



## **Testimony in Support of MD HB 701**

**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 HB 701, a bill to protect consumers during the sale and resale of tickets. We commend Chair Wilson, Vice Chair Crosby, Delegates Adams, Amprey, Arentz, Boafo, Charkoudian, Fennell, Fisher, Harrison, Fraser-Hidalgo, Howard, Jackson, Johnson Jr., Pippy, Pruski, Qi, Queen, Rogers, Rose, Turner, Valderrama, and Wivell 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,



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and most disturbingly, these predatory secondary resellers often cancel the “ticket” week-of, day-of, or never deliver a ticket, all without consequence.

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 HB 701.

HB 701:

- 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 HB 701 will claim that these protections will restrict fans, but - in reality - this law protects fans, allows them to exchange tickets freely, and ensures that



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predatory resellers and secondary ticketing platforms do not price gouge consumers and drive a financial wedge between fans, artists, and venues.

HB 701 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)
- Cash or Trade
- 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 HB 701 law.