24,697 each**

- ✓ Login or Register
- ✓ Delivery
- ✓ Payment & Billing
- 4 Place Order

Payment

Confirm and Place Order

By clicking "Place order", you agree to the Vivid Seats [terms of use](#) and to the [Rewards Program terms and conditions](#) and confirm that you are aware that you may be paying above face value for your tickets. Your credit card will be charged \$25057.42. All prices in US Dollars. All sales are final.

If you select a Pay Later offer to pay for your tickets and add insurance, Allianz Ticket Protection will be charged to the first active payment method from your wallet in the following order: PayPal Balance, bank account, PayPal debit card, PayPal credit card, other debit card, other credit card, or e-check.

Loading Paypal...

Mitski

Merriweather Post Pavilion - Columbia, MD
Friday August 30, 2024 7:30pm

Ticket Details

Section: **Section 200**

Row: **F**

Notes: Please note that you will need to use an iOS or Android mobile device to gain entry to your event.

Price: **\$8929.00** each

Quantity: **2**

Mobile Tickets

100% Buyer Guarantee

Apply a Gift Card or Promo Code

Ticket Total	\$8929.00 x 2
Service Total	\$3597.21 x 2
Electronic Transfer	\$2.50 x 2

Total Charge **\$25057.42**

SAT
JUN 29, 2024
7:00PM

Alanis Morissette, Joan Jett And The Blackhearts & Morgan Wade

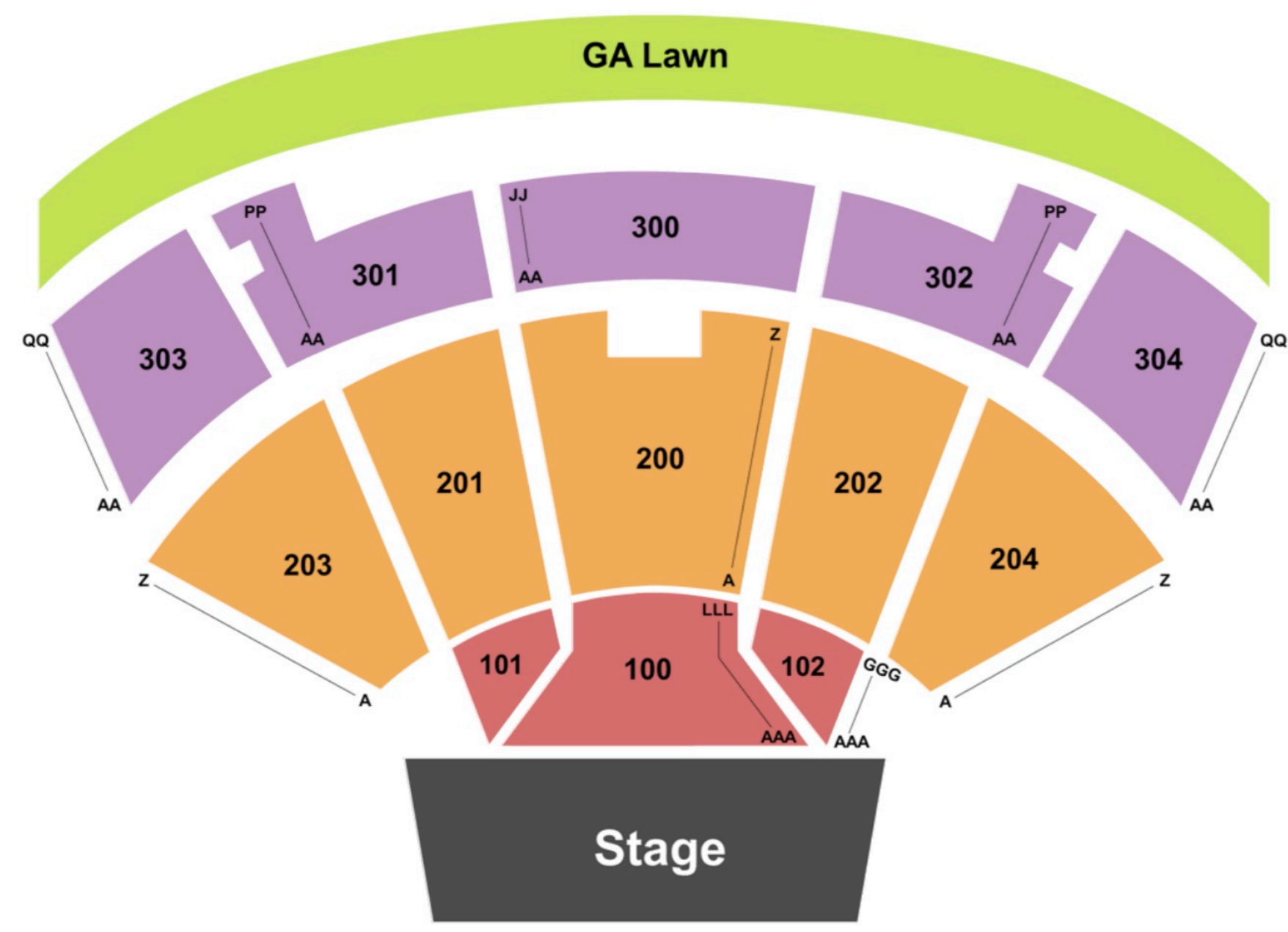
Merriweather Post Pavilion, Columbia, MD

Show All Events

Attend in Style
Explore ticket packages for extra access, amenities & more.
[Show Packages](#)

100% Money-Back Guarantee
Ticket Network is a resale marketplace, not a box office or venue. Prices may be above or below face value. Your seats are together unless otherwise noted. Tickets will be the ones your ordered or better. Refunds for canceled events

Seatics map



Select by Venue Level

Filter & Sort [Clear Filters](#)

Quantity: **Any** 1 2 3 4+

Min Price: 137 — **Max Price: 3,446**

Show prices with estimated fees

Sort by: Price - Low to High

Find tickets for [Alanis Morissette](#) in Columbia, MD at [Merriweather Post Pavilion](#) on June 29, 2024.
[Merriweather Post Pavilion](#) is located in Columbia, MD

- ✔ Login or Register
- ✔ Delivery
- ✔ Payment & Billing
- 4 Place Order

Payment

EVENT TICKET PROTECTION

Get reimbursed 100% of your ticket cost for \$16.00 total.

If you can't attend the event for a number of covered reasons - such as covered illness, injury, airline delay, traffic accident, mechanical breakdown, weather emergency, and more - you can get 100% of the ticket price returned to you.

Recommended/offered/sold by Allianz Global Assistance. Underwriter: Jefferson Insurance Company. Plan incl. insurance & assistance services. Terms & exclusions (incl. for pre-existing conditions) apply. [Plan & Pricing details, disclosures, Coverage Alerts](#). Insurance billed separately through Allianz Global Assistance.

Please select yes or no

- Yes, protect my ticket purchase for Mitski Parking. **✔ Highly Recommended**
- No, don't protect my ~~\$127.14~~ ticket purchase. I choose not to add the security of event ticket protection for my event.

 16,186 people protected their tickets in the last 7 days

Confirm and Place Order

By clicking "Place order", you agree to the Vivid Seats [terms of use](#) and to the [Rewards Program terms and conditions](#) and confirm that you are aware that you may be paying above face value for your tickets. Your credit

Mitski Parking

Merriweather Post Pavilion Parking - Columbia, MD
Friday August 30, 2024 8:00pm

Ticket Details

Section: ZONEA

Row: GA

Notes: Parking pass only. Does not include admission to the event. Please note that you will need to use an iOS or Android mobile device to gain entry to your event.

Price: **\$89.00** each

Quantity: 1

Mobile Tickets 

 100% Buyer Guarantee 

Apply a Gift Card or Promo Code 

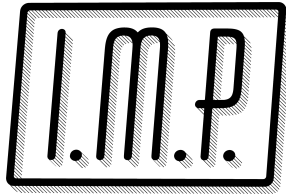
Ticket Total	\$89.00
Service Total	\$35.64
Electronic Transfer	\$2.50

Total Charge **\$127.14**

MPP TESTIMONY IN SUPPORT OF SB 539.pdf

Uploaded by: Audrey Fix Schaefer

Position: FAV



TESTIMONY IN SUPPORT OF SB 539

Audrey Fix Schaefer

Director of Communications, Merriweather Post Pavilion/I.M.P.

I'm Audrey Fix Schaefer, director of communications for I.M.P., the Bethesda-based company that operates Merriweather Post Pavilion in Columbia, MD, and I'm testifying with gratitude for the sponsors and in staunch support of SB 539, because it is the most pro-consumer protection bill we've seen pertaining to Maryland ticket sales.

This year marks the 20th concert season our company, Bethesda, Md.-headquartered I.M.A, has been operating Merriweather. When we took it over, it was on the brink of going under. Since that time, we've made more than \$60 million in renovations; some technical – like state-of-the-art sound and video systems and literally raising the roof; some audaciously creative, like the SkyLawn™ that allows fans to watch the show while sitting on a soft patch of grass suspended in the sky, or the backstage pool which energizes road-weary artists and makes them chose us over other amphitheaters.

We've invested in substantial environmental improvements thanks to chart-topping musician Jack Johnson's help. In fact, 70% of shows are run off the grid with solar panels. We now feature a massive sculpture garden honoring artists who have played with us, including Miles Davis, Tina Turner, Willie Nelson, and Dolly Parton. We have a rock and roll pinball arcade and incomparable food offerings. We do it all because we want to delight artists and fans alike.

Last year more than 450,000 people came through our gates, attracting ticket buyers from all 50 states and Washington, D.C., and internationally. They, in turn, brought \$68 million in economic benefit to Maryland as they came for a show but also ate at area restaurants, stayed in hotels, went shopping, and saw other Maryland attractions. We're the magnet, but that's just the beginning. We also employ more than 800 people in Maryland who realize an estimated \$13.5 million in income.

I'll sum up this section by letting you know that industry trade magazine Pollstar just named Merriweather Post Pavilion the *#1 amphitheater in the world*, which is a phenomenal recognition that would have been unthinkable 20 years ago.

Also unthinkable 20 years ago: scalpers selling "speculative" tickets, which are fake tickets that they don't have, and putting them on sale before we, the venue, have sold a single ticket. Scalpers trick consumers into thinking they're buying from Merriweather and other venues using websites that parrot us by abusing our brand and intellectual property, and by using unregulated Google search engine optimization to have their sites listed way above ours. They also continue to use illegal BOTS and algorithms to scoop up tickets before real fans have a fair chance, causing fans to overpay dramatically and unnecessarily.

Major resale platforms claim they are simply connecting music lovers with each other. Yet the *majority* of sales on many secondary platforms are conducted by professional brokers looking to turn a profit, according to the investigative news outlet Reveal. Nearly all marketplaces tack on exorbitant fees that,

when combined with the price-gouged listings, can swell the total cost to many times the advertised price. That dynamic has been supercharged online, ballooning to a market worth roughly \$15 billion. Ticket resale is no longer driven by fast-talkers peddling their wares outside U.S. arenas - now it's effectively dominated by software companies and the platforms that host them.

Here are just three recent egregious examples for this upcoming season at Merriweather. Hozier set his ticket price at \$99, yet tickets are listed on StubHub for more than **\$24,697** per ticket with fees. Mitski tickets on Vivid Seats are up to **\$12,526** when she set the price ticket at \$125. TicketNetwork lists Alanis Morissette tickets for **\$3446**, when she priced at \$150. And completely shameless: Vivid Seats listing page after page of parking spots at Merriweather for \$125 - when we don't charge for parking at all.

Who does this gouging harm? The fans, of course, who then can't afford to see as many shows or won't be able to buy a concert T-shirt because no one has limitless resources. Who else is harmed? The artist on stage, whose fans often perceive these scalped tickets and gouged prices as being the artists' fault without recognizing that they were deceived by a third party. Who else is harmed? Other artists who won't be discovered because fans can't afford to go to more shows. Finally, venues like ours are also harmed, because fans can't afford to attend additional shows or spend on food and merchandise when with us, and because we're the ones who have to try to help an emotional fan when they realize they've been duped.

Why do we support this legislation? It provides comprehensive reforms that take the profit motive out of predatory ticket selling once and for all in Maryland. It prohibits ticket resellers from gouging Maryland consumers, it bans fake tickets, it ensures fans who can't make it to a show can sell their tickets to other fans at face value, it requires transparency, and it codifies that a concert ticket is a license, not property. The last point is crucial. I'm not an attorney so I'll explain the difference in layperson's terms. A concert ticket is a license to enter our venue - it's your permission slip for that show, on that evening. You'll hear those vying to change the classification to "property" or say the purchaser is a "rights holder" because those other entities don't want the artist, the venue, or you - our government representatives, to stop them from overcharging. Make no mistake, the rights holder is the entity initially selling the ticket, not those who purchase it with the sole purpose of profiting off others' work.

Why is this egregious? The scalpers vacuum up tickets using BOTS and algorithms before real fans can place an order, and then they list them on resale platforms like StubHub, Vivid Seats, and TicketNetwork, which literally make billions of dollars off the backs of the artists and venues who actually make these events happen.

As a venue, we bear all the financial risk. We pay the artists, our employees, rent, insurance and state and local taxes, and we provide security, food and beverage, and all the other components required to put on shows and festivals. The artists create the art, hire band members, lighting and sound engineers, tour managers, agents, business managers, and bus drivers, and pay for hotels, food, and transportation for themselves and their entire crew. Why should scalpers take advantage of customers and make more on a performance than the artists and venues that have invested in the show?

Secondary sites are awash with fraudulent tickets, and they may have a quote, unquote "guarantee," for tickets, but when fans come to our box offices with fake tickets, it's us at the venue who are faced with an understandably angry customer that think it's our fault. And that resellers' quote, unquote "guarantee" never repays the customer for their flights to town, hotels, meals, and lost wages. The duped customer is left holding the bag and missing the entertainment experience they longed for.

This is why we fight for consumer protection. We want to ensure that fans will want to come back to our venue, or anyone else's, for decades to come. Scalpers who scam and the platforms that host them have no such interest in a long-term relationship. It's not about the art or the fun night out for them. It's only about the bottom line, treating these emotional opportunities like market commodities.

We fully support fans who can't make a show being able to sell their tickets at face value to recoup their money and allow someone else to enjoy a night out. But this rampant and abusive ticket scalping is simply a form of unregulated arbitrage that disadvantages fans, artists, and venues alike, and it must be stopped.

I'll end by noting that this proposed legislation is nothing short of groundbreaking. I predict, when turned into law, it will be the national gold standard for consumer protection and artists will choose to play in Maryland over neighboring states as a result. It's just that good. I respectfully urge you to vote yes for SB 539 and I thank you.

MD SB 539 - IAVM Support - Final 2.23.23.pdf

Uploaded by: David Touhey

Position: FAV



**INTERNATIONAL
ASSOCIATION OF
VENUE MANAGERS**
635 Fritz Drive, Suite 100
Coppell, TX 75019
972-906-7441
iavm.org

February 13, 2024

Maryland Senate Finance Committee
Senator Pamela Beidle, Chair
Senator Katherine Klausmeier, Vice-Chair

Honorable Members of the Maryland Senate Finance Committee:

The International Association of Venue Managers is encouraged to see the State of Maryland take an active interest in event ticketing to protect the residents and consumers in their communities. We are in support of Maryland SB 539 in its current form which will protect consumers by prohibiting speculative tickets, mandating price transparency and limiting the exorbitant price increases in the secondary market.

We support legislation at the federal and state level that protects fans and the public that attend our events. For legislation to be effective, it must address price transparency through all-inclusive pricing; fully prohibit the use of speculative tickets, which is fraudulent and is the practice of selling tickets that the seller does not have and ban the use of deceptive URLs and marketing.

IAVM supports Maryland SB 539 in its current form, which accomplishes two of the essential items that IAVM supports. This bill supports the integrity of the ticket sales process and provides needed protections to consumers and fans in Maryland. This bill has the added protection of limiting the price increases fans can experience in the secondary market. This alone can be the single biggest pain point for fans wanting to attend events.

IAVM has over 7,200 active members who are managers and senior executives from public assembly venues including, auditoriums, arenas, convention centers, exhibit halls, stadiums, performing arts centers, university complexes, amphitheaters, and fairgrounds. We actively work to provide a safe and positive environment and experiences for all customers, fans and ticket purchasers who attend events at our venues. We are pleased to see the State of Arizona take these actions to further support those efforts.

Sincerely,

David P. Touhey, CVE
Vice Chair Industry Affairs

Fan Alliance Support SB 539.pdf

Uploaded by: Donald Cohen

Position: FAV



IN SUPPORT OF SB 539

February 13, 2024

Dear Chair Beidle, Vice Chair Klausmeier, Senators Gile, Hayes, Kramer, Lam, Ready, Washington, Ellis, Hershey, and Mautz:

Fan Alliance is a national independent grassroots organization of fans dedicated to creating a sustainable music ecosystem **and we are in full support of SB 539.**

Ticketing reform is urgently needed – for both concert fans and artists. But it also needed for the ecosystem that makes their art possible – such as independent venues, promoters, and others in the performing arts world.

We hear from fans across the country about ticket pricing schemes that add hidden fees, that allow third party sellers to charge exorbitant prices for supposedly “sold out” concerts or for premium seats.

We hear from concert goers across the country about their experiences attempting to purchase tickets when a show is announced but are “crowded out” by ticket resellers who obviously have systems to buy up tickets quickly. This can only be possible if the resellers are using algorithms or other forms of “bots” to secure large numbers of tickets – only to resell them at highly inflated prices.

Music fans want to experience the music they love. But we also want the musicians we love to be able to sustain a decent lifestyle and for the venues that give them the space to share their art. We want our dollars to go those artists and venues, not siphoned off by tech-savvy and profit seeking secondary sellers.

SB 539 is the right approach. It has all the essential reforms and protections we need:

- transparency in ticket pricing,
- prohibiting ticket resellers to gouge Maryland consumers,
- banning the sale of “speculative” tickets, which are fake,
- ensuring that fans who can’t make an event are able to sell their tickets to other fans.

The current ticketing ecosystem is clearly broken. Maryland can play a leading role across the country in fixing it and protect artists, fans, and an entertainment experience we all desperately need. We urge your full support for this vital legislation.

Thank you for addressing this vital issue.

Sincerely,

A handwritten signature in black ink, appearing to read "Donald Cohen", with a long horizontal flourish extending to the right.

Donald Cohen
www.thefanalliance.org

Hugh.pdf

Uploaded by: Hugh McElroy

Position: FAV

Supplemental testimony of Hugh McElroy

On January 27 & 28, my band played at a club in Los Angeles, our first time playing there in over 20 years. We chose to perform at an independent venue called Lodge Room. As is the case with many of our favorite Maryland venues, Lodge Room does not use Ticketmaster.

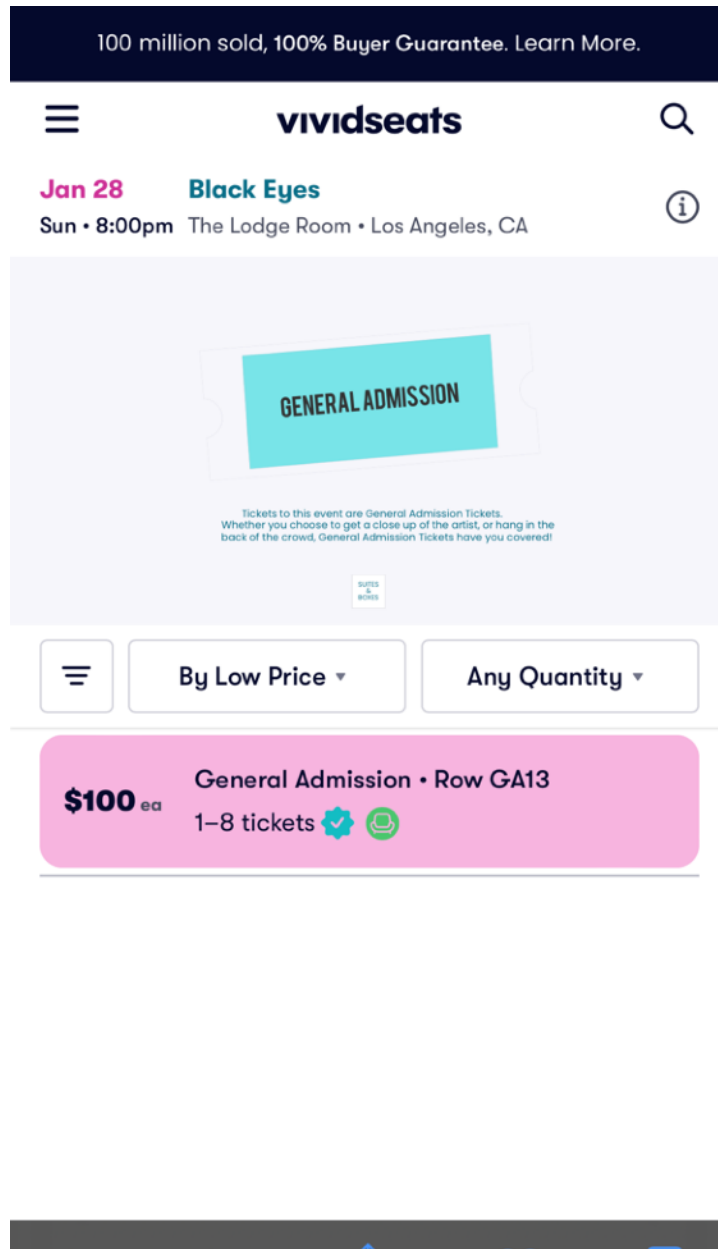
We priced our show at \$20. The venue charged an additional \$5 fee. Here is what a fan attempting to buy a ticket would see.

The screenshot shows a ticket purchase interface. At the top, there is a dark grey bar with a 'Subscribe' button and a close icon. Below this, the event name 'BLACK EYES' is displayed in large, bold letters. Underneath, it says 'General Admission'. A quantity selector shows '1' ticket selected, with a price of '\$20.00'. Below the quantity selector, there is a date selector showing 'Jan 27'. A horizontal line separates the selection area from a price breakdown table. The table lists the following items and prices: Subtotal: \$20.00, Promotions: -\$0.00, Ticket Fees: \$5.00, Shipping Fees: \$0.00, Tax: \$0.00, and a bolded 'TOTAL: \$25.00'. Below the table is a blue link that says 'Continue Shopping'. At the bottom of the screenshot, there is a dark grey bar with a checkbox and the text 'I have read & agree to the Terms of Purchase'. Below this is a large blue button that says 'Proceed to Checkout'. At the very bottom, there is a timer showing '04:55' and 'MIN : SEC'.

Subtotal:	\$20.00
Promotions:	-\$0.00
Ticket Fees:	\$5.00
Shipping Fees:	\$0.00
Tax:	\$0.00
TOTAL:	\$25.00

This is good and transparent, and what musicians like me hope for: clear and honest communication, reasonable prices and a simple experience for fans. A bill like SB539 would improve this slightly by showing the \$25 total price at the outset but keeping the itemization, including the face price. That's important because the face price is the only part of the total ticket price my band can control or negotiate for.

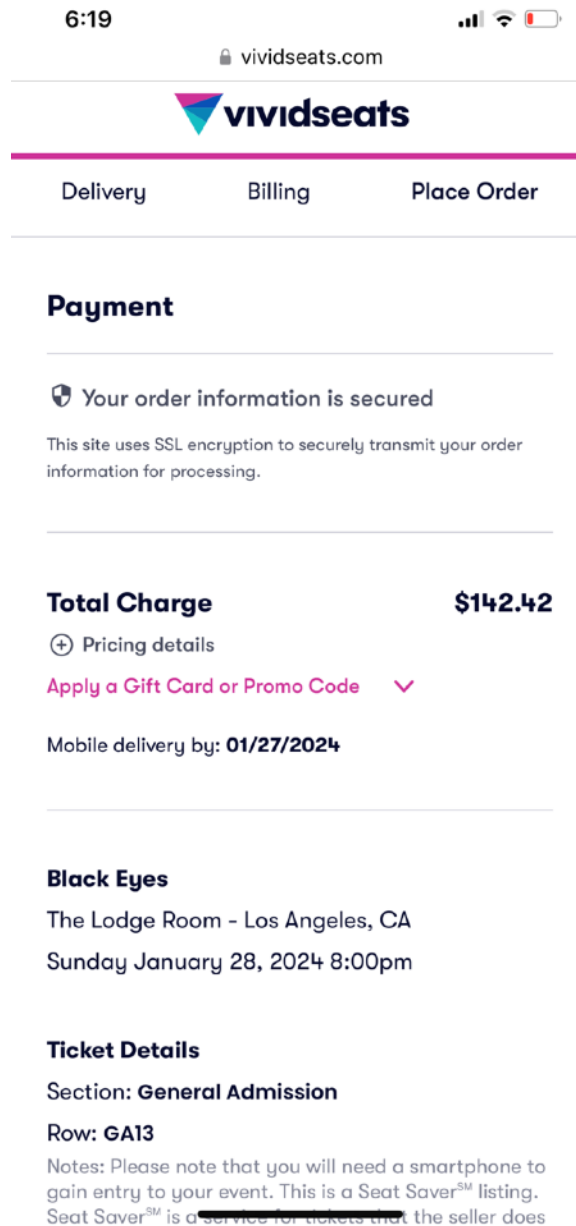
Unfortunately, Vivid Seats chose to offer resale tickets to our show, using a range of deceptive and unfair tactics that trick consumers into paying more. Here's what that listing looked like.



As you can see, the \$20 ticket is being sold for \$100. That's a 400% markup. The show wasn't even sold out.

That little green chair icon indicates that this ticket is being sold as part of Vivid's "Seat Saver program." Vivid calls this a "concierge service", but it's really just a speculative ticket, a ticket that Vivid doesn't even possess but is selling anyway.

It gets worse! Vivid was charging an extra \$42.42 in fees on top of that \$100. We wanted our fans to pay \$25; Vivid wanted them to pay 469% more. None of that extra money on top goes to us, the promoter, the venue, their staff, or anyone who had anything to do with putting on a successful event. It's all going to a ticket broker, and to Vivid Seats and its predatory private equity investors.



Vivid Seats hides these fees until after customers have already entered their payment and billing information—this is what the FTC calls a “dark pattern.”—intentionally hiding information until so late in the process that customers are less likely to back out. They also hide itemization behind that drop down menu. (Did you even notice it?)

It's only with extra clicks that you can see just how much you're getting ripped off with ridiculous fees. And those fees help pay for online ads on search engines and social media sites, which most artists and independent venues can't afford—ensuring that more and more consumers get funneled through Vivid and duped into paying more.

Vivid Seats claims that this is a “concierge service”, and they want the speculative ticket ban in SB 539 weakened to make an exception for concierge services like “Seat Saver” to continue to exist.

I disagree. I don't want to see fans of my music get ripped off like this. I want a complete ban on speculative tickets, and I want ticket resale capped at the original purchase price. That way, no one gets stuck with a ticket they can't use, and predatory corporations that I would never voluntarily choose to work with aren't exploiting my community with deceptive practices.

Vivid Seats claims that their concierge service offers an alternative to Ticketmaster's domination. My band has avoided ever dealing with Ticketmaster, and chosen *real* alternatives because we find that company's practices appalling. But we find Vivid and other largely unregulated resale sites and brokers to be even worse. Vivid is attempting to use legitimate public frustration with Ticketmaster to try and excuse a nakedly dishonest and unethical business model.

I challenge anyone from Vivid Seats, or any of the seemingly endless parade of organizations funded by Vivid, Stubhub, Seatgeek, or brokers to explain how the opportunity to pay 469% above our intended price benefits consumers.

who to blame.pdf

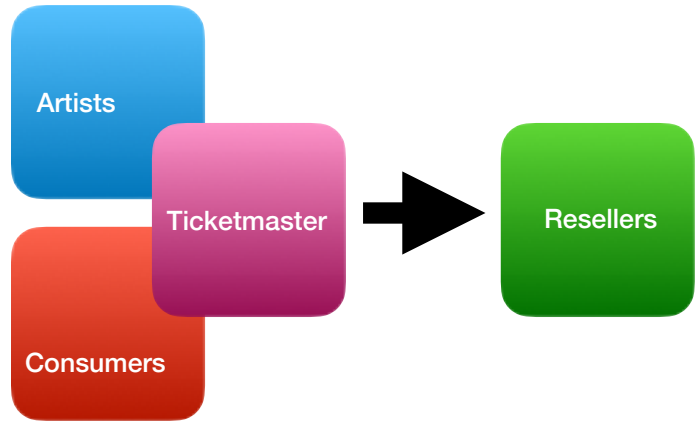
Uploaded by: Kevin Erickson

Position: FAV

Who should be blamed for ticketing marketplace dysfunction?

Ticketmaster's view:

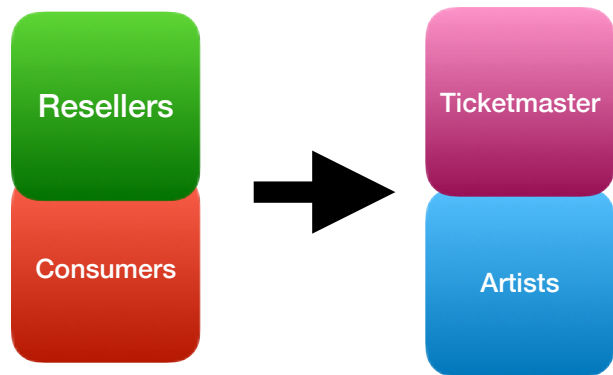
Blame the resellers, brokers, & bots.



Resellers' view:

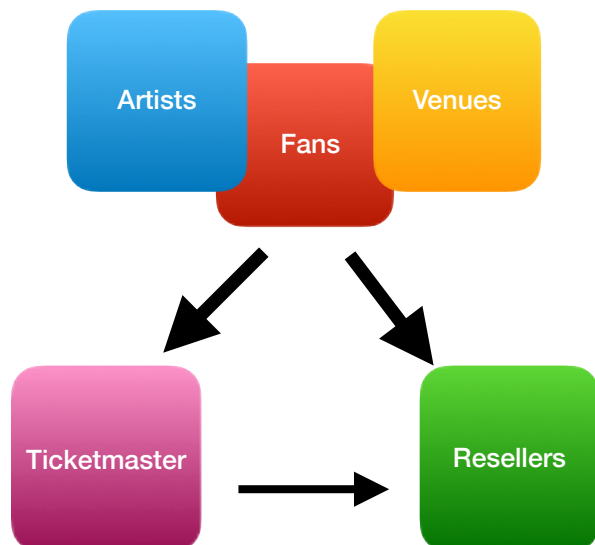
(Shared by proxy groups like "Ticketbuyer Bill of Rights Coalition")

Blame Ticketmaster (and sometimes, artists too).



Our view:

Ticketmaster and predatory bulk resellers both bear responsibility.



NITO SB539:HB701 Testimony.pdf

Uploaded by: Nathaniel Marro

Position: FAV



In Support of Senate Bill 539/House Bill 701

Comments Of:
National Independent Talent Organization

The National Independent Talent Organization, a 501c (6) trade organization representing touring artist managers and agents, as well as artists themselves, submits this testimony in support of Senate Bill 539 & House Bill 701.

For the past two years a core of NITO's mission has been to address an increasingly difficult task, getting tickets into the hands of fans at the price the artist intends. Whether it is higher and higher ticket fees, predatory resellers buying up tickets and reselling for profit, or deceptive websites and fake tickets, the process has been harder for the average fan to navigate and their trust has diminished in the process. Senate Bill 539 & House Bill 701 addresses these problems and will not only help build back trust with artist fan bases, but also save millions of dollars for Maryland concert goers.

By codifying transfer and eliminating profit incentives these two bills get to the core of the dark side of the resale market and disincentivize the worse actors from participating. We recognize that plans change and the need to sell a concert ticket in order to make your money back is a very real problem many fans face. However, most fans we speak to when they are faced with this situation, resell their tickets for face value at the price they paid. They want someone else to be able to go to their place and enjoy the show they planned on enjoying without feeling ripped off. NITO's study of the secondary ticket market (attached) shows that on average secondary tickets were twice as expensive as face value / primary market tickets. Our study also shows that on average, resellers were profiting over \$40,000 per show we studied. By limiting resale to the price paid, all that reseller profit goes back in the hands of Maryland citizens and will end up saving Maryland concert goers millions of dollars annually. This is not only important for their family budgeting, but this allows fans to attend more shows instead of sinking their finite disposable income on one or two overpriced secondary market tickets.

We also fully support the ban on spec ticketing and itemized all-in pricing. Fans should know if the tickets they are buying are real or not. While this seems like common sense, its terribly unfortunate the amount of fans showing up at a box office with a spec ticket that was never fulfilled or a fake ticket that never existed. We have seen many instances where a tour was announced, but no ticket was on sale, yet there were still thousands of tickets listed on the secondary sites. Fans do not always know what they are buying is a spec ticket, they often click on the first link they see, regardless if it is a primary or secondary market ticket. This is consumer protection 101 and we applaud the bill sponsors for understanding that.

NITO believes it is essential that the buyer also know the price the artist is charging, the face value, with the fees clearly separated from that price. We support all in pricing, the consumer must know what the total cost will be, but while an artist can decide on the face value price of a ticket, they often have no say over the fees added on top of the ticket. The money an artist is making at a concert is also only derived from the face value of the ticket and artists are very aware of the price sensitivity of their fans. It is essential they know what the artist is charging and if there is any hope to get fees reduced, the fees must be clearly visible and separated.

Please find the attached NITO Resale Study as a part of our written testimony. You will find even relevant information that supports the importance of these bills in protecting consumers and protecting artist's desires. The relationship between fan and artist is essential to protect. The explosion in the secondary market has tarnished the fan buying experience and there is little artists can do to protect their fans. These bills take a giant leap forward in protecting consumers and the National Independent Talent Organization offers its full support.

NITO Ticket Resale Study.pdf

Uploaded by: Nathaniel Marro

Position: FAV

NITO Ticket Resale Study

Predatory ticket resellers are earning tens of millions of dollars at the expense of consumers, artists, and venues, according to a new study by the National Independent Talent Organization (NITO)

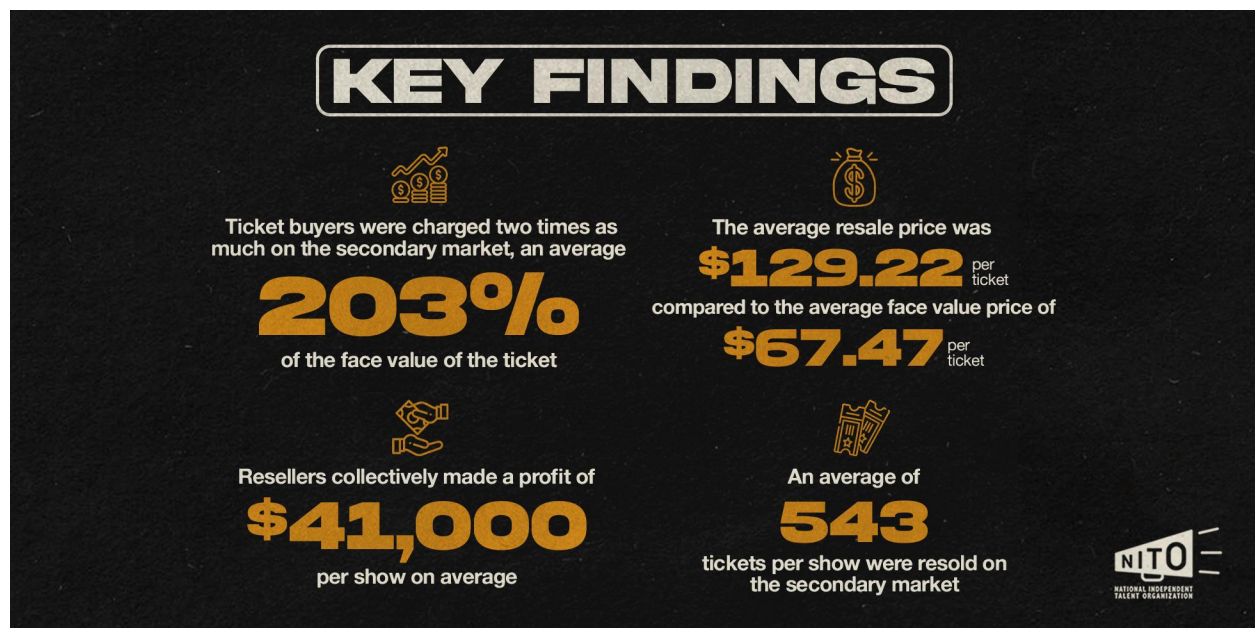


Ticket resellers earned an average cumulative profit of \$41,000 per show by charging an average of two times the original ticket price, according to a new analysis by the National Independent Talent Organization (NITO).

NITO's study found multiple instances of tickets sold at 10 times the original price. In one instance, a ticket was resold for \$1,014.49 when the average face value price was just \$79.55.

One single show from the study netted an estimated \$365,000 gross profit for resellers from the sale of 2,491 tickets at an average resale price of \$210.89 per ticket on tickets with an original average face value of \$64.48.

The NITO study of tickets sold and resold for 65 random shows by artists represented by NITO members sheds light on the predatory resellers and secondary ticket platforms that are price-gouging consumers and exploiting artists. The venues studied ranged in capacity from 1,500 to 20,000 and the artist's names were withheld unless permitted.



Key Findings

- Ticket Buyers were charged an average of 203% of face value on the secondary ticket market
- The average face value ticket price was \$67.47, and the average resale price was \$129.22 per ticket
- Resellers collectively made an average gross profit of \$41,000 per show for reselling an average of 543 tickets per show.

Many Tickets Were Resold For Shows That Were Not Sold Out

In many instances, there were a significant number of tickets resold by secondary sellers at inflated prices when tickets were still available from the primary ticket seller. NITO found two possible reasons why.

Ticket buyers are confused by the use of search engine optimization and paid placements within searches that prioritize secondary site listings over the primary ticket seller. So even though inventory was still available on the primary site, they paid a premium to a reseller. Second, some consumers are willing to pay higher prices to sit in seats they could have purchased directly if the ticket reseller had not purchased them first.

Either way, consumers and artists are negatively impacted.

The Cure And Face-Value Ticket Exchanges

NITO also reviewed data from artists not represented by NITO to determine the effectiveness of alternative fan-to-fan face-value exchange systems.

Currently, these exchanges exist formally through primary ticketing platforms and informally through sites like CashorTrade that enable fans to transfer or sell their tickets at or below the original face value.

These exchanges can limit the potential for exorbitant profits by ticket resellers when implemented effectively. However, many state laws don't allow any type of resale restrictions, making these face value exchanges less effective in those states.

NITO examined the recent tour by The Cure, comparing secondary ticket sales in states where resale restrictions are allowed with those where they are not.

The results were clear.

THE CURE

TOTAL RESALE TICKETS BY MARKET

ESTIMATED RESALE PROFIT

5/23/23	Los Angeles	20	\$ 31,330
6/06/23	Denver	1,512	\$ 238,884
6/10/23	Chicago	1,832	\$ 528,858
6/20/23- 6/21/23	New York City	3,875 <small>(combined)</small>	\$ 519,579 <small>(combined)</small>

California state law allows for Artist to set fan-to-fan face value resale restrictions. NY, IL, CO do not.



In California, where resale restrictions are allowed, the number of tickets resold and reseller profits were 92% to 99% less than in states like New York, Illinois, and Colorado, which do not allow restrictions on resale. The open resale laws in the latter states drastically limited the effectiveness of the fan-to-fan exchanges and because of it, those fans were exploited despite the artist's best efforts. The Cure's resold tickets in Chicago were on average 396% above the face value price.

Resellers Earned & Fans Overpaid Almost \$1 Million For A Single Show

Another arena-level artist used fan-to-fan face-value exchanges with similar dramatic results. There were just 18 total tickets resold for their two LA arena shows and 26 for an Oakland Arena show.

By contrast, for the same artist in New York City, where state law prohibits restrictions on resale, 1,053 tickets were resold for a single show at an average price 712% higher than the average face value price.

The study estimated that, collectively, resellers profited \$936,351.00 on that one show which also means that consumers overpaid nearly \$1,000,000 extra for secondary market tickets.

A prominent country artist, who tours in stadiums and routinely keeps ticket prices lower to allow more fans to attend, had 7,767 tickets sold on the secondary market for a gross of \$2,318,610.42. This artist's average ticket price is \$72.16, and they were resold at an average of \$298.52, a 313% markup.

While this artist intended to benefit their fans by keeping ticket prices lower, it only allowed for higher profits for resellers.

Conclusions

While many consumer and “fan first” groups claim that the resale market benefits consumers, NITO’s data shows otherwise.

Most consumers can only spend so much on concert tickets each year. So even though the artist sets an original ticket price that they believe is fair, if those tickets are bought and resold at a higher price, consumers can now afford to attend fewer concerts which hurts artists, venues, and live entertainment as a whole.

Fan-to-fan face-value ticket exchanges clearly work and allow fans to buy tickets at the price the artist intended. But too often, State laws limit their effectiveness, preventing fans across the country from benefiting equally.

Most tickets sold on the secondary market are sold by predatory ticketing professionals with access to technology that often assures that they can buy the best tickets before fans. The secondary ticket sites use their excessive profits to push their ticket listings to the top of search results, confusing fans and stifling official ticket sales.

Resellers exploit fans, artists and their crews, venues, promoters, and their staffs - none of whom benefit from secondary ticket sales.

About NITO

National Independent Talent Organization (NITO) members include several hundred independent music managers and booking agencies and the thousands of musicians that they represent. NITO is a member of the Fix the Tix coalition, led by the National Independent Venue Association (NIVA). The coalition is asking Congress to enact comprehensive legislation that:

- Restores integrity to the ticketing marketplace by allowing artists and venues to set the terms and conditions of resale
- Safeguards consumers against fake tickets, price gouging, and other deceptive practices
- Provides transparency in ticket pricing with upfront itemized fees
- Guarantees transferability and promotes fan-to-fan face-value ticket exchanges

For more information on NITO, visit www.nitolive.org/, and for the full Fix the Tix platform, visit www.nivassoc.org/fixthetix.

To arrange an interview with a member of the NITO Board or the NITO Ticketing Taskforce, contact NITO Board member and Communications Chair Bruce Houghton of The Skyline Artists Agency at bruce@skylineonline.com or 818.284.3023.

Written Testimonial - Sale and Resale of Tickets.p

Uploaded by: Paul Manna

Position: FAV

February 10, 2024

Dear Delegate Elizabeth Embry,

I'm writing to you today as both your constituent and a live music lover who is greatly in support of Senate Bill 539/House Bill 701.

I urge you to work with other members of the MD state government to pass this comprehensive legislation that will prevent scalpers from price gouging, selling fake tickets, and participating in other deceptive and predatory practices that are currently plaguing the ticketing industry.

As a Marylander who attends shows at Merriweather Post Pavilion and many live music venues in Maryland, I would appreciate my state representatives to stop these devious scalpers who take advantage of so many hard-working fellow live music fans.

PLEASE VOTE YES on SB 539/HB 701, to support fans and stand up to these scalpers.

Thank you for your consideration.

Sincerely,
Paul Manna
703 Highwood Drive
Baltimore, MD 21212-2710
Paul@24-7booking.com

410-916-3522 Mobile

Ron Ozer, Talent Booker in MD, Letter To MD Legisl

Uploaded by: Ron Ozer

Position: FAV



RON OZER CONSULTING LLC MUSIC PRODUCTION IN MARYLAND AND DELAWARE

IN SUPPORT OF SB 539
February 13, 2024

Dear Chair Beidle, Vice Chair Klausmeier, Senators Gile, Hayes, Kramer, Lam, Ready, Washington, Ellis, Hershey, and Mautz:

First let me introduce the newest music venue in Maryland, Elkton Music Hall, which opened in July 2023 at a time when some thought it crazy to open a concert space! Since March I have been working as a contractor for Elkton negotiating deals for artists to perform ticketed events at the new 300 capacity concert hall. This new small business has taken a derelict old building and completely renovated it into a beautiful new gathering place in a small town that is struggling to overcome a long history of economic challenges. Located in the old Elkton downtown in an economic empowerment zone, we know first-hand how hard it is to make a small live music venue work for the owners, the staff and the patrons.

I strongly support SB 539, the Maryland event ticketing legislation, as its goal is for Maryland to offer significant defence of concert fans in an increasingly predatory marketplace. I personally am part a coalition of live event professionals across the spectrum of entertainment, with representation from the performing arts, artists groups, recorded music, independent ticketing companies, independent concert venues, and promoters and producers. This coalition represents stakeholders who take on all the risk to create once-in-a-lifetime experiences and bring joy, employment, and economic impact to communities such as Elkton, Maryland. We advocate for fans to protect them from deceptive and predatory ticketing practices and from price-gouging that has run rampant through the secondary markets, harming fans, artists, and venues alike. My work depends on venues succeeding, and being able to sell tickets at face value is key to our work.

SB 539 will codify consumer protections by 1) bringing transparency to ticket prices, 2) making it illegal for ticket resellers to gouge Maryland consumers, 3) banning the sale of "speculative" tickets, which are fake and 4) ensuring that fans who can't make an event are able to sell their tickets to other fans. SB 539, when properly enforced, will end toxic, predatory practices that fleece music fans.

From the moment a show is announced real fans must struggle to secure real tickets at the hands of these predatory resellers; initial Google searches often yield purposefully deceptive results with websites posing as the artist or venue, while still other resellers and sites claim to have tickets available for purchase before the event has even gone on sale. If Maryland removes the profit motive from those using illegal BOTS to vacuum up tickets and then posting them for exorbitant prices, more tickets will be available for true fans.

While fans suffer because of this broken system, so do artists. Fans who fall victim to price-gouging are then limited in the number of events they can afford to attend, harming the careers of established and emerging artists. As a talent booker, I work for the success of both the artist and the venue. Resellers add no value to this equation and often reap more profits than anyone involved in the real work.

Predatory resellers view tickets as nothing more than commodities to be traded for outrageous sums, throwing away the cultural and communal value they provide for our society. They exist to undermine the hard work, talent, and livelihoods of artists, inserting themselves as unnecessary and unwanted middlemen who make their money off the backs of the artists and venues who partner to make these events happen. As a result, resale ticket prices on just one platform (Stubhub) have increased by more than 100 percent since 2019 according to Bloomberg, while the face value of tickets has only increased by 10 percent.

Legislation such as SB 539 is vital to protecting fans, preserving equitable access to entertainment, and restoring balance to the currently broken ticketing ecosystem. It is my profound hope that this bill's strength and potential effectiveness is enacted by the state of Maryland and that it will stand as a beacon for fans and an example to other states seeking to pass true consumer protections into law.

Ron Ozer, CEO, Ron Ozer Consulting LLC, Programming for Elkton Music Hall, Elkton Maryland

Bill SB0539 - Annapolis Symphony Orchestra Written

Uploaded by: Sarah Johansen

Position: FAV



**Annapolis Symphony Orchestra
Sarah Johansen, Director of Business Operations
801 Chase Street, Suite 201
Annapolis, Maryland 21401
410-269-1132**

TESTIMONY OF
ANAPOLIS SYMPHONY ORCHESTRA
IN SUPPORT OF

SB 539 On behalf of the Annapolis Symphony Orchestra please accept our written testimony in support of Bill SB0539 "Comm Law - Sale and Resale of Tickets"

The Annapolis Symphony Orchestra has experienced significant and negative impacts from third-party ticket sales. As recently as November and December of 2023, our organization and our patrons encountered significant issues from third-party ticket sales. Although these were not the first such instances we encountered, the grave concerns wrought by third-party ticket sales were markedly increased from previous concerts and involved much higher levels of financial distress for ticket purchasers. Not only are third-party ticket vendors more aggressive than ever, some are disreputable, and the industry is growing faster than ever.

Annapolis Symphony Orchestra sells tickets to our performances only through our website or over the phone at our office. We use proprietary software and do not share ticketing with other businesses or organizations. To be clear, we have never authorized ticket sales through a third-party provider.

Our recent concerts, especially Holiday Pops, saw multiple ticket holders calling to confirm performance details, only to discover that we did not have evidence of their ticket purchase in our system. Their names, phone numbers or emails weren't in our system, their seats didn't match our seating charts, and we had no confirmation of their purchase whatsoever. Further, some patrons paid more than five times face value for tickets even though tickets were directly available at face value on our website.

Even when a patron has a typical customer service issue, such as needing reprinted tickets, I can do little to assist them if they purchased tickets from a third-party site. In order to ensure this patron continues to attend and support ASO events, we have chosen to offer comp tickets without being assured that we received revenue in the first place.

The impact on our organization is significant and damaging in terms of reputation and trust among our patrons. As a nonprofit arts organization, every dollar of income counts. We try to balance raising revenue with affordability and value. When a third-party charges an excessive price for our tickets, with high fees, this negatively impacts the perceived value of our performance. Those inflated ticket prices do not benefit the organization. These sites often use the exact title of our concerts and appear to be legitimate business partners. Their advertisements are misleading at best and dishonest at worst.

The ASO requests a favorable report on SB539.

About the ASO

The Annapolis Symphony Orchestra is a 501C3 not-for-profit organization headquartered in Annapolis, Maryland. For 62 years, the ASO has brought the highest caliber musicianship and classical and orchestral music programming to our state's capital and Anne Arundel County. Not only do we present concerts, but we also are the host organization for the Annapolis Symphony Academy, a music school for children ages 4 to college. Fifty per cent of our Academy students come from Title I schools and under-resourced communities. We invest significantly in our community outreach efforts and work hard to bring music to schools, hospitals, addiction recovery centers, museums, and senior living facilities across the region.

DG Written Testimony_SB0539_Final

Uploaded by: Senator Dawn Gile

Position: FAV

DAWN D. GILE
Legislative District 33
Anne Arundel County

Finance Committee

Chair

Anne Arundel County
Senate Delegation



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THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

Testimony in Support of SB0539 - Commercial Law – Consumer Protection – Sale and Resale of Tickets

Madame Chair, Madame Vice Chair, and Fellow Members of the Senate Finance Committee:

By enshrining several new consumer protections into law, SB0539 will shift power, control, and profit from professional ticket scalpers and the platforms that facilitate them to artists, fans, and venues that simply seek to provide, enjoy, and host entertainment in our State.

Background

Renowned figures like Beyoncé and Taylor Swift have undoubtedly captivated the entertainment sphere in recent times. Yet, amidst the fervor surrounding their tours, a glaring issue has emerged: the persistent frustration and outrage with the online ticket-purchasing process. Both artists encountered substantial hurdles with ticket sales for their concerts, garnering considerable media scrutiny. The ensuing spotlight prompted the U.S. Department of Justice to launch an antitrust investigation into Live Nation Entertainment. As the nation's premier online ticket vendor, owner of numerous live venues, and manager for a plethora of touring artists, Live Nation's dominance raises concerns about fair competition.

In response, the Senate Judiciary Committee convened a hearing titled “That's the Ticket: Promoting Competition and Protecting Consumers in Live Entertainment,” signaling a concerted effort to address the grievances voiced by the public. While the federal government grapples with the complex issue of potential monopolistic practices, there remains ample room for state-level intervention to enhance the ticket purchasing experience for Maryland residents.

While some may argue that access to live entertainment is a luxury rather than a necessity akin to food or shelter, the undeniable positive impact it has on individuals and communities cannot be overlooked. The prevailing state of the marketplace, characterized by exploitation and greed, underscores the urgent need for intervention. It is incumbent upon the State to safeguard the interests of consumers, artists, and venues alike.

The Ticket Buying Experience

Gone are the days when fans queued at box offices clutching paper tickets. The advent of technology and the internet has revolutionized the ticket-buying experience, making it simultaneously more complex and more convenient. While the basic concept remains the same—

fans purchase tickets to events—they now navigate a labyrinth of online platforms and marketplaces.

In theory, purchasing tickets is straightforward: fans visit an online ticket platform, often Ticketmaster, select their desired tickets, and receive them electronically. However, the reality is far from simple, depending on how consumers enter the online marketplace. The ticket market is bifurcated into primary vendors, comprising venues and online ticket platforms, and the secondary market, consisting of ticket brokers and resale marketplace platforms like StubHub, SeatGeek, and Vivid Seats.

Complicating matters further, there's considerable overlap between the two markets. For instance, Ticketmaster operates a resale platform, and SeatGeek serves as both a primary and secondary platform. When multiple secondary platforms and primary vendors vie for ticket buyers' attention, consumers struggle to discern where to purchase tickets for the best seats at the lowest prices.

As a testament to this fractured landscape, Merriweather Post Pavilion has presented screenshots with their testimony revealing exorbitant prices on the secondary market, even when tickets are readily available on the primary market. This disparity underscores the challenges faced by consumers in navigating the ticket-buying process.

The Ticket Buying Marketplace

Generally, there are two distinctly different online marketplaces where tickets are bought and sold, the primary and the secondary markets:

- The primary market is one in which event organizers control the ticket price, the sharing of the revenue between the artist, venue operator, and ticket company, and which platform will sell the tickets. The prices set in the primary market heavily affect the volume and value of tickets in the secondary market. In general, it is most common to find underpriced tickets—tickets that sell on the primary market with a face value that is below their market value—so that event organizers can maximize the attendance of their target audience in order to increase customer loyalty, and merchandise sales.¹ To complicate ticket selling in the primary market, some artists have been known to hold back a certain number of tickets to sell on the resale market in order to take advantage of the higher prices while still maintaining fan loyalty by offering the initial tickets at a low price.²
- The secondary market is where tickets purchased on the primary market are resold. Ticket prices are usually significantly higher when purchased from someone in the

¹ The Event Ticketing Industry is Broken and in Need of Disruption, Aventus Network (May 19, 2017).

² Tyler Jenke, "Ed Sheeran's manager has admitted to selling tickets to resale services," The Music Network (Jun 3, 2018) available at <https://themusicnetwork.com/ed-sheeran-manager-sold-tickets-resale/>.

secondary market. A study conducted by the National Independent Talent Organizations (NITO) analyzed data from 65 different shows around the country in 2023 where artists represented by NITO members performed. According to their findings, on average, ticket buyers were charged twice as much when buying tickets in the secondary market.³ Secondary market platforms not only serve as a way for professional ticket brokers (i.e. businesses that purchase event tickets solely for the purpose of reselling them for a profit) to sell tickets, they also play an important role by allowing consumers who can no longer use their tickets a relatively simple way of recouping their money by reselling them to someone else.

The platforms, for a fee, provide the infrastructure and technology that make up the marketplace for brokers and individuals to resell their tickets. Professional ticket brokers either enter into agreements with sports teams and promoters to have access to tickets for resale or they compete with consumers in the primary marketplace to purchase tickets that they intend to resell at a profit on the platforms. These secondary market platforms, such as StubHub, Vivid Seats, TickPicks, SeatGeek, and the secondary platforms run by Ticketmaster and their main competitor AXS, generally speaking, are similar to eBay (the former parent company for StubHub) or Etsy.

Largely invisible in the world of ticketing are the ticket brokers themselves. The United States Government Accountability Office (GAO), found in their research that it is ticket brokers, offering large numbers of tickets at inflated prices, who are dominating the resale marketplaces. According to their 2018 report:

Brokers whose business is to purchase and resell tickets have a competitive advantage over individual consumers because they have the technology and resources to purchase large numbers of tickets as soon as they go on sale. Some consumer advocates, state officials, and event organizers believe that brokers unfairly use this advantage to obtain tickets from the primary market, which restricts ordinary consumers from buying tickets at face value. As a result, consumers may pay higher prices than they would if tickets were available on the primary market. In addition, some event organizers and primary ticket sellers have expressed frustration that the profits from the higher resale price accrue to brokers who have not played a role in creating or producing the event.⁴

Ticket Pricing Practices

One factor that impacts the price of tickets are the numerous fees and charges added to the initial face value. Different terms have been developed to describe these fees and charges, including “hidden fees,” “drip pricing,” “surprise charges,” and “undisclosed fees.” It has become commonplace to encounter unexpected or unexplained fees while purchasing live entertainment

³ NITO Ticket Resale Study. National Independent Talent Organization (Jul 2023)

⁴ GAO, *Event Ticket Sales: Market Characteristics and Consumer Protection Issues*, GAO-18-347 (May 14, 2023) available at <https://www.gao.gov/products/gao-18-347>.

tickets. You carefully select tickets to a concert or a sporting event, ones that allow you and your friends to sit together; then in the process of checking out of the online box office, a convenience charge is added on one page, then a venue fee is added on the next page, and by the time you get to the final payment page, three or four charges and fees have been added on—often increasing the price of the tickets by twenty percent or more, and blowing the group’s budget.⁵

Why is it so hard to find tickets in the primary market?

One widespread complaint from consumers trying to purchase tickets to popular shows or sporting events is that they are poised on their web browsers to buy tickets the moment they go on sale, but the available tickets are sold out within seconds or minutes of the initial sale. Consumers are unable to buy them, no matter how quickly they move the moment the tickets are available. Adding to their frustration is the fact that, almost immediately, they find tickets that they were unable to purchase at the on-sale site being advertised for sale on other websites, for much higher prices.

Using bots to buy tickets. In the context of the internet, a “bot” is simply a software application that runs automated tasks. Bots can be used for tasks as simple as automatically filling in forms to complex tasks like scraping websites to gather data. Bots are neither inherently good nor bad; they are simply a tool. Cybersecurity firm, Imperva, studies what it has termed “bad bots,” which are “software applications that run automated tasks with malicious intent.” In its 2023 report, Imperva found that bad bots make up 30 percent of all automated internet traffic and that bots generally made up 47.7 of all internet traffic in 2022.⁶

In the context of ticketing, bots are widely used to purchase high-demand tickets very quickly. Despite laws outlawing their use, the practice of using bots to rapidly buy up tickets to in-demand events (that the person deploying the bots turns around and sells at a hefty markup) is one of the main reasons consumers are unable to purchase tickets on the primary market. Bots are able to not only automate the ticket-buying process, they can also be used to identify when additional tickets are released and available for purchase. The use of bots has been so widespread that the federal government passed a law in 2016 to stop people from employing this scheme, the Better Online Ticket Sales Act (BOTS Act) (Pub. L. No. 114-274 (Dec. 4, 2016) 130 Stat. 1401). The BOTS Act prohibits the circumvention of a security measure, access control system, or other technological control measure used online by a ticket issuer. The Act also prohibits selling or offering to sell an event ticket obtained through such a circumvention violation, if the seller participated in, had the ability to control, or should have known about the violation.

A chief complaint by critics of the BOTS Act is that it lacks a consumer enforcement mechanism and is rarely enforced. In fact, the first enforcement took place in 2021 when the FTC brought an enforcement action against three New Yorkers who collectively made over \$26 million in

⁵ Tiffany, Kaitlyn. “How ticket fees got so bad, and why they won’t get better.” Vos (Jun. 12, 2019), available at <https://www.vox.com/the-goods/2019/6/12/18662992/ticket-fees-ticketmaster-stubhub-ftc-regulation>.

⁶ Imperva 2023 Bad Bot Report available at <https://www.imperva.com/resources/resource-library/reports/2023-imperva-bad-bot-report/>.

revenue over the matter of a few years. Despite the passage of the BOTS Act and recent FTC enforcement efforts, the use of bots continues to overwhelm the primary marketplace and frustrate consumers, and further, the use of bad bots in ticketing has continued to increase.

The Problem of Speculative Tickets

A speculative ticket refers to instances in which a seller offers a ticket for sale on a secondary ticket exchange before the seller has the ticket in hand. In some cases, secondary sellers may not disclose the fact that they are selling speculative tickets. These practices harm consumers who either do not receive the tickets they purchased or receive tickets that differ from the ticket or seat advertised. Even if consumers receive refunds for the ticket price, they may have already incurred nonrefundable costs to attend the event, such as travel or hotel expenses.⁷

For over a decade, secondary resale markets have allowed the sale of tickets that sellers do not actually possess. Specifically, speculative ticket sales work as follows, according to the Center for Investigative Reporting:

Brokers advertise inventory – sometimes a specific seat, sometimes a seating area – on a resale site, often at a price significantly higher than face value. When a customer selects tickets and checks out, [the site] prompts the broker to then attempt to acquire those tickets elsewhere at a lower price. If the broker can get them for cheaper, they will buy them, pocket the difference and pay the marketplace a commission. If they can't, the broker will either have to make good on the initial offer and take a loss or renege on the sale.⁸

Ticket brokers often refer to this practice as the equivalent of agreeing to stand in line for someone at the box office. They will buy tickets when they go on sale, so that the consumer does not have to wait in front of their computer constantly refreshing their web browser. However, the consumer is often not aware that they are buying a ticket that the seller does not possess, nor do they realize they are paying a premium price, significantly above the face value, for a ticket that they may or may not receive.

This practice creates considerable confusion for consumers who cannot purchase tickets from the primary box office because they have not gone on sale yet but appear to be able to purchase tickets for a premium price on the secondary market.

Solution

SB0539 would:

→ Require ticket sellers to offer all-in pricing with an itemized list of all charges.

⁷ Duncan, Byard. "How is this Legal?" The Center for Investigative Reporting, March 8, 2021, available at <https://revealnews.org/article/how-is-this-legal/>.

⁸ Ibid.

This eliminates unpleasant surprise fees at the end of the transaction but also ensures that consumers see the base price and all fees from the beginning and throughout the transaction. This is the version of all-in pricing that has consensus support within the artist community; it ensures that fees aren't hidden, and consumers are fully informed.

Note: Versions of this idea exist in NY, CA, NV, UT, and is under consideration in many other states.

→ **Limit resale of tickets to original purchase price (including fees and taxes).**

This eliminates the commercial incentive for brokers to buy up as many tickets as they can for high demand events and resell them for many times the original price. This will mean many more eventgoers will be able to purchase tickets at the artist's intended price; Maryland consumers will pay millions less to third parties that aren't even involved in putting on the event. So many of the problems articulated above would be solved by completely changing the incentive structure of this marketplace, which is why this provision is both needed and responsive to the core issue at hand. This provision stems from a simple belief that tickets should be for fans, not investors.

Note: Resale price caps exist in KY, RI, and NJ, Cincinnati OH, New Orleans LA, Kansas City MO, Las Vegas NV. NM and MD have laws that apply this policy to just certain categories of events, and many municipalities apply it to specific geographic locations and time periods.

→ **Limits the fees charged by resale sites to 10%.**

This means that resale sites like Stubhub, Seatgeek, Vivid Seats etc can continue to operate, but they can't profit from massive markups or outrageously high fees anymore for Maryland events.

Note: Versions of this idea exist in RI & NJ

→ **Requires transferability for most tickets made available to the general public.**

Resale restrictions are currently employed most frequently by venues/artists/teams/presenters to try and ensure that ticketbuyers can pay the intended price instead of having to pay inflated prices on the secondary market. Because other parts of the bill solve those problems, most transferability restrictions are no longer necessary.

The bill allows for reasonable restrictions—for example, a symphony orchestra that has a grant funded program for discounted tickets made available just for students would be able to ensure that these discounted tickets stay with the targeted population.

Note: Transferability mandates exist in NY, VA, IL, CO, and CT

→ **Bans speculative tickets**

Speculative tickets are one of the most nakedly predatory and deceptive practices in live event ticketing; they're hated by artists, fans, venues, and promoters. Speculative tickets happen when predatory resellers list and sell tickets they don't actually possess, banking on their ability to use technological tools and aggressive tactics to get tickets before actual fans and sell them, typically

at a substantial markup. They also degrade the ticket buying experience for ordinary ticketbuyers.

This can result in frustrated fans getting stuck outside venues when their promised tickets aren't delivered; while they may eventually get a refund, this is no consolation, particularly if they traveled for an event.

Maryland is one of a handful of states that currently requires disclosure of speculative tickets, but this has proven inadequate. A complete ban would solve the problem once and for all.

Note: A version of this is law in NV, currently under consideration in PA, WA, CA, AZ, MA and other states.

→ Requires resellers to share ticketbuyers' contact information with resale ticket purchasers in case of cancellation or schedule change.

This ensures that venues/artists/teams/presenters can contact all ticketbuyers, something they've long wanted to do for safety/logistical/weather reasons. Currently, venues, artists, teams, and presenters only have contact info for buyers who purchased their tickets on the primary market.

Per the Fiscal Note, SB0539 would have a modest cost to the state resulting from the hiring of additional staff at the Consumer Protection Division (CPD). In addition to this bill, SB0541, the Maryland Online Data Privacy Act, would require additional CPD staff as well. It is my hope that the additional staff needed for both bills would be less than CPD cites and that the staff can work on implementing both bills.

Amidst the myriad perspectives surrounding this issue, I have spent considerable time crafting this bill. Through extensive engagement with over a dozen stakeholders, I've endeavored to ensure its thoughtfulness, balance, and responsiveness to the severity of the problem at hand. While some may argue that the bill favors certain parties, I firmly believe it stands as a testament to our commitment to supporting artists, fans, and local venues. If advocating for these crucial stakeholders means taking a stand, then I'm proud to be by their side.

For these reasons, I respectfully request a favorable report on SB0539.

Maryland Written Testimony -- SB539.pdf

Uploaded by: Stephen Parker

Position: FAV



Testimony in Support of MD SB 539

Stephen Parker | Executive Director, National Independent Venue Association

My name is Stephen Parker, and I am the Executive Director of the National Independent Venue Association (NIVA). NIVA is the national trade organization representing venues, promoters, festivals, and performing arts centers across the country. Our stages are the center of live performance in every community, including music, comedy, theater, spoken word, and dance.

NIVA strongly supports SB 539, a bill to protect consumers during the sale and resale of tickets. We commend Senators Gile, Feldman, Beidle, and Ellis for advancing public policy to protect Maryland fans and consumers from predatory ticket resellers.

Consumers are defrauded every day across the country, including at venues here in Maryland. From the 300-capacity Elkton Music Hall to the 500-capacity Bethesda Jazz and Blues Club to the 19,000-capacity Merriweather Post Pavilion in Columbia, fans are subjected to deceptive websites, fake tickets, and price gouging when bots and predatory resellers buy up tickets at face value and charge exorbitant prices - far above face value.

Hundreds of one-star Better Business Bureau (BBB) reviews of the top three secondary ticket-selling companies in the U.S. tell this same story. Thousands of social media posts verify it. Stories of friends, family, neighbors, and Swifties make it personal.

Katherine C. bought "tickets" to Monster Jam and was not allowed to enter in the pouring rain with two young children. Keith W. drove four hours to a concert, and when he arrived, his "ticket" was inadmissible. Andi M. spent \$300 on "tickets" that he never received. CKP spent \$1400 on Funny Girl tickets that didn't exist.

"How do you sell tickets that are not in your possession?!", asked BBB reviewer Dennis P.

Predatory ticket resellers impersonate venues and festivals using deceptive advertising. They sell "tickets" that they do not yet have, may never have, or do not exist. Finally, and most disturbingly, these predatory secondary resellers often cancel the "ticket" week-of, day-of, or never deliver a ticket, all without consequence.



Testimony in Support of MD SB 539

Stephen Parker | Executive Director, National Independent Venue Association

In 2018, a report from the U.S. Government Accountability Office found that consumers are frequently deceived or confused by predatory resellers and significant non-refundable costs (travel, hotels, etc.) associated with speculative tickets and deceptive websites that may never be delivered.

“Where is the consumer protection on this?” asked BBB reviewer Maggie S.

Congress is beginning to act, but states are taking the lead and serving as the incubators of innovation that they always have been to show what is possible when protecting consumers in the secondary ticketing market. In recent years, we have seen strong laws that protect consumers from Arizona to Arkansas.

Maryland can be the next leading state to protect fans from predatory resellers by passing SB 539.

SB 539:

- Bans speculative or fake tickets and adds critical protections to those fans who choose to participate in “seat saver”-like programs;
- Ensures true transparency for fans in the ticket buying process by ensuring that they see the face value and fees they will be charged and where in the venue their ticket gives them access to from the beginning of the transaction until they pay for the tickets;
- Prevents price gouging of fans by ensuring that tickets must be resold at face value and no more than 10 percent of the total price of the ticket can be charged in fees;
- Guarantees that tickets can be transferred from fan to fan: and
- Creates accountability for resale platforms to be held accountable if they allow violations of these critical consumer protections.

Opponents of SB 539 will claim that these protections will restrict fans, but - in reality - this law protects fans, allows them to exchange tickets freely, and ensures that predatory resellers and secondary ticketing platforms do not price gouge consumers and drive a financial wedge between fans, artists, and venues.



Testimony in Support of MD SB 539

Stephen Parker | Executive Director, National Independent Venue Association

SB 539 is supported by more than a dozen national organizations, including:

- National Independent Venue Association (NIVA)
- American Association of Independent Music (A2IM)
- Artist Rights Alliance
- Association of Performing Arts Professionals (APAP)
- Black Music Action Coalition (BMAC)
- Eventbrite
- Future of Music Coalition
- International Association of Venue Managers (IAVM)
- Music Artists Coalition (MAC)
- Music Managers Forum-US (MMF-US)
- National Independent Talent Organization (NITO)
- North American Performing Arts Managers and Agents (NAPAMA)
- Performing Arts Alliance (PAA)
- Recording Academy
- Screen Actors Guild-American Federation of Television and Radio Artists (SAG-AFTRA); and
- United Musicians and Allied Workers (UMAW).

Independent venues, promoters, festivals, and performing arts centers across the country - along with the entire live events industry - encourage you to make SB 539 law.

National and Maryland Live Music & Event Organizat

Uploaded by: Stephen Parker

Position: FAV



National and Maryland Live Music & Event Organizations Support Maryland's SB 539

February 13, 2024

Dear Chair Beidle, Vice Chair Klausmeier, Senators Gile, Hayes, Kramer, Lam, Ready, Washington, Ellis, Hershey, and Mautz:

We write in staunch support of SB 539, the Maryland event ticketing legislation, as it has the potential to make Maryland the fiercest defender of concert fans in the nation. We represent a coalition of live event professionals across the spectrum of entertainment, with representation from the performing arts, artists groups, recorded music, independent ticketing companies, independent concert venues, and promoters and producers. This coalition represents stakeholders who take on all the risk to create once-in-a-lifetime experiences and bring joy, employment, and economic impact to communities across America. We've come together to advocate for fans, to protect them from deceptive and predatory ticketing practices and the price-gouging that has run rampant through the secondary markets, harming fans, artists, and venues alike.

SB 539 will codify consumer protections by 1) bringing transparency to ticket prices, 2) making it illegal for ticket resellers to gouge Maryland consumers, 3) banning the sale of "speculative" tickets, which are fake and and 4) ensuring that fans who can't make an event are able to sell their tickets to other fans. SB 539, when properly enforced, will end toxic, predatory practices that fleece music fans.

From the moment a show is announced real fans are faced with a treacherous uphill battle to secure real tickets at the hands of these predatory resellers; initial Google searches often yield purposefully deceptive results with websites posing as the artist or venue, while still other resellers and sites claim to have tickets available for purchase before the event has even gone on sale. If Maryland removes the profit motive from those using illegal BOTS to vacuum up tickets and then posting them for exorbitant prices, more tickets will be available for true fans.

While fans suffer because of this broken system, so do artists. Fans who fall victim to price-gouging are then limited in the number of events they can afford to attend, harming the careers of established and emerging artists.

Predatory resellers view tickets as nothing more than commodities to be traded for outrageous sums, throwing away the cultural and communal value they provide for our society. They exist to undermine the hard work, talent, and livelihoods of artists, inserting themselves as unnecessary and unwanted middlemen who make their money off the backs of the artists and venues who partner to make these events happen. As a result, resale ticket prices on just one platform (Stubhub) have increased by more than 100 percent since 2019 according to Bloomberg, while the face value of tickets has only increased by 10 percent.

For all these reasons and more, legislation like SB 539 is vital to protecting fans, preserving equitable access to entertainment, and restoring balance to the currently broken ticketing ecosystem. It is our profound hope that this bill's strength and potential effectiveness is enacted by the state of Maryland and that it will stand as a beacon for fans and an example to other states seeking to pass true consumer protections into law.

Thank you for your consideration,

National Independent Venue Association (NIVA)

American Association of Independent Music (A2IM)

All Good Presents

Artist Rights Alliance

Association of Performing Arts Professionals (APAP)

Black Music Action Coalition (BMAC)

Eventbrite

Future of Music Coalition

International Association of Venue Managers (IAVM)

Music Artists Coalition (MAC)

Music Managers Forum-US (MMF-US)

National Independent Talent Organization (NITO)

North American Performing Arts Managers and Agents (NAPAMA)

Performing Arts Alliance (PAA)

Ramshead Presents

Recording Academy

Screen Actors Guild-American Federation of Television and Radio Artists (SAG-AFTRA)

United Musicians and Allied Workers (UMAW)

SB 539 - CPD - Sale and Resale of Tickets - Suppor

Uploaded by: Steven M. Sakamoto-Wengel

Position: FAV

CANDACE McLAREN LANHAM
Chief Deputy Attorney General

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STATE OF MARYLAND
OFFICE OF THE ATTORNEY GENERAL
CONSUMER PROTECTION DIVISION

WILLIAM D. GRUHN
Chief
Consumer Protection Division

Writer's Direct Dial No.
(410) 576-6307

February 14, 2024

TO: The Honorable Pamela Beidle, Chair
Senate Finance Committee

FROM: Steven M. Sakamoto-Wengel
Consumer Protection Counsel for Regulation, Legislation and Policy

RE: Senate Bill 539 – Commercial Law - Consumer Protection – Sale and
Resale of Tickets (SUPPORT)

The Consumer Protection Division of the Office of the Attorney General (the “Division”) supports Senate Bill 539, sponsored by Senators Gile, Feldman, Beidle and Ellis, which provides important protections for consumers who purchase tickets for entertainment events. Senate Bill 539 would help address the problem of ticket resellers and ticket bots that buy up significant quantities of tickets to popular concerts and other events in order to resell them on the secondary market for substantial markups by limiting the price at which tickets may be resold and fees that resale markets can impose. The bill would also require clear all-in pricing, so that ticket prices reflect the full price of the ticket, including all fees and taxes. Senate Bill 539 would further protect consumers by ensuring that, in the event they are unable to use a ticket they purchased, they have the ability to sell or transfer the ticket to another individual for no more than what they paid for it. And the bill would bar the sale of speculative tickets (a ticket put up for sale by a broker when the broker does not yet have the ticket in hand), which often results in ticket buyers not getting the tickets they thought they were buying or, in many cases, not getting the tickets they paid for at all.

The Division receives a significant number of complaints from consumers regarding the sale and resale of tickets to concerts, sports and other events, including:

- Difficulty purchasing tickets from the original seller because substantial quantities of tickets have been bought up by ticket bots and scalpers;
- Misleading ticket prices that do not include added fees and other charges;

- Excessive markups and fees to buy tickets on the secondary market;
- Restrictions on the resale or transfer of tickets that the purchaser legitimately is unable to use; and
- Learning upon arriving at the event that the ticket they purchased is counterfeit, has been sold to multiple purchasers, or not for the seats or section promised by the seller.

Senate Bill 539 would help to protect Maryland consumers by addressing these issues. Accordingly, the Division requests that the Senate Finance Committee give SB 539 a favorable report.

cc: Members, Senate Finance Committee
The Honorable Dawn Gile
The Honorable Brian Feldman
The Honorable Arthur Ellis

Sports Fans Coalition Testimony on SB 539.pdf

Uploaded by: Brian Hess

Position: FWA



Chairwoman Beidle and Members of the Committee,

My name is Brian Hess, Executive Director of Sports Fans Coalition, a national non-profit advocacy organization devoted to representing fans wherever public policy impacts the games we love. This includes fighting sports blackouts, advocating for equal pay for women athletes and getting the federal Equal Pay for Team USA Act signed into law, providing resources for those at risk of gambling addiction, opposing publicly financed sports stadiums, including against Monumental Sports' attempted move to Alexandria, VA, and ticketing consumer protections.

SFC in partnership with the nation's leading consumer groups developed The Ticket Buyer Bill of Rights, a set of principles that should serve as a framework for ticketing legislation that can improve the live events ticketing market that serves millions of fans each year. The Bill of Rights features five pillars:

1. The Right to Transferability, where ticket holders decide how to use, sell or give away their tickets if they wish, and not the entity that sold them the tickets;
2. The Right to Transparency, which includes all-in pricing, a prohibition on deceptive websites, disclosures of any relevant information to help consumers make informed purchasing decision, such as information about ticket holdbacks and availability;
3. The Right to Set the Price, so that companies who originally sold the tickets cannot dictate to fans the price at which they can or cannot resell their purchased tickets;
4. The Right to a Fair Marketplace, where fans compete with actual humans, not illegal software bots for tickets;
5. The Right to Recourse, where harmed fans retain the choice to seek remedies through the public court system and are not blocked by terms and conditions that force them into private arbitration.

Marylanders love sports, from the Ravens to the Orioles, Terrapins to Navy. Maryland also has some of the best arenas in the nation. We believe Marylanders should have access to a fair, transparent, and fan-friendly live event ticketing marketplace. SB 539, asks the right questions and tries to get at the problems most affecting fans today. However, many of the solutions would have unintended consequences that could further entrench a monopolist's power in Maryland and lead to an overall worse fan experience for fans.

First let me start by saying we support upfront-pricing.

While there are a few provisions we believe need amending, most important to sports fans is the prohibition on reselling season tickets for more than "a comparable ticket." Especially in the age of dynamic pricing, knowing what a comparable ticket is can be difficult. Do we expect fans to check the primary market first before listing their ticket, and then adjust the price as demand fluctuates?



Fans often invest thousands of dollars per year, every year to support their favorite team. However, many of these fans rely on selling a high-profile or rivalry game to subsidize the investment or even afford playoff tickets – something Ravens fans know well this year. We urge you to strike this paragraph.

We also believe that Transferability is the best consumer protection for fans. In fact transferability results in savings for sports fans, who can often buy a ticket below face value. We analyzed more than 25 million tickets sold on the secondary market and found between 2017 and 2023 sports fans saved nearly \$260 million by buying tickets on the secondary market. In that same Maryland sports fans saved less than \$2 million – well below the national average for states that don't protect transferability. In states which protect transfer, those savings were on average \$14 million per state.¹ We urge you to amend Paragraph F on page 4 to guarantee the Right to Transferability.

Amending these two provisions would go a long way to turning this bill into a truly pro-fan piece of legislation. However, examining Senators Hershey's and Klausmeier's SB 1113 offers many other solutions that would make Maryland one of the most pro-fan and pro-consumer states in the country.

I'm happy to answer any questions the committee may have.

Brian Hess
Executive Director
Sports Fans Coalition

1

<https://www.ticketbuyerbillofrights.org/ticket-transferability-helps-sports-fans-save-260-million-over-5-years-infographic>

SB541 - FWA - CSPRA.pdf

Uploaded by: Caitlin McDonough

Position: FWA



COALITION FOR SENSIBLE PUBLIC RECORDS ACCESS

Date: February 9, 2024
To: Members of the Maryland Legislature
Re: **Comments on HB 567 and SB 541 (the Bills)**

Who We Are

The Coalition for Sensible Public Records Access (CSPRA) is a non-profit organization dedicated to promoting the principle of open public records access to ensure individuals, the press, advocates, and businesses the continued freedom to collect and use the information made available in the public record for personal, governmental, commercial, and societal benefit. Members of CSPRA are just a few of the many entities that comprise a vital link in the flow of information for these purposes and provide services that are widely used by constituents in your state. Collectively, CSPRA members alone employ over 75,000 persons across the U.S. The economic and societal activity that relies on entities such as CSPRA members is valued in the trillions of dollars and employs millions of people. Our economy and society depend on value-added information and services that includes public record data for many important aspects of our daily lives and work, and we work to protect those sensible uses of public records.

Ask: Replace Current Language with a Clean, Clear, Complete, and More Uniform Exemption for Publicly Available Information/Public Records

The current Bills have non-standard and limited Publicly Available Information (PAI) exemption. California, Utah, Virginia (and other states), and the model Uniform Personal Data Protection Act (UPDPA) proposed by the Uniform Law Commission (ULC) all have clean, clear, and complete publicly available information/public records exemptions. We support changing the bills to incorporate such an exemption that applies to all aspects of the bills.

The current Bills state:

PUBLICLY AVAILABLE INFORMATION MEANS INFORMATION THAT:

- (I) **IS LAWFULLY MADE READILY AVAILABLE TO THE GENERAL PUBLIC THROUGH FEDERAL, STATE, OR LOCAL GOVERNMENT RECORDS; OR**
- (II) **A CONTROLLER HAS A REASONABLE BASIS TO BELIEVE THAT A CONSUMER HAS LAWFULLY MADE AVAILABLE TO THE GENERAL PUBLIC THROUGH WIDELY DISTRIBUTED MEDIA.**

We Recommend the UPDPA Language or Language Similar to other States as a Clean Public Records Exemption.

The UPDPA language mimics the state statutory exemptions for ALL public records and other PAI by exempting the following from the act:

- “(15) “Publicly available information” means information:
- (A) lawfully made available from a federal, state, or local government record;
 - (B) available to the general public in widely distributed media, including:
 - (i) a publicly accessible website;
 - (ii) a website or other forum with restricted access if the information is available to a broad audience;
 - (iii) a telephone book or online directory;
 - (iv) a television, Internet, or radio program; and
 - (v) news media;
 - (C) observable from a publicly accessible location; or
 - (D) that a person reasonably believes is made available lawfully to the general public if:
 - (i) the information is of a type generally available to the public; and
 - (ii) the person has no reason to believe that a data subject with authority to remove the information from public availability has directed the information to be removed.”

Notice it covers more information that is clearly within 1st Amendment Rights by including widely distributed media and publicly observable facts and addresses all public records. Here are three other state definitions:

Iowa:

Publicly available information - means information that is lawfully made available through federal, state, or local government records, or information that a business has reasonable basis to believe is lawfully made available to the general public through widely distributed media, by the consumer, or by a person to whom the consumer has disclosed the information, unless the consumer has restricted the information to a specific audience.

Virginia:

“Publicly available information’ means information that is lawfully made available through federal, state, or local government records, or information that a business has a reasonable basis to believe is lawfully made available to the general public through widely distributed media, by the consumer, or by a person to whom the consumer has disclosed the information, unless the consumer has restricted the information to a specific audience.”

Utah:

(29) "Publicly available information" means information that a person:
(a) lawfully obtains from a record of a governmental entity;

- (b) reasonably believes a consumer or widely distributed media has lawfully made available to the general public; or
(c) if the consumer has not restricted the information to a specific audience, obtains from a person to whom the consumer disclosed the information.

The Public Records Exemption Must Be Consistent with Maryland Public Records Law

Not all public records are made widely available “to the general public.” We recommend that this added “to the general public” language be removed from the exemption and that it read instead as noted above in the ULC UPDBA model act in section A. It states: “Publicly available information means information: (A) lawfully made available from a federal, state, or local government record.” Therefore, public records as a class and other publicly available information would not be personal information under any section of the act if it is properly placed in a definition section that covers the entire act.

Maryland’s existing public records law regulates access to certain public records to certain persons and for certain purposes. Adding the unnecessary and problematic qualifier “to the general public” would weaken existing privacy protections under the Maryland public records law which restricts access to certain public records to certain persons and for certain purposes (also note our discussion below on vendors to government and their use of public records on government’s behalf).

There Will Be Unintended Consequences from Including Opt-out and Secondary Use Restrictions Without Exemptions for all Public Records

The interaction of the opt-out and secondary use clauses with the lack of an adequate and clear public records exemption that applies to all sections of the Bill would be fatal to many essential uses of public records for law enforcement, child support recovery, lien enforcement, debt collection, underwriting, tax enforcement, witness location, judicial and legal processes, loans, auto safety recalls, and numerous other uses. We know that it is not author’s intent to let bad actors remove their public records from databases to commit more bad acts or escape responsibility for those they have already committed. A clean public records exception and authorized government vendor exemption (see below) solves these problems.

There Is a Need for A Clear Government and Government Vendor Exemption

Generally, government itself should not be governed by new public access to public records laws, and rules as the specific role of government, the enabling statutes, the rights involved, and privacy rules vary widely from government program to government program. Therefore, any proposed general privacy laws or rules should not apply to and hence shackle the government itself. It is therefore important to make it clear that vendors, parties, and subcontractors who carry out activities for and at the behest of government are also exempt from any general statute such as the ones proposed.

There are several ways that private entities use public and private data to support government administration, investigation, and enforcement of several laws. For example, vendors help with

finding missing and exploited children and trafficked persons, child support collection, tax lien collection, witness location, criminal investigations, and finding potential claimants or injured parties as part of a civil enforcement action by government. The Bills need to clearly exempt government **and** its selected vendors from the law for the lawful purposes for which the government uses those vendors.

Public Records Help Provide Essential and Valuable Services to State Residents, Businesses, and Government

Many persons and entities access and add value to the records they receive from public sources. They use these public records for a variety of personal, socially desirable, and essential civic and governmental purposes. We have attached an infographic that summarizes the benefits and uses of public information in the everyday lives of state residents and businesses. You will see that the information in the public record is foundational to many important life events and transactions of your state's residents.

Value-added services such as risk management, property title protection, news, protection of vulnerable populations, the administration of justice, law enforcement, monitoring government spending and corruption, enforcement of court orders and child support collection, and economic forecasting are just a few of the uses of public data. Consumers depend on the services that access, combine, and add value to public and private data almost every day and in ways that benefit all residents in every state whether they are aware of it or not.

Many institutions like the free press as well as businesses and service providers greatly rely on combinations of public and private records to function, and we all benefit in ways including, but not limited to, the following.

- Public and private data is used to monitor government for waste, fraud, and corruption.
- Data is used to find parents delinquent on child support.
- Combined public and private mapping data are used for locations, safety, consumer protection, and ratings of restaurants and retail stores.
- Real estate facts like square footage derived from public databases are key to buying and selling houses and provide consumers with accurate information.
- Vehicle registration data is used for safety recalls and helping forecast car sales data on which stock markets and manufacturing suppliers rely.
- Public information is used to find missing persons, witnesses, and suspects.

Protect Legal and Beneficial Uses of Public Records

Information in public records from local, state, and federal government sources are **owned by the People of Maryland**, not the person who is the subject of the record. Public records already **do not** include selected personally identifiable information and **do** include limits on its availability to selected parties for selected purposes in law, in rules, and by contract.

Information is so intricately embedded in so many aspects of life and commerce that it is difficult to predict all the ways a change in information policy will affect various people, products, services, uses, and government functions. CSPRA has tracked such policies over the last three decades and we often see many unintended consequences of limits on access and use of public records. This often results in a long list of frequently revised exceptions. The root cause of such unintended consequences is the attempt to limit access to public records and public information rather than focusing on bad actors and acts that the society wants to regulate.

Thank you for your consideration of our input. We strongly request that proposed privacy legislation include a clean PAI/public records exemption.

Richard J. Varn
Executive Director
Coalition for Sensible Public Records Access

San Antonio, TX
Email: cspra@cspra.org
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A non-profit organization dedicated to promoting the principle of open public records access to ensure individuals, the press, advocates, and businesses the continued freedom to collect and use the information made available in the public record for personal, commercial, and societal benefit.

SB541 - FWA - LexisNexis.pdf

Uploaded by: Caitlin McDonough

Position: FWA

February 13, 2024

The Honorable Pamela Beidle
Chair, Senate Finance Committee
Miller Senate Office Building, 3 East
11 Bladen Street
Annapolis, MD 21401

Re: SENATE BILL 541 – THE MARYLAND ONLINE DATA PRIVACY ACT (Favorable with amendment)

Dear Chair Beidle and Members of the Senate Finance Committee:

I am writing on behalf of LexisNexis Risk Solutions (“LexisNexis”), a leading provider of credential verification and identification services for government agencies, Fortune 1000 businesses, and the property and casualty industry, to express concerns with Senate Bill 541, as introduced. While LexisNexis appreciates and supports Maryland’s efforts to provide practical and effective consumer protections for personal information and data, we join with industry in seeking clarifications in the proposed law to ensure the inclusion of the most up to date definitions and provisions and preserve our ability to provide quality services to our customers, particularly in the area of supporting fraud detection and identity theft.

Specifically, LexisNexis respectfully requests that the Committee consider amending the proposed legislation to (1) include “data subject to” in the Gramm-Leach-Bliley Act exemption to ensure that data subjected to the GLBA are properly regulated, (2) conform the definition of “publicly available information” with the majority of states who have privacy statutes, and (3) conform the provision to assist controllers who obtain data about a consumer from a source other than the consumer with the majority of states who have privacy statutes. We stand willing to work with the Sponsor and the Committee to develop language that achieves the intended privacy protections for consumers, while allowing industry participants to effectively comply and continue to provide valuable services.

LexisNexis takes this opportunity to thank Senator Gile for her hard work in this space and we remain committed to further collaboration in the development and implementation of best practices for data privacy, based on our expertise and experience. Thank you for your consideration of LexisNexis’ feedback on the proposed legislation.

Please let us know if we can answer any questions or provide any additional information.

Respectfully submitted,

Jeffrey Shaffer
Manager, Government Affairs, Mid-Atlantic
RELX (parent company of LexisNexis Risk Solutions)
1150 18th Street, NW, Suite 600
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Breyault_MD_SB539_Testimony_02_13_2024 (FINAL - AS

Uploaded by: John Breyault

Position: FWA



Written Testimony Regarding Senate Bill 539

Submitted By:

John Breyault, Vice President of Public Policy, Telecommunications, and Fraud
National Consumers League

Before the Maryland Senate Finance Committee

February 14, 2024

The National Consumers League (“NCL”) is pleased to submit the following testimony urging support for SB 539, with amendments. Founded in 1899, the National Consumers League is America’s pioneering consumer and worker advocacy organization. Our non-profit mission is to promote social and economic justice for consumers and workers in the United States and abroad.¹ Since 2009, NCL has advocated for a fairer, more competitive, and transparent live event industry by supporting policies that benefits fans, artist, venues, and all stakeholders in success of live events.

Last February, NCL joined 13 other public interest organizations from Maryland and across the nation to launch the Ticket Buyer Bill of Rights a comprehensive set of pro-competition and pro-consumer policies.² NCL is pleased to see that SB 539 includes many of the tenets from the Ticket Buyer Bill of Rights, such as all-in pricing requirements and a ban on deceptive speculative ticketing. Unfortunately, as introduced, there are several proposed reforms in SB 539 that will have the unintended consequence of allowing one company –

¹ For more information, visit www.nclnet.org

² Online: <https://www.ticketbuyerbillofrights.org/>

Live Nation/Ticketmaster – to expand its control of the live event industry in Maryland. We urge you to consider amendments to the bill to address our concerns.

First, the all-in pricing requirements³ in the bill should be strengthened. The bill calls for the listing of the all-in price during “each step of a transaction.” NCL believes that the first price a consumer sees when shopping for event tickets should be the final price that fan pays. We are concerned that ticketers wishing to evade these requirements could consider the listing of a ticket price to be separate from a “transaction,” (i.e. when a consumer selects the ticket). We urge you to amend the bill to require that the all-in price, including all mandatory fees and taxes, be provided any time a ticket price is listed.

Second, we have significant concerns about the data sharing provision,⁴ which would require resellers to provide ticket issuers with the contact information of the resale ticket purchaser. Absent robust collection and use restrictions, this language could contribute to significant harm to consumers’ privacy. It is also unclear to us that ticket issuers require this information at all to provide information to resale ticket purchasers of changes to an event. Ticket issuers, artists, and promoters have numerous channels through which to communicate with event attendees, including Instagram, TikTok, Twitter/X, Facebook, radio and television announcements, and artists’ and venue websites, to name only a few.

A requirement that resellers share contact information of their customers with ticket issuers, would also provide Live Nation/Ticketmaster and other primary ticket sellers with information that could be used to cancel tickets sold through competing distribution channels such as resale marketplaces or otherwise penalize fans who choose not to purchase tickets directly from the primary ticketer. This would only strengthen the dominance of Live Nation/Ticketmaster, which resold nearly \$4.5 billion in tickets in 2022,

³ Pg. 3, lines 8-9.

⁴ Pg. 3, lines 16-19.

making it one of the largest resale marketplaces in the industry.⁵ We urge you to amend the bill to strike this unnecessary and anti-competitive provision.

Finally, while we are pleased to see language protecting the right of fans to resell, donate, or give away their tickets,⁶ we are concerned that the language could be misused by ticket issuers to restrict competition in ticket sales and limit resale to a Live Nation/Ticketmaster's resale platform. Specifically, the "[s]ubject to reasonable restrictions imposed by a ticket issuer" language is overly vague and may render the intent of this section (to protect ticket transferability) toothless. We urge you to amend this section to strike the "[s]ubject to reasonable restrictions" language.

On behalf of live event fans in Maryland, thank you for giving NCL the opportunity to submit our testimony today. We look forward to working with the bill's sponsors as this bill moves through the Senate.

⁵ Live Nation Form 10-K. (February 23, 2023). ("Our resale business continued to grow, with nearly \$4.5 billion dollars in gross transaction value for 2022, more than doubling resale gross transaction value in 2019. It was our highest resale year ever, powered by both Concerts and all the major sports leagues") Online: https://investors.livenationentertainment.com/sec-filings/annual-reports/content/0001335258-23-000014/lyv-20221231.htm?TB_iframe=true&height=auto&width=auto&preload=false

⁶ Pg. 4, Lines 4-6.

Lyric Testimony SB 539_.pdf

Uploaded by: Jonathan Schwartz

Position: FWA

February 14, 2024

Support SB 539 with amendments

For 129 years, Lyric Baltimore has provided the people of the Baltimore region and the State of Maryland with world class entertainment on our historic stage. We strongly support protecting ticket purchasers from the unscrupulous actors who prey upon our patrons. Speculative ticketing is a scourge of our industry. When a ticket buyer comes to our venue with problematic tickets, they take out their frustration on our staff and attack our good name, even though we had nothing to do with the fraudulent ticket sale. The ticket buyer has been the victim of bad actors, usually from out of state, and sadly have no recourse.

As a ticket issuer, we want to be the place, either online or in person, where tickets for our venue are purchased. That is the only way we can guarantee that the ticket is legitimate. Further that direct connection allows the Lyric to contact the ticket purchaser with “Know Before You Go” information regarding special conditions set by the artist or promoter, or local road closures or other local impacts. The contact information supplied at purchase is the only way Lyric Baltimore can advise of a delay, postponement or cancellation.

While Lyric Baltimore supports the aims of this bill, there are problems that we believe the sponsor can address through amendments. The requirements on page 3 Section C line 16-19 is impractical and burdensome for the venue. As a non-profit with two full-time box-office employees, requiring Lyric Baltimore to receive and store information from an unknown number of secondary ticket sources regarding resold tickets is unacceptable. This bill places the substantial burden of an unknown number of hours of time on our staff, an unknown and uncompensated expense on our non-profit and the impossible task of the verification of an unknown number of ticket purchasers and third-party resellers. I ask that this section be stricken from this bill.

SB 539-24 Support Letter - Baltimore Ravens.pdf

Uploaded by: NICK MANIS

Position: FWA

B A L T I M O R E R A V E N S



February 12, 2024

Senator Pamela Beidle
Chair, Senate Finance Committee
3 East
Miller Senate Office Building
Annapolis, Maryland 21401

RE: Senate Bill 359– Support with Amendments- Commercial Law – Sale and Resale of Tickets

Dear Chair Beidle, Senator Gile and Senate Finance Committee Members:

On behalf of the Baltimore Ravens, I am writing to Support, with Amendments, Senate Bill 539 - Commercial Law – Sale and Resale of Tickets. The Ravens have engaged with ticket-related legislation for many years and our primary concern continues to be the impact these various bills have on the large-scale events that we host, our fans, and your constituents. While we support some of the consumer protections within the bill, the provisions mentioned below would negatively impact many of our most important fans, who help us create a game day experience that is consistently voted as one of the top in the NFL. With that in mind, we'd like to express the following concerns with Senate Bill 539 which impact our Permanent Seat License and season ticket holders:

- 1. It targets certain segments of the entertainment industry and ticket buyers but impacts all.** We have concerns with several aspects of this legislation. The subject is complex, and the bill addresses broad topics that impact a wide audience of ticket buyers with language that seemingly targets a certain industry segment [concerts] and certain segment of ticket buyers [ticket brokers], but ultimately impacts ticket buyers for the entire entertainment industry. Inevitably it could lead to unintended consequences, potentially including the opposite impact on pricing as the bill intends.
- 2. It's harmful to current and future season ticket holders.** While the bill includes some meaningful consumer protections, the proposed limiting of ticket re-sales to no higher than face value results in several unintended consequences. In the attempt to protect consumers from market forces that may push ticket prices significantly above the original purchase price, many, and particularly those that have purchased a season ticket package, are actually harmed. This limitation eliminates a means to offset the costs of a season ticket package which, in some cases, allows the buyers to afford that commitment. For example, the Ravens have sold Permanent Seat Licenses (PSL) with season tickets, which transfers ticket ownership rights to the PSL Owner, allowing them to then utilize, transfer or sell tickets in those packages. We are aware of a significant number of PSL Owners who utilize the option to sell some games in their season tickets to offset the overall cost of the packages. Some potentially could not afford to be season ticket holders or even be interested without their current right to re-sell above face value. Under this bill they could offset a smaller amount, placing a greater financial burden on

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the consumer, causing them to sell more games that they would like or even be forced to give up their PSLs and season tickets entirely.

3. **The value of owning season tickets is greatly diminished or eliminated.** In terms of filling M&T Bank Stadium for each home game and creating a home field competitive advantage that our fans expect, season tickets are the most important product we sell, as those sales make up 90% of our overall ticket sales. Restricting the ability to re-sell tickets for above the face value amount leads to significantly less value in season ticket ownership and creates an alternative where fans, who could be season ticket holders, would just choose to purchase popular games at face value rather than making the season ticket commitment.
4. **Eliminating transfer restrictions will eliminate a ticket program created for fans who do not have the same means to purchase season tickets as others but want to attend games.** The provision eliminating transfer restrictions would also harm another segment of our ticket buyers. We currently offer a promotion with hundreds of season tickets being made available for each regular season game at a set price well below the season ticket face value. An important condition of this program is a restriction on transfer so that these seats are used by the purchaser and not just bought up only with the intent to re-sell at a profit. We could no longer offer this program without the ability to control how tickets are distributed. The committee has addressed this issue in many previous legislative sessions, and we see no new compelling reasons to pass this additional measure in the current session.

We look forward to further discussions with you, Senator Gile and members of the committee and request the bill is amended to protect the rights of our loyal and very supportive ticket holders. Should you require additional information, please do not hesitate to contact our representatives in Annapolis, Nick Manis or John Favazza.

Sincerely,



Baker R. Koppelman
Sr. Vice President, Ticket Sales & Operations

CC: Senate Finance Committee Members
Senator Dawn Gile
Mr. Nick Manis
Mr. John Favazza
Mr. Brandon Etheridge

SB539_Oppose_TicketNetwork.pdf

Uploaded by: Bryan Alston

Position: UNF



Honorable Pamela Beidle, Chair
Members of the Finance Committee
Miller Senate Office Building
Annapolis, Maryland 21401

RE: SB 539 Commercial Law-Consumer Protection-Sale and Resale of Tickets

Oppose

February 14, 2024

Chairwoman Beidle and Members of the Committee,

TicketNetwork is a technology company and ticket resale marketplace based in Connecticut, but serving consumers across the United States and abroad, with thousands of clients both residing in and buying or selling tickets to events in the state of Maryland. We offer software tools designed to facilitate the sale and resale of tickets, and support retail websites where consumers looking for tickets to sought-after events can shop and compare prices while being protected from fraudulent behavior by our 100% guarantee.

TicketNetwork supports legislation that brings greater transparency and consumer confidence whenever they're shopping for tickets to events at M&T Bank Stadium, Merriweather Post Pavilion, Rams Head, or any other great sporting and live entertainment venue in this state. However, there are numerous areas in SB 539 that could bring with them significant unintended consequences related to consumer privacy, price transparency, and competition.

We oppose SB 539 as currently written but believe that with amendments to address some of the issues outlined below, it could become a great consumer protection bill.

From the start, SB 539 shows clear intent to add strident new regulations on ticket resale, while largely ignoring the primary ticket sales process - the source of widespread consumer complaints across the country, culminating in Senate hearings and DOJ investigations in 2023 alone. While the bill does address some concerns central to those complaints, it is only in the context of tickets on resale marketplaces, rather than all tickets, including those offered for initial sale.

"All-in" ticket pricing is required by SB 539, but only for resold tickets. Ticket prices are capped by SB 539 on resale marketplaces, but "dynamic" surged pricing, which regularly pushes ticket prices listed at 10+ times any published "face value" figure during moments of peak demand through the primary box office system, is not addressed. SB 539 does provide some consumer protection of the right to use, transfer, or resell tickets, but those protections are nullified by the overly broad "reasonable restrictions" that event operators can place on those protections.

Section C is also problematic. Rather than requiring a reseller to proactively notify consumers of any changes to their event – which resale marketplaces already do as a matter of basic customer service, this section would require the sharing of personal data with a third party. Such rules would be in violation of our most basic customer data privacy guidelines and could conflict with other state or national laws depending on where the marketplace customer resides.



Maryland is a state with a vibrant arts community, great spaces for live concerts, and some of the best sports teams around. Its consumers deserve a robust and competitive marketplace for their tickets. We hope to continue to work with members of this body with that goal in mind, whether through revisions to this bill, or the adoption of a better consumer ticketing framework through other proposed bills in Annapolis.

Thank you for your time and consideration.

Bruce Morris,
TicketNetwork Director of Government Affairs

NetChoice Testimony_ Maryland SB 539.pdf

Uploaded by: Carl Szabo

Position: UNF

Maryland SB 539

OPPOSITION

February 12, 2023

Maryland State Senate
Senate Finance Committee

NetChoice respectfully requests you **oppose** SB 539.

The primary ticketing market is broken. Unfortunately, SB 539 exacerbates the issue without addressing the real problem, Ticketmaster-Live Nation's stranglehold on the industry.

Harms the Privacy of Maryland Residents

SB 539 will mandate the collection and more importantly disclosure of the personal information of Maryland residents in ways that no fan could expect.

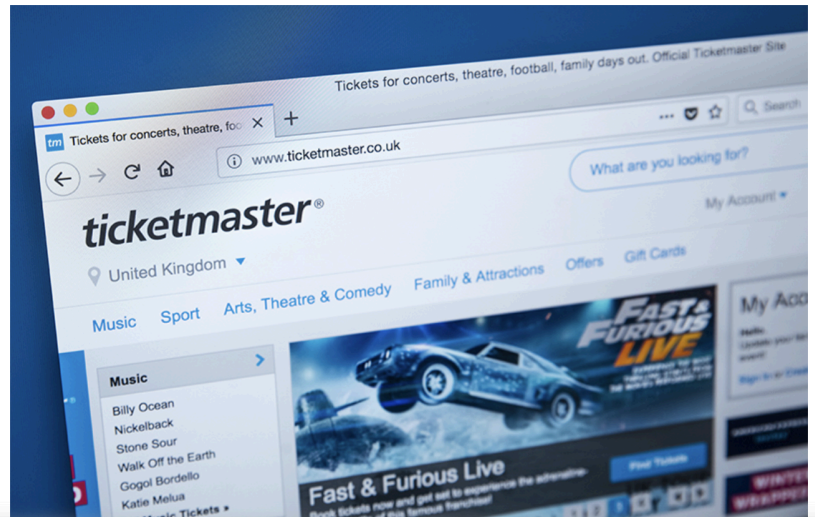
SB 539 requires turning over the personal information of Maryland residents buying tickets for resale to the venue. Many Maryland residents want to protect their privacy online and only want businesses that *they* engage with to have their personal information. But under SB 539, Maryland residents will suddenly find their personal information being disclosed to venues with whom they never engaged.

Not only would this mean more exposure of their personal information, but also less awareness of when that data is lost. Consider the massive data breach by TicketMaster. If a Maryland resident never engaged with TicketMaster, they would pay this notification no mind.

But under SB 539, suddenly thousands of Maryland residents would have their personal data shared with corporations like TicketMaster, without their expectation, and then lost in massive data breaches - leading those residents to not be aware they need to take the necessary steps to protect themselves.

Ticketmaster hacked, payment information of several customers may have been compromised

By CISOMAG - June 28, 2018



A better approach on addressing the problems in the ticketing market—ensuring ticket transferability

Connecticut,¹ New York,² Colorado,³ Utah,⁴ and Virginia⁵ enacted similar laws to guarantee the rights of fans to transfer their tickets. These legislators protected their state’s fans’ ability to freely transfer, resell, and give away their tickets.

¹ CT Pub Act. 17-28 (2017). “No person shall employ an entertainment event ticketing sales system that fails to give the purchaser an option to purchase tickets that the purchaser may transfer to any party, at any price and at any time, without additional fees and without the consent of the person employing such ticketing system.”

² NY Arts & Cult Aff L § 25.30 “[I]t shall be prohibited for any operator of a place of entertainment, or operator's agent, to: (a) restrict by any means the resale of any tickets... (b) deny access to a ticket holder who possesses a resold subscription or season ticket to a performance based solely on the grounds that such ticket has been resold... (c) employ a paperless ticketing system unless the consumer is given an option to purchase paperless tickets that the consumer can transfer at any price, and at any time, and without additional fees, independent of the operator or operator's agent.” (emphasis added).

³ Colorado Rev. Stat. § 6-1-718(3) “It is void as against public policy to apply a term or condition to the original sale to the purchaser to limit the terms or conditions of resale... A person or entity, including an operator, that regulates admission to an event shall not deny access to the event to a person in possession of a valid ticket to the event... based solely on the ground that such ticket was resold through a reseller that was not approved by the operator.” (emphasis added).

⁴ UT Code §§ 13-54-102 (2019). “(1) Except as provided in Subsection (2), each ticket issued for an event shall be a transferrable ticket.”

⁵ VA Stat. §§ 59.1-466.5-7. “No person that issues tickets for admission to an event shall issue any such ticket solely through a delivery method that substantially prevents the purchaser of the ticket from lawfully reselling the ticket on the Internet ticketing platform of the ticket purchaser's choice... No person shall be discriminated against or denied admission to an event solely on the basis that the person resold a ticket, or purchased a resold ticket, on a specific Internet ticketing platform.”

Conversely, in Maryland where such rights do not exist for fans, Ticketmaster can deny citizens and businesses the ability to give away tickets to friends, family, or clients, because the purchaser's name won't match the ticketholder's name. Rather than move forward with SB 539 the state should instead ensure that consumers are empowered in the ticket purchase transaction by allowing them the choice to purchase tickets without transferability restrictions at the original point of sale. Such an action puts consumers in control, not ticket issuers.

One area of possible amendment would be to amend the following section to make clear that any restrictions on transfer of tickets by the ticket issuer are void. To that end we suggest the following amendment:

~~SUBJECT TO REASONABLE RESTRICTIONS IMPOSED BY A TICKET ISSUER,~~ A PERSON MAY NOT PROHIBIT OR RESTRICT THE TRANSFER OR RESALE OF A TICKET THAT WAS MADE AVAILABLE TO THE GENERAL PUBLIC FOR PURCHASE.

Now is the Time to Enact Ticket Transferability Protections

The primary event ticket marketplace is broken.

Ticketmaster controls more than 70% of the market for ticketing and live events. Ticketmaster controls more than 80% of live concerts.⁶ This is evidence of monopolistic market power.

- Ticketmaster **controls more than 70%** of the market for ticketing and live events
- Ticketmaster **controls more than 80% of live concerts**

The "service fees" that Ticketmaster charges continue to increase while quality falls. Evidence of consumer harm.

The hearings before the US Senate Judiciary Committee showed how Ticketmaster and its parent company Live Nation used their market power to force venues to only sell through Ticketmaster.⁷ This is evidence of abuse of market power.

* * *

Because it creates more problems in the ticketing space, we ask that you **not advance SB 539**. Instead, Maryland should follow Connecticut, New York, Colorado, Virginia, and many other states to guarantee Maryland fans the right to giveaway, share, or resell their tickets how they want.

⁶ Florian Ederer, *Did Ticketmaster's Market Dominance Fuel the Chaos for Swifties?*, Yale Insights (Nov. 23, 2022).

⁷ See, *That's the Ticket: Promoting Competition and Protecting Consumers in Live Entertainment*, US Sen. Jud. Cmtee. (Jan. 24, 2023)

As ever, we offer ourselves as a resource to discuss any of these issues with you in further detail, and we appreciate the opportunity to provide the committee with our thoughts on this important matter.

Sincerely,

Carl Szabo
Vice President & General Counsel
NetChoice

NetChoice is a trade association that works to make the internet safe for free enterprise and free expression.

SeatGeek Testimony to Maryland Senate Finance Comm

Uploaded by: Joe Freeman

Position: UNF



Good afternoon, Chair Beidle, Vice Chair Klausmeier and members of the Committee.

My name is Joe Freeman, Vice President of Government Relations for SeatGeek. Thank you for the opportunity to testify before the Committee and for the Committee's attention on strengthening consumer protection in the live event ticketing.

SeatGeek is a technology company that strives to empower fans with the best possible ticket purchasing experience. Since its 2009 founding, SeatGeek has become a leading resale marketplace. SeatGeek also entered the primary ticketing market in 2016 when it realized that the primary ticketer - in most cases Ticketmaster - controls so much of what happens in the entire ticketing ecosystem.

Here in Maryland, SeatGeek is proud to be the primary ticketing partner for the Baltimore Ravens and the Washington Commanders and, by virtue of its relationship with Major League Baseball, the official fan to fan ticket marketplace for the Baltimore Orioles.

SeatGeek has always sought to maintain focus on the consumer. We believe that fans:

- (1) want to understand the full, all-in cost of their ticket, with no deception or surprise fees along the way; and
- (2) should have robust refund rights so that if they buy tickets for an event that is canceled, they are protected.

We also believe that Marylanders are best served when tickets are fully transferable and they have the ability to choose which marketplace to transact on, at a price mutually agreeable to both buyer and seller. Any consumer protection legislation ought to begin by ensuring that this right is protected.

Secondary markets for live event tickets operate in much the same way as other secondary markets, and provide similar benefits to consumers. The availability and ease of use of resale ticket exchanges allows consumers to purchase tickets from primary event providers like professional sports teams with much greater confidence. This includes season ticket holders who know they will be able to easily and quickly resell tickets they no longer are able to use.

When fans sell tickets directly on SeatGeek, they are allowed to set their own price. To help sellers set a market-clearing price, SeatGeek makes price recommendations to sellers based on our best estimate of supply and demand for a specific event and ticket type.



While we hope that fans who initially bought tickets from SeatGeek or our professional sports clients will come to our secondary platform if they choose to resell, we strongly support Marylanders' right to transact on a platform of their choosing. We want to compete honestly and transparently with the other resale exchanges represented here today. When we compete with each other for your business, Marylanders benefit.

Fans should not experience financial hardship or loss if they wind up being unable to attend a live event for which they had purchased tickets. But this is exactly what will happen if SB 539 is passed as currently drafted. While we respect the intent of the authors of Senate Bill 539, we respectfully submit that price controls, in ticketing or otherwise, are antithetical to transparency. Commerce for high demand events will simply and inevitably be driven underground as sellers seek full value. Many of those sellers will not be able to do so safely on reputable sites and fraud will proliferate. Respectfully, we believe that this bill won't lower prices, but instead risks inadvertently driving legitimate resale activity back onto the street corner or the dark corners of the web.

We welcome any and all efforts intended to improve the ticket buying and selling experience for Maryland consumers, and look forward to offering whatever help we can provide in this process.

Comments on SB 539.pdf

Uploaded by: Kevin Callahan

Position: UNF



Testimony in Opposition to SB 539 (Sale and Resale of Tickets)

Kevin Callahan
Senate Finance Committee
Wednesday, February 14, 2024

Chair Beidle, Vice Chair Klausmeier and members of the Senate Finance Committee,

Thank you for the opportunity to submit comments regarding Senate Bill 539, regarding the sale and resale of tickets. StubHub believes that a competitive, transparent, and secure ticket marketplace unequivocally supports fans. Competition can drive affordability and an overall better consumer experience. We advocate for comprehensive regulation that addresses the ticket buying experience holistically and caution against regulation that may have the unintended consequence of emboldening engrained monopolies within the live events industry.

While we are supportive of some of the concepts included in the bill, such as all-in pricing for the whole industry, we would appreciate the opportunity to work with the sponsor and the Committee to further public policies that create a competitive, transparent and secure ticketing marketplace.

Background on StubHub

Founded in 2000, StubHub revolutionized secondary ticket sales by providing fans a safe, transparent, and trusted marketplace to buy and sell tickets. As a marketplace, StubHub provides a service to buyers and sellers. We do not sell tickets directly. StubHub provides the platform that connects buyers and sellers, as well as the infrastructure to ensure those transactions are successful. Our sellers set their ticket prices and collect the proceeds of the sale. StubHub's only revenue from a transaction is the fees charged to the buyer and seller for the use of our service. Our fees are transparent and fully disclosed to buyers and sellers before the completion of any transaction.

StubHub holds our users to an extremely high standard and every transaction is protected by our industry leading FanProtect Guarantee. It is the hallmark of our business and has defined the industry standard with respect to customer protections. In those rare instances where something goes wrong with a transaction, ticket buyers are guaranteed comparable or better replacement tickets to the event, or when that is not possible, a full refund inclusive of fees.

Price and Fee Caps

StubHub places fans first, providing access to tickets at competitive prices. Sellers on our site dictate the price of the tickets sold on our site. We value the ability of our users to buy and sell tickets at the prices they deem appropriate, without regulatory interference or manipulation through mechanisms such as price caps or floors that impact the ability to sell at the market rate.

From a consumer standpoint, price caps have been observed to undermine consumer protection by incentivizing the movement of legitimate business activity outside of enforcement jurisdiction. Consumers will be disadvantaged as sales are driven off secure platforms and into non-regulated forums such as social media scams that lack consumer protections. Keeping inventory on secure, reputable platforms is critical to maintain positive consumer experiences, as well as to help combat fraud in the market and help enforce relevant laws. Consumers will benefit more from a regulated resale market that provides critical protections than they will from antiquated and ineffective price cap statutes.

Similarly, arbitrary limitations on fees earned by secondary ticket exchanges undermines our ability to protect our users and provide our service to customers wishing to sell or buy tickets to events in Maryland. StubHub takes the fees on the ticket sale and uses it to build the world's leading live event marketplace, which means funding world-class security measures, investing in our FanProtect Guarantee to guarantee each order, and offer the most innovative platform for the widest access around the world.

It is also concerning to see that SB 539 only targets the fees of secondary ticket exchanges while not addressing the fees assessed by ticket issuers/primary ticketing companies, like Ticketmaster. In comparison, Ticketmaster's secondary ticket exchange platforms do not share the same costs of integration because of their position as a primary ticketer as well. We believe StubHub's fees are competitive with the broader secondary ticketing industry. It is critical that policymakers take action to ensure the live event industry is competitive so that one player cannot unilaterally dictate the price of fees to customers.

Data Transfer and Privacy

Requirements in SB 539 for resellers and secondary ticket exchanges to provide customer data to a ticket issuer is concerning from a privacy and data protection standpoint. The bill is vague in how these requirements would be implemented. Further, we are not aware of any other requirement for us to disclose to other unaffiliated businesses our customer data especially as it is unclear how that data would be collected, maintained, protected, and used by the ticket issuers.

Transferability

Language in SB 539 regarding the ability of a consumer to transfer or resell a ticket should more clearly define the right of Maryland consumers. The provisions is vague ("subject to reasonable restrictions") and empowers primary ticket sellers to impose unfair restrictions on the sale of a ticket rightfully purchased by a consumer. This provision may have the unintended consequence

of further consolidating control over the ticket purchasing process with those who sell the ticket, rather than those who purchased the ticket.

Though SB 539 advances some positive concepts for consumers that we support, such as all-in pricing (AIP) that is applied across the industry, we believe that there are further advancements which would improve the overall experience for Maryland consumers when it comes to the sale and resale of tickets. We respectfully ask the committee for further work on the bill to preserve consumer choice and protection in the live event ticketing space and preserve competition.

MD SB 539_UNFAV_Kirsten DSouza.pdf

Uploaded by: Kirsten DSouza

Position: UNF



Testimony of Kirsten D'Souza
Coalitions Director
Chamber of Progress
Re: MD SB 539

February 14, 2024

ORAL TESTIMONY

Good afternoon Chair Beidle and members of the Committee:

My name is Kirsten D'Souza and I serve as the Coalitions Director for the Chamber of Progress, a tech industry coalition committed to ensuring all Americans benefit from technological innovation. Our corporate partners include companies like StubHub and Vivid Seats but our partners do not have a vote on or veto over our positions.

We urge your committee to oppose SB 539, which would limit the ability of consumers to resell their tickets and benefit dominant ticket selling companies like Ticketmaster.

We largely agree with the comments of consumer groups that have already spoken in opposition, and would like to add a few points of emphasis:

As drafted SB 539 would require disclosure for resales of a ticket, **including consumer contact information**, but not its original sale. This is an anticompetitive infringement of consumer privacy that serves to entrench the largest primary ticketers. In this context, disclosure requirements should uniformly apply to both primary ticket sellers and resellers.

SB 539 Tilts the Scale in Favor of Ticketmaster over Ticket-Buyers

At the core of consumer rights is the freedom to enjoy and utilize purchased property as the consumer deems fit, including the right and ability to resell that property.

SB 539 caps the fees that ticket resellers may charge, but does not similarly cap primary ticket sellers. This inherently favors the largest incumbent ticket sellers, like LiveNation/Ticketmaster.

While SB 539 surely has good intentions of protecting consumers, these anticompetitive price provisions may drive ticket resale into the black market where consumers have no protections whatsoever.

A better approach is to protect a consumer's right to transfer or resell a ticket that they have purchased. Many states have language guaranteeing this right including: Connecticut, Colorado, Illinois, New York,, and Virginia.

Accordingly, we encourage you to oppose SB 539.

Thank you,

Kirsten D'Souza
Coalitions Director

2024 Senate Bill SB539 Letter.pdf

Uploaded by: Ron Legler

Position: UNF



**HIPPODROME
THEATRE** *at the*
FRANCE-MERRICK
PERFORMING ARTS CENTER

February 14, 2024

The Honorable Pamela Beidle

Senate Finance Committee

3E Miller Senate Office Building
11 Bladen Street
Annapolis, MD 21401

Re: Senate Bill SB539 - Commercial Law - Consumer Protection – Sale and Resale of Tickets

Dear Chairwoman Beidle and Members of the Committee:

My name is Ron Legler, President of the France-Merrick Performing Arts Center/Hippodrome Theatre in Baltimore, Maryland. The Hippodrome, the sole National Touring Broadway Series venue in our state, proudly serves as a member of the Maryland Sports & Entertainment Industry Coalition. Today, I offer testimony regarding Senate Bill 539 addressing specific concerns and potential adjustments for your consideration.

The Hippodrome Theatre expresses gratitude for the opportunity to participate in the public hearing on Senate Bill SB539. While we oppose Senate Bill SB539 as currently written, we greatly appreciate the significant progress made in SB539 and express support for many of the terms set forth in this legislation.

We applaud and support the bill's aim to enhance transparency in ticket purchasing. Initiatives like mandatory disclosure of total price breakdowns and speculative ticketing practices in the secondary market align with our values. In fact, the Hippodrome has proactively implemented all-inclusive pricing since 2016, demonstrating our commitment to fair and upfront costs for patrons. In addition, all too often, we encounter honest people who come to our venue expecting to see a show, only to find that the ticket they purchased was fake and they were duped by a predatory broker. In these situations, it is heartbreaking to see the customers' disappointment and embarrassment when they learn that they do not have a valid ticket and they did not buy from the venue's official sites. As a venue operator, we do our best never to turn away someone who has come to see our shows. Our box office scrambles to try to find the patron tickets to buy a second time and helps them navigate doing a credit card charge back on their original purchase, all while servicing the needs of thousands of patrons entering our doors for the same show. To put it mildly, it is a hassle for all involved. As a venue, we are in the business of providing experiences and memories to last a lifetime. When a visit to our theatre is ruined by fraudulent sales, it casts a negative shadow on our relationship with the consumer because trust is lost – even though we were not the bad actor. We are therefore appreciative of your action to further protect consumers of live entertainment and the arts in Maryland.



**HIPPODROME
THEATRE** *at the*
FRANCE-MERRICK
PERFORMING ARTS CENTER

However, the Hippodrome believes that some proposed modifications to SB539 are necessary to ensure that Maryland remains a competitive and attractive marketplace for Broadway, concerts, comedy, dance, sports and other entertainment attractions.

We express concern regarding the data sharing requirements outlined in Section C.

Mandating venues to store and manage customer data from various secondary market platforms creates an undue burden on already busy box offices, potentially hindering operational efficiency and raising data security concerns.

We respectfully request the removal of Sections D, E, and F. While supporting the Fan-to-Fan resale concept, imposing restrictions on secondary market pricing and service fees risks infringing upon consumers' resale rights and disrupting the delicate balance within the ticketing ecosystem. Additionally, we believe artists and presenters, as rights holders, should retain the ability to determine ticket transferability, a factor often influencing their decision to perform in specific locations.

It is crucial to remember that major touring productions, concerts, and sporting events have venue selection options. Without key amendments, this legislation could incentivize prominent promoters and artists to bypass Maryland in favor of other states, including neighboring Washington D.C., potentially impacting our local economy and cultural landscape.

We urge you to consider our concerns and explore amendments that address data sharing, remove price controls and fee caps to maintain market flexibility, and respect the choices and preferences of rights holders. By collaborating, we can achieve the shared goal of protecting consumers while safeguarding the vitality of Maryland's vibrant entertainment industry.

Thank you for your time and consideration.

Sincerely,

Ron Legler
President, France-Merrick Performing Arts Center/Hippodrome

SB539 Vividseats.pdf

Uploaded by: Tyler St. Clair

Position: UNF

Maryland Senate Finance Committee
3 East Miller Senate Office Building
Annapolis MD 21401



Senate Bill 539

Good afternoon Chair Beidle and members of the Senate Finance Committee. For the record, my name is **Tyler St. Clair**, and I serve on the Public Policy team for Vivid Seats, a ticket resale marketplace which aims to connect fans with memory-making live events. We have signed in as “against” and very much appreciate the opportunity to provide our perspective on how best to protect ticket purchasers in Maryland.

Vivid Seats offers award-winning customer service and accompanies that with the leading loyalty program in the industry that rewards every purchase. We provide fans with a secure, safe, and convenient place to buy and sell tickets to a wide variety of events. When fans buy tickets on our platform, they do so with peace of mind. Every ticket sold on Vivid Seats is backed by our 100% Buyer Guarantee - a promise that the fan will receive valid tickets, delivered on time and as described - or else the fan gets their money back.

We support the intent behind of Senate Bill 539 to protect consumers, and commend the sponsor for examining the role played by both the initial ticket seller and the reseller. We look forward to continuing to work with her on this effort and, in particular, and we have provided our suggested amendments to the bill to ensure competition between live event marketplaces continues to thrive for Maryland consumers.

We support the concept of clear pricing disclosures, and have worked in other states to pass similar legislation. We do have concerns with other aspects of the bill.

We are concerned that the bill’s price cap requirement for dynamic pricing may have unintended consequences as written. Not every performer or team is as popular as Taylor Swift, not by a long

shot. Many tickets sell on resale marketplaces for less than face value. On our marketplace today, for example, you can find Maryland sports tickets selling well below face value. We also have concerns with the data transfer portion, which would require companies to share their customer's data. Further, we have concerns with a requiring a ticket to be license, as we believe it is the property of the purchaser. Finally, Vivid Seats agrees undisclosed speculative ticket is a problem, and would like to continue to be able to offer our popular service for customers called "Seat Saver" which saves time for fans who are not able to sit in front of a laptop for hours on end.

The Maryland Legislature can use this opportunity to benefit consumers by protecting competition across our industry. Competition provides consumers with greater choice and flexibility in purchasing tickets for live events and it creates better pricing. The revised version of this bill will protect consumers in this state because it requires that fans be able to transfer tickets on the platform of their choice if they choose to gift or resell a ticket rather than attend an event.

Vivid Seats has worked with lawmakers and regulators across the United States to ensure legislation reflects a desire for consumers to enjoy a healthy, competitive marketplace. We look forward to continue discussion on how we can support your continued efforts to craft legislation.

Thank you. I am happy to answer any questions that you may have.

Tyler St. Clair, Vivid Seats