



March 26, 2024

The Honorable CT Wilson  
Chair, House Economic Matters Committee  
231 Taylor House Office Building  
6 Bladen Street  
Annapolis, MD 21401

**Re: Favorable with Amendments - SB 539 (Sale and Resale of Tickets)**

Dear Chair Wilson and members of the House Economic Matters Committee,

On behalf of StubHub, the world's leading ticket resale marketplace, I write to share our comments in support of SB 539 with amendments. While the legislation has substantially improved from introduction, we believe further amendments are necessary to ensure strong consumer protections that can be provided to Marylanders while allowing for competition from legitimate businesses operating in the state. StubHub believes that a competitive, transparent, and secure ticket marketplace unequivocally supports fans.

StubHub has advocated before the General Assembly in support of consumer protection laws in Maryland that prohibit the use of bots to procure tickets, prevent websites used to deceive ticket buyers, and regulate the sale of speculative tickets. The collective effect of these laws is a highly regulated resale marketplace that gives Marylanders the choice to transact safely and with confidence on several resale platforms. We believe that strong enforcement of these existing laws can protect Maryland consumers from bad actors and maintain a healthy marketplace.

**Background on StubHub**

Founded in 2000, StubHub revolutionized the ticket resale marketplace by providing a safe, transparent, and trusted marketplace to buy and sell tickets. Our industry leading FanProtect Guarantee ensures buyers and sellers can transact in confidence, knowing that in the rare instance something goes wrong with a transaction, each order is protected, and our customer service team is available to assist with the issue, find comparable or better replacement tickets, or issue a full refund. We are proud to provide choice, flexibility, and access to fans around the world to attend live events.

**Suggested Amendments to SB 539**

We are supportive of further strengthening existing protections for Maryland fans as intended by SB 539 but suggest amending the bill further to ensure strong consumer protections and choice in the marketplace. Specifically, we ask for the following changes to SB 539:

- **Amend the pricing transparency in Section 1 (B) to provide Marylanders with true all-in pricing.**

StubHub, consumer groups, and other stakeholders in the industry support all-in pricing – the transparent disclosure of the full price of a ticket, inclusive of the ticket cost and associated mandatory fees and taxes, made up front to buyers. However, we join consumer advocates in calling for all-in pricing disclosures to be clear to consumers and not diluted by an itemization of the total cost at every step of the transaction as currently required in SB 539. Alternatively, an itemization of the total cost of the ticket should be available to consumers prior to purchase.

Similar all-in pricing requirements are already in place for other areas of commerce, such as when you are purchasing a ticket from an airline where the full price is disclosed up front but the itemization of fees (e.g., fuel fees) is disclosed to consumers at the end of the process before they purchase the plane ticket. Providing an itemized list of charges throughout the entire sales process would be challenging to build out for our platform and would fill a consumer’s device screen with potentially distracting information, particularly on a mobile device where many purchases take place.

Therefore, we would urge for the adoption of an amendment to incorporate all-in pricing that provides clear requirements for businesses to comply with and avoid unnecessary confusion for consumers caused by requiring itemization at every step of a transaction as currently specified in SB 539.

- **Revise the study provisions in Section 2 to incorporate additional areas to study to focus on the full live event ticketing industry, including the primary ticketing market, rather than just resale.**

The study language in Section 2 of SB 539 is limited in scope to focus on the secondary ticket resale market while neglecting important aspects of the broader live event ticket market in Maryland. StubHub is a willing participant in these conversations; however, we want to make sure that any ticketing discussion includes an examination of the root cause of these frustrations, which is the lack of competition in this marketplace. Notably, the outline for the study in Section 2 avoids any assessment of primary ticketing companies. One dominant player – Ticketmaster and their parent company, Live Nation – controls most of the ticketing operations for major Maryland venues and is under investigation by the US Department of Justice for anticompetitive behavior affecting the entire live event ecosystem.

The Office of the Maryland Attorney General previously led a related study/work group on live event ticketing in Maryland. That effort brought together stakeholders from across the industry but ultimately did not lead to a set of recommendations. Other governmental studies conducted by the

US Government Accountability Office (GAO)<sup>1</sup> and the New York State Attorney General<sup>2</sup> included extensive overviews of the live event ticketing industry that extended far beyond the limited focus on resale as currently proposed in SB 539. We encourage an expansion of the scope of the study to include these broader issues within the live event ticket market in Maryland, including:

1. What is the impact of exclusive ticket retail contracts between venues and primary ticket sellers on the price of tickets? What is the impact of exclusive ticket retail contracts between venues and primary ticket sellers on the state of competition in the live event ticketing industry?
2. How prevalent is “dynamic pricing” by primary ticket sellers and how are those prices established? Do prices dynamically shift both up and down, or just up? Are customers provided sufficient disclosure that dynamic pricing models are being used? Do ticket allocation and distribution practices impact the cost of dynamically priced tickets?
3. How prevalent is the use of price floors on secondary resale websites? Who sets those price floors? Are price floors more prevalent when the ticket issuer partners or operates the secondary resale website?
4. On average, how many tickets are made available to the general public at an initial on-sale? How many tickets are generally allocated to pre-sales, industry insiders, sponsors, or otherwise as opposed to the general public? After the initial general public on-sale, how many tickets are usually reserved to be released for sale to the public at a later time and how do those ticket prices compare to the original tickets released? Would disclosures of these practices benefit consumers and help them make more informed purchasing decisions?
5. How far in advance do events book at a venue? When “new” dates are publicly announced after an initial date is “sold out”, were those dates already booked? How do ticket prices compare between the new date and the initial date? Would consumers benefit from upfront transparency about the number of dates an event is playing at a venue before the first date goes on sale?

Thank you for your consideration of our views in support of amending SB 539 to further protect Maryland consumers and support a healthy and competitive marketplace.

Sincerely,

Kevin Callahan  
Head of North America Government Relations  
StubHub

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<sup>1</sup> <https://www.gao.gov/products/gao-18-347>

<sup>2</sup> [https://ag.ny.gov/sites/default/files/reports/Ticket\\_Sales\\_Report.pdf](https://ag.ny.gov/sites/default/files/reports/Ticket_Sales_Report.pdf)