



SPORTS FANS COALITION WRITTEN TESTIMONY ON HB 77
Submitted by: Brian Hess, Executive Director, Sports Fans Coalition

Chair Valderrama, Vice Chair Charkoudian, and Members of the Committee:

Thank you for the opportunity to testify today about HB 77. My name is Brian Hess, Executive Director of Sports Fans Coalition, the nation's leading fan advocacy organization, based in Washington, D.C. We have worked with this legislature to pass the Jordan McNair Safe and Fair Play Act, the Sports Bettors' Bill of Rights, and robust ticketing consumer protections in 2024. In sum, we have deep concerns with HB 77, as originally drafted, but are happy with the direction of many of the amendments proposed by Delegate Woods.

Two years ago, Maryland passed comprehensive ticketing reform which included nearly all the same protections in HB 77. Advocates from all sides of this debate routinely point to Maryland as one of the best pro-consumer states which includes almost all of the consumer protections. So with almost everything in the bill already law, what's left in HB77?

Price controls and the codification of anticompetitive conduct currently under investigation by Attorney General Brown.

Maryland should not bless a monopoly.

Ticketmaster is about to go to trial against the DOJ and Attorney General Brown for anticompetitive conduct harming Maryland's fans. This bill's price caps and transferability restrictions must be viewed through that lens. It is telling that the organizations supporting price caps are the monopoly itself and the venues and artists that depend on it.

The secondary ticket market remains the sole avenue for fans seeking alternatives to the primary ticketer (more often than not, Ticketmaster) when procuring tickets. A properly functioning secondary market brings about efficiency advantages by facilitating connections between artists and fans that might otherwise elude post-primary market transactions. However, evidence abounds of Ticketmaster engaging in detrimental practices that curtail competition in the resale market, ostensibly justified under the pretext of preventing "scalping" and safeguarding fans.

Restricted digital ticketing, exemplified by Ticketmaster's "SafeTix" service, confines tickets to the Ticketmaster smartphone app with frequently changing QR codes, necessitating the use of Ticketmaster's app to gain access to an event and complicating the transfer of tickets acquired from other fans or on competing marketplaces. Their restrictions have even gone so far as to invalidate a ticket initially sold by Ticketmaster and later resold by a different marketplace, a



glaring example of Ticketmaster abusing its market power to undermine competition and favor its own platform.¹

Ticketmaster's "SafeTix" technology allows Ticketmaster to control resale by allowing event organizers, many of whom are affiliated with Ticketmaster, to restrict ticket transfer and resale exclusively to Ticketmaster's own resale platform, preventing fans from using competing resale marketplaces. This product provided a set of critical facts for DOJ's lawsuit against Live Nation-Ticketmaster:

"Ticketmaster's SafeTix marketed this change as reducing the risk of ticket fraud from stolen or illegal counterfeit tickets. But there were less restrictive ways to reduce fraud. Ticketmaster's own documents show that a primary motivation behind its push for a non-transferable digital ticket was to make it more difficult for a fan who wishes to buy or sell a SafeTix-encrypted ticket through a secondary platform to use a rival platform like StubHub or SeatGeek. One document from a Ticketmaster executive meeting in 2014, for example, describes the 'non-transferrable digital ticket' as 'a game-changer.'"²

SafeTix also allows Live Nation-Ticketmaster to expand its data dominance in the marketplace, a key way it defends its monopoly. As the DOJ explained:

"In addition to inserting Ticketmaster as an intermediary into secondary ticket transfers and transactions, SafeTix has also fortified Live Nation's data advantages over its rivals. According to internal documents, SafeTix was expected to grow the 'size/value of the TM database,' already by far the largest of any tикeтer, by as much as 30 to 40%. As Live Nation's CEO put it, '[o]ne of the advantages we've launched under the transfer strategy is we now not only know the person that bought the ticket, but we're going to know those three people that you are taking to the show, which we have not known historically.' Live Nation can monetize this unique trove of data in its various businesses to both increase its bottom line and further entrench its positions across the live entertainment industry."³

Section 14-5108 of the bill compounds the monopoly problem by giving legal deference to Ticketmaster's terms and conditions and SafeTix, which the DOJ alleges are anticompetitive. We should not codify their business practices, especially while Maryland's own Attorney General is suing them

Price controls do more harm than good.

¹ Daniel Krepps, "Black Keys Respond After Third-Party Ticket Buyers Denied Entry to Fan Club Show" Rolling Stone Magazine, September 12, 2019,

<https://www.rollingstone.com/music/music-news/black-keys-wiltern-third-party-tickets-888127/>

² Page. 46 of United States v. Live Nation Entertainment, Inc. & Ticketmaster L.L.C., No. 1:24-cv-03973 (S.D.N.Y.), Aug. 19, 2024 <https://www.justice.gov/archives/opa/media/1364366/dl?inline>.

³ *Ibid.* Pg. 47.



A price cap on resale tickets sounds appealing and pro-fan but in reality the price cap actually harms every stakeholder, except the bad actors they are meant to stop. Price caps, set by the primary market harm fans, artificially restrict supply, stifle competition and lead to fraud. Studies show that in countries that have enacted price caps, fraud rates are magnitudes greater than that of countries without price caps. For example, in Ireland and Australia, where price caps exist, concerts and sporting events attract the highest rates of fraud.

In November 2022, one year after Ireland's price cap law was enacted, Irish bank PTSB flagged ticket fraud as a growing threat to consumers, revealing that 16% of its customers had either been targeted or successfully scammed while trying to buy tickets. Alarming, ticket scams tied for second place in fraud success rates, clocking in at 31%. Victims reported losses of up to €500 apiece.⁴ The problem got worse as time went on. In 2024, warnings about high levels of fraud were rampant, including from the Irish police,⁵ the Bank of Ireland,⁶ and Allied Irish Banks.⁷ Revolut, a multinational fintech company, reported a 27% increase in Irish concert ticket fraud ahead of the Christmas season. More than 65% of these incidents were tied to social media platforms.⁸

Ireland's sports fans also suffer the effects of increased ticket fraud. Similarly to concerts, high-profile games with limited tickets present opportunities for scammers. In early 2025, Revolut recorded a "significant increase" in Six Nations rugby ticket scams ahead of Ireland's decisive home match against France. Fraudsters took to Facebook groups, Twitter, and messaging apps, posting offers for match tickets that they did not actually have. Many fans in the 25–34 age bracket fell victim to these schemes, which exploited the scarcity of tickets and fans' desperation to attend a championship-defining game.⁹

Australia experiences similarly high rates of fraud. In January 2024, leading up to Taylor Swift's Era Tour, the Australian Competition and Consumer Commission's "Scamwatch," reported a

⁴ Permanent TSB, "Reflecting Ireland," November 2022,

<https://www.ptsb.ie/globalassets/pdf-documents/reflecting-ireland---fraud.pdf>

⁵ Ruairi Scott Byrne, "Irish Taylor Swift fan loses hundreds of euro in Era Tour ticket scam as gardai issue warning," Irish Mirror, May 16, 2024, <https://www.irishmirror.ie/news/irish-news/taylor-swift-eras-tour-tickets-32825001>

⁶ Bank of Ireland, "Bank of Ireland urges music fans to act 'Swiftly' on ticket scams,"

<http://bankofireland.com/about-bank-of-ireland/press-releases/2024/bank-of-ireland-urges-music-fans-to-act-swiftly-on-ticket-scams/>

⁷ AIB, "Don't Panic - how to ensure you've no Trouble over Coldplay tickets," August 22, 2025

<https://aib.ie/content/dam/aib/group/Docs/Press%20Releases/2024/how-to-ensure-youve-no-trouble-over-coldplay-tickets.pdf>

⁸ Azmia Riaz, "Scammers are targeting concert ticket buyers in the run up to Christmas: Revolut," The Irish Independent, December 18, 2024,

<https://www.independent.ie/business/scammers-are-targeting-concert-ticket-buyers-in-the-run-up-to-christmas-revolut/a1532883809.html>

⁹ Keith Kelly, "Revolut warns customers as ticket scams spike ahead of Six Nations showdown," The Journal, March 6, 2025,

<https://www.thejournal.ie/revolut-fraud-tickets-france-rugby-6641060-Mar2025/#:~:text=REVOLUT%20HAS%20URGED%20customers%20to,Six%20Nations%20clash%20with%20France>



surge in ticket scams, particularly in New South Wales, AU despite its 10% price cap.¹⁰ Victoria, AU, which also enforces a 10% cap on “Major Events,” saw the second-highest rate of fraud, with Victoria Police estimating over AU\$260,000 lost to fake ticket sales through unregulated channels.¹¹ These losses likely understate the true scale, as they only reflect officially reported cases. Major banks like Westpac and the National Australia Bank (“NAB”) have repeatedly raised red flags about ticket fraud, with NAB citing average losses of AU\$1,700 per victim.¹²

Football fans in the United Kingdom face steep fraud risks, as well. From January to September 2024, Santander reported that £240,000 was lost to ticket-related scams involving sports events, more than half of which related to football.¹³ With highly restrictive regulations around the resale of football tickets, fans are often pushed into a shadowy resale market lacking essential consumer safeguards. As of January 2025, Merseyside and North Yorkshire Police launched major investigations into £8 million worth of illicit Liverpool FC ticket sales, allegedly orchestrated by organized crime groups. Fans duped by these scams have been left empty-handed, often turned away at stadium gates after paying hundreds of pounds online.¹⁴ Lloyds Bank also reported a surge in football-related scams in 2024, up by about a third, with average losses of £177 per victim. These scams most commonly occur on social media platforms like Facebook and Instagram.¹⁵

Consumers are best protected in an open and transparent marketplace where regulated businesses have to compete in plain sight for the fans' dollars. In ticketing, the advent of online ticket resale marketplaces more than 20 years ago saved consumers from the risk of buying tickets from rogue “scalpers” outside of venues. Arbitrary price fixing could, however, send ticket resale back to street corners or unregulated online marketplaces where consumer protections do not exist.

¹⁰ Australian Competition and Consumer Commission, “Swifties beware: scammers are in their Cruel Summer Era,” January 24, 2024, <https://www.accc.gov.au/media-release/swifties-beware-scammers-are-in-their-cruel-summer-era>

¹¹ Duncan Evans, “Police warn Taylor Swift fans about casually cruel scammers ahead of Eras Tour in Australia,” The Australian, February 7, 2024. <https://www.theaustralian.com.au/breaking-news/police-warn-taylor-swift-fans-about-casually-cruel-scammers-ahead-of-eras-tour-in-australia/news-story/2b4666123e07aade35e8ed5d07ca6fa3>

¹² Kathy McCabe, “Coldplay fans warned to be wary of fake ticket scams on social media and resale sites,” The Daily Telegraph, October 27, 2024. <https://www.dailytelegraph.com.au/news%2Fnational%2Fcoldplay-fans-warned-to-be-wary-of-fake-ticket-scams-on-social-media-and-resale-sites%2Fnews-story%2Fd96187609f64f13e56818f634dd34844?amp&nk=a9c1618b0887ec8ea4d7c036fcd20e3b-1750854878>

¹³ Santander, “Santander urges caution as scammers cheat sports fans out of £240,000 in ticket fraud,” November 28, 2024. <https://www.santander.co.uk/about-santander/media-centre/press-releases/santander-urges-caution-as-scammers-cheat-sports-fans>

¹⁴ James Pearce, “Organised crime, burners and cyber attacks: Inside Liverpool’s fight with ticket touts,” The Athletic, January 3, 2025. <https://www.nytimes.com/athletic/6031174/2025/01/03/liverpool-tickets-touts-crime/>

¹⁵ Matt Hardy, “Lloyds warns Arsenal fans over Champions League ticket scams,” City AM, April 18, 2025, <https://www.cityam.com/lloyds-warns-arsenal-fans-over-champions-league-ticket-scams/>



Proposed amendments build on Maryland's national standard.

We are happy to see Delegate Wood's additional amendments that push back against the monopoly and its allies and create even stronger consumer protections for fans including:

Bots reporting: Bots ruin the ticket buying experience for fans by cutting in line and grabbing tickets before humans have a chance to. While this is already illegal, it has been woefully under-enforced. By requiring reporting on bot activity, lawmakers can better understand the scope of the problem, hold bad actors accountable, and build the evidentiary record needed for stronger enforcement. However, the regulatory burden of such reporting should not be so great that only one company – Ticketmaster – has the resources to comply. Lawmakers should be careful to ensure that all competitors can equally comply with the law.

Increased transparency on ticket holdbacks: To major live events significant portions of tickets never actually reach the public on-sale. Pre-sales, venue holds, artist allocations, and sponsor packages can consume the majority of inventory. Requiring disclosure of how tickets are allocated gives fans better understanding of whether they should wait in line at the on-sale or wait until a later day when more tickets will be made available.

Refunds on tickets deemed nontransferable: If a fan purchases a non-transferable ticket they are left with no recourse if their plans change. SFC supports this because fans shouldn't be stuck holding a ticket when life intervenes. A refund right restores basic consumer fairness. Refund options for postponed events: Current industry practice often forces fans to accept a rescheduled date or a credit rather than a cash refund when events are postponed. This is a consumer protection gap. SFC's view is that fans paid for a specific event on a specific date, and if that event doesn't happen as promised, they should have the right to get their money back.

Aligning all-in pricing with the FTC standard: The FTC has already established a clear national rule requiring that advertised prices include all mandatory fees. SFC supports harmonizing HB 77's all-in pricing provision with the FTC's rule.

Raising the reseller threshold: Current thresholds for when a reseller must register or report can inadvertently sweep up ordinary fans who resell a handful of tickets a year, especially when you factor in the listing multiplier. A family of four with season tickets will exceed this threshold in no time and be forced to register as a professional broker and purchase a surety bond, even if they never made a profit on their tickets. SFC supports raising the threshold so that compliance burdens fall on professionals, not on average fans who are simply trying to recoup costs on a ticket they couldn't use.

Requiring transferable tickets to work on all platforms: This is fundamentally an anti-monopoly and consumer rights issue. When a primary ticketer issues a transferable ticket



but restricts transfer to its own platform, it locks fans into a closed ecosystem and suppresses competition in the secondary market. SFC supports this requirement because fans who own a ticket should be able to resell or transfer it wherever they choose, and because forcing transfers through a single platform gives that platform unchecked market power over both buyers and sellers in the resale market.

These amendments transform HB 77 from a bill with significant unintended harms to fans and competition, to a potential new gold standard for consumer protection in ticketing. We look forward to continuing to work with this committee and Delegate Woods on these vital consumer protections.

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