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

FROM: Steven M. Sakamoto-Wengel
Consumer Protection Counsel for Regulation, Legislation and Policy

RE: House Bill 701 – Commercial Law - Consumer Protection – Sale and
Resale of Tickets (SUPPORT)

The Consumer Protection Division of the Office of the Attorney General (the “Division”) supports House Bill 701, sponsored by Chair Wilson, which provides important protections for consumers who purchase tickets for entertainment events. House Bill 701 would help address the problem of ticket resellers and ticket bots that buy up significant quantities of tickets to popular concerts and other events in order to resell them on the secondary market for substantial markups by limiting the price at which tickets may be resold and fees that resale markets can impose. The bill would also require clear all-in pricing, so that ticket prices reflect the full price of the ticket, including all fees and taxes. House Bill 701 would further protect consumers by ensuring that, in the event they are unable to use a ticket they purchased, they have the ability to sell or transfer the ticket to another individual for no more than what they paid for it. And the bill would bar the sale of speculative tickets (a ticket put up for sale by a broker when the broker does not yet have the ticket in hand), which often results in ticket buyers not getting the tickets they thought they were buying or, in many cases, not getting the tickets they paid for at all.

The Division receives a significant number of complaints from consumers regarding the sale and resale of tickets to concerts, sports and other events, including:

- Difficulty purchasing tickets from the original seller because substantial quantities of tickets have been bought up by ticket bots and scalpers;
- Misleading ticket prices that do not include added fees and other charges;
- Excessive markups and fees to buy tickets on the secondary market;

- Restrictions on the resale or transfer of tickets that the purchaser legitimately is unable to use; and
- Learning upon arriving at the event that the ticket they purchased is counterfeit, has been sold to multiple purchasers, or not for the seats or section promised by the seller.

House Bill 701 would help to protect Maryland consumers by addressing these issues. Accordingly, the Division requests that the House Economic Matters Committee give HB 701 a favorable report.

cc: Members, House Economic Matters Committee