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**CONSUMER PROTECTION DIVISION**

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February 20, 2023

**TO:** The Honorable C.T. Wilson  
Chair, Economic Matters Committee

**FROM:** Philip Ziperman, Deputy Chief - Consumer Protection Division

**RE:** HB 795 – Consumer Protection – Ticket Sales (Event-Goer Rights and Accountable Sales (ERAS) Act)

(SUPPORT)

The Consumer Protection Division of the Office of the Attorney General (the “Division”) supports House Bill 795, sponsored by Delegate Vogel, which provides important protections for consumers who purchase tickets for entertainment events. House Bill 795 requires both primary ticket sellers and ticket resellers to implement standard refund policies that provide purchasers the right to a refund of their purchase no later than 30 days after a requesting a refund because an event is cancelled or the purchaser encounters a variety of other problems that plague the ticket resale industry, including counterfeit tickets, tickets that do not conform to consumers’ orders, or tickets that are not delivered. The Division is concerned, however, that portions of the Bill may limit primary ticket sellers’ ability to put in safeguards to block automated mass ticket purchases by bots.

During the COVID-19 pandemic and the ensuing cancellation of live events, consumers were plagued with problems obtaining refunds for tickets they purchased, often at prices that totaled hundreds to thousands of dollars. Over the past three years, the Division’s Mediation Unit regularly received complaints from frustrated consumers unable to obtain refunds for their cancelled event tickets. Among other things, consumers faced changing refund policies, difficulties contacting the seller or reseller, and wide scale refusal by the ticket industry to provide refunds.<sup>1</sup> On September 14, 2021, the Division announced its settlement with StubHub, Inc., one of the largest ticket resellers in the country, requiring the company to offer consumers whose events were cancelled the opportunity to obtain refunds of their purchases or account credits of 120% of their purchase price. Consumers overwhelmingly selected refunds resulting in more than 7,500 Marylanders receiving refunds totaling more than \$2.8 million.

<sup>1</sup> See e.g. NY Times, *Angry Fans Say First the Concerts Were Canceled, Then the Refunds* (April 8, 2020).

Although the Division supports HB 795, the Division is concerned that sections of the Bill that prohibit primary ticket sale platforms from placing limitations on ticket resellers may also restrict the platforms' ability to combat ticket purchasing bots (illicit software used to buy tickets quicker than the average consumer and to bypass ticket purchase limits using fake names and addresses). Notwithstanding this concern, HB 795's refund requirements, as well as other protections in the bill regarding ticket price and location transparency, will help protect consumers. For these reasons, the Division supports House Bill 795 and requests that the Economic Matters Committee give HB 795 a favorable report while ensuring that ticket sellers retain the ability to limit ticket bots

cc: Members Economic Matters Committee  
The Honorable Joe Vogel