

DAWN D. GILE
Legislative District 33
Anne Arundel County

Finance Committee

Chair

Anne Arundel County
Senate Delegation



Miller Senate Office Building
11 Bladen Street, Suite 3 East
Annapolis, Maryland 21401
410-841-3568 · 301-858-3568
800-492-7122 Ext. 3568
Dawn.Gile@senate.state.md.us

THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

Testimony in Support of SB0539 - Commercial Law – Consumer Protection – Sale and Resale of Tickets

Mr. Chair, Mr. Vice Chair, and Members of the House Economic Matters Committee:

SB0539 was cross-filed with HB0701. As introduced, these bills would have:

1. Limited resale of tickets to original purchase price (including fees and taxes).
2. Limited the fees charged by resale sites to 10%.
3. Required transferability for most tickets made available to the general public.
4. Required resellers to share ticketbuyers' contact information with resale ticket purchasers in case of cancellation or schedule change.
5. Required ticket sellers to offer all-in pricing with an itemized list of all charges.
6. Banned speculative tickets.

To provide more time to properly address the problems in the entertainment ticket resale market, the first four provisions were struck from the Senate bill in exchange for a report written by the Consumer Protection Division of the Office of the Attorney General—and due to the General Assembly by December 1, 2024—to study:

1. How event tickets are obtained for resale by professional resellers and brokers;
2. The cost of event tickets offered to and purchased by consumers on the resale market when compared with the face values and total event ticket prices for tickets offered to and purchased by consumers in the primary event ticket market;
3. Factors contributing to the cost of event tickets sold and offered for sale on the resale market;
4. Problems consumers are encountering relating to the purchase of event tickets sold and offered for sale on the resale market, including
 - a. The fraudulent sale of event tickets;
 - b. The sale of counterfeit tickets;
 - c. The denial of entry to events for which tickets were purchased by consumers; and the use of bots to purchase for resale tickets for in-demand events;
5. The impact of any measures taken in other states to protect consumers in the event ticket market, such as through resale price caps, limits on fees and charges by secondary market

resale platforms, requiring the transferability of event tickets, and restrictions on the use of bots to purchase tickets for resale; and

6. Any other matters identified as relevant to the protection of consumers in the event ticket market.

The latter two provisions of the bill—all-in pricing and a speculative ticket ban—were kept in the bill, which would provide some of the toughest consumer protections on these issues in the country.

→ **All-in pricing**

This eliminates unpleasant surprise fees at the end of the transaction but also ensures that consumers see the base price and all fees from the beginning and throughout the transaction. This is the version of all-in pricing that has consensus support within the artist community; it ensures that fees aren't hidden, and consumers are fully informed.

Note: Versions of this idea exist in NY, CA, NV, UT, and is under consideration in many other states.

→ **Speculative ticket ban**

Speculative tickets are one of the most nakedly predatory and deceptive practices in live event ticketing; they're hated by artists, fans, venues, and promoters. Speculative tickets happen when predatory resellers list and sell tickets they don't actually possess, banking on their ability to use technological tools and aggressive tactics to get tickets before actual fans and sell them, typically at a substantial markup. They also degrade the ticket buying experience for ordinary ticketbuyers.

This can result in frustrated fans getting stuck outside venues when their promised tickets aren't delivered; while they may eventually get a refund, this is no consolation, particularly if they traveled for an event.

Maryland is one of a handful of states that currently requires disclosure of speculative tickets, but this has proven inadequate. A complete ban would solve the problem once and for all.

Note: A version of this is law in NV, currently under consideration in PA, WA, CA, AZ, MA and other states.

It is my sincere hope that with the findings of the study, the General Assembly can return next session to address the remaining issues in this marketplace that the original versions of these bills sought to fix. For these reasons, I respectfully request a favorable report on SB0539.