

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

RE: HB701 Commercial Law-Consumer Protection-Sale and Resale of Tickets

## **FAVORABLE WITH AMENDMENTS**

February 20, 2024

Chairman Wilson 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 HB701 that could bring with them significant unintended consequences related to consumer privacy, price transparency, and competition.

We oppose HB701 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, HB701 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 HB701, but only for resold tickets. Ticket prices are capped by HB701 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. HB701 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 you, members of this body, and other stakeholders with that goal in mind, whether through revisions to this bill or the adoption of a better consumer ticketing framework through a workgroup during the interim.

Thank you for your time and consideration.

Bruce Morris,
TicketNetwork Director of Government Affairs