



Honorable C.T. Wilson, Chair  
Economic Matters Committee  
Rm.231  
House Office Building  
Annapolis, MD. 21401

February 22, 2023

Mr. Chair and Members of the Committee,

Thank you for this opportunity to submit our thoughts regarding the proposed House Bill 795, the Event-Goer Rights and Accountable Sales (ERAS) Act.

TicketNetwork is a secondary ticket platform, that facilitates transactions between event ticket buyers and sellers across the United States and worldwide. We provide consumers a safe, secure place to search for tickets to events, or find a buyer for tickets to events they bought ticket for but can no longer attend – helping ensure a smooth transaction, with a top-tier customer service team ready to assist whenever there is a question.

As the ticketing marketplace continues to change with time we support the evolution of public policy, that ensures both transparency for consumers and a competitive atmosphere among the numerous businesses in the space. With those goals in mind, we support HB 795. The ERAS Act highlights numerous improvements to be made in the ticketing climate, and with minor modifications and clarifications, its passage will elevate Maryland as one of the states setting the gold standard for consumer experience in this space.

Major consumer issues exist in the current ticketing ecosystem. Without consistent law and policies concerning online ticket sales, consumers shopping for tickets face confusion on the disclosure of service fees and event operators regularly mislead consumers about when and how many tickets are in fact on sale in order to trigger panic purchases when the apparent “sold out” event has many thousands of tickets remaining held back<sup>i</sup>. Post-purchase, consumers are typically forced to accept tickets in a restrictive, mobile-only format that allows the issuer to harvest their consumer data for sale to third parties and can be used to restrict ticket transfers to the preferred platform of the original seller, or even shut down the ability to transfer tickets to friends and family without warning, should the vendor choose to do so<sup>ii</sup>.

Many of these issues first arose due to policies put in place by Live Nation Entertainment and its ticketing subsidiary, Ticketmaster. Even before these two companies merged more than a decade ago, these businesses controlled an enormous share of multiple markets, handling promotion of major tours, managing some of the largest venues, and doubling as the largest ticketing vendor for the primary box office and one of the largest providers for secondary ticket resale. It is no secret that they have also been regularly accused of abusing this enormous market power, to the detriment of consumers in Maryland and across the country.

The ERAS Act will go a long way towards tipping the balance back in favor of the Maryland live entertainment ticket buyer and event attendee. It does so by its inclusion of provisions that:

- Prevent event operators or their ticketing vendors from instituting prohibitions against consumers’ rights to use or transfer tickets they have paid for
- Standardize refund policies for events that are cancelled or postponed
- Mandate all-in pricing for consumers shopping for tickets, making it easier to compare the price they will actually be charged for tickets across different platforms



- Require event operators be transparent with the public about how many tickets are available at every step of the sales process, offering specific details about how and when every block of tickets will go on sale, eliminating the deceptive trade practice of hiding large blocks of tickets for sale from consumers to imply lower supply and inflate prices.

The above improvements will put Maryland in a class of its own in terms of ticket buying and ownership rights for consumers in Maryland. There are, however, some areas of the bill in need of clarification or removal in order to prevent some unintended consequences:

- In Section 14-4002, 14-4003, 14-4004, and 14-4006 “TICKET SELLER” is not defined. It is not clear as written who falls under the definition of “Ticket Seller” with the term being omitted from the defined terms in 14-4001.
- Similarly, there is not a clear definition in 14-4004(A)(2) of MARKUP VALUE or why it is described as being set as \$0
- In Section 14-4004(A)(8), language should be added – “UNLESS THE NON-ADMISSION WAS DUE TO AN ACT OR OMISSION OF THE PURCHASER OR VENUE” in order to avoid the potential that a good faith ticket seller suffer legal or financial penalties for a purchaser being denied entry due to the purchaser or venue’s act or omissions
- Section 143-4005(A)(3)(III) is too vague and broad to be included in this legislation. As written, it could be interpreted in a fashion that could potentially undermine the public policy outlined in the rest of this bill that protects consumers from policies designed to restrict their ticket rights for usage, transfer, or resale at their discretion rather than the event operators or primary box office ticket sellers

We understand that the committee may be considering amendments to address these points and I look forward to working with you to strengthen what is already a strong bill.

We would further suggest the addition of a requirement that event operators or primary box office ticket sellers be required to report any suspected violations of the federal BOTS Act (2017) for potential enforcement. Such violations are regularly claimed to be a huge contributor to the poor consumer experience and surged ticket prices facing consumers, however there is limited evidence to support such claims. Only two enforcement actions have been taken against alleged BOTS Act violators in the years since it has passed. If the issue is as big as some event operators claim it is, Maryland consumers deserve to have any violations reported, investigated, and prosecuted if they are deemed to be credible.

Due to recent high-profile failures of the ticketing system, and the ensuing media coverage and even a hearing before the Senate Judiciary Committee in January, consumers are more aware than ever of how rigged the ticketing game has become against them in the last decade. There is a tremendous opportunity here for Maryland to become a leader in building a better system for its consumers. With minor adjustments, the ERAS Act will do just that.

For these reasons, TicketNetwork asks for a Favorable Report of HB 795, with the proposed amendments.

Thank you for your time and consideration.

Bruce Morris,  
TicketNetwork Director of Government Affairs

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<sup>i</sup> A New York GAO report found that most than 50% of tickets to top shows are routinely held back from initial sale ([https://ag.ny.gov/pdfs/Ticket\\_Sales\\_Report.pdf](https://ag.ny.gov/pdfs/Ticket_Sales_Report.pdf))

<sup>ii</sup> <https://www.ticketnews.com/ticket-regulations-and-legislation-compendium/non-transferable-tickets/>