



Testimony of Hope Ledford
Policy Analyst
Chamber of Progress
Re: MN SF 2003

February 29, 2024

Dear Chair Klein and members of the Committee:

Thank you for the opportunity to submit testimony for the record regarding SF 2003. On behalf of the Chamber of Progress, a tech industry coalition promoting technology's progressive future, I urge you to oppose SF 2003 which would hurt consumers and benefit dominant ticket selling companies like Ticketmaster. Our organization works to ensure that all Americans benefit from technological leaps.

Some online ticket marketplaces—like Ticketmaster and its parent company, Live Nation Events—enjoy a unique position as the event presenter, original ticket seller and reseller; a role that places them in a position similar to competing ticket resellers. Consequently, these multi-role marketplaces expose consumers to comparable challenges and issues encountered by their resale competitors, a situation that has garnered significant attention and even prompted scrutiny from the Department of Justice (DOJ) as of recent.¹

SF 2003 Hurts Consumers Who Want Tickets but Have Work or Personal Conflicts

SF 2003 prohibits the sale of speculative tickets. In the dynamic and fiercely competitive online ticketing industry, consumers benefit greatly from a wide array of resale options. This is advantageous for consumers who may not have the ideal circumstances to purchase tickets within the limited timeframes offered by original ticket sellers, like Ticketmaster. Consequently, the online ticket resale market has emerged as a vital platform, catering to a much broader consumer base than the incumbent sellers.

A ban could stifle innovation in the ticketing marketplace that creates better options for consumers, such as ticketing procurement services that allow consumers to avoid the primary sale process. Furthermore, SF 2003 limits ticket-holders from reselling their tickets before the primary ticket seller's public sale process, whether or not a ticket is

¹ Justice Dept. Is Said to Investigate Ticketmaster's Parent Company, New York Times, November 18, 2022:
<https://www.nytimes.com/2022/11/18/technology/live-nation-ticketmaster-investigation-taylor-swift.html>

speculative. Rather than an outright ban, we would encourage the bill to require the disclosure of speculative ticket sales.

The Right Approach to Transparency and Disclosure

SF 2003 includes extensive language promoting disclosure. We support this goal and appreciate your attention to empowering consumers. In this regard, the best practice for all-in pricing disclosure is to make the total price visible from the beginning to end, with an itemized breakdown available at the end of the purchase flow.

SF 2003 Tilts the Scale in Favor of Ticketmaster over Ticket-Buyers

At the core of consumer rights is the freedom to enjoy and utilize purchased property as the consumer deems fit, including the right and ability to resell that property.

SF 2003 threatens to curtail this fundamental right for legitimate ticket purchasers, impeding their autonomy over their ticket ownership. As written, SF 2003 defines 'ticket' as a "license," which has the unintended consequence of enforcing unfair terms and conditions established by event organizers and original ticket sellers, like Ticketmaster.

This could result in a restriction on consumers' ability to transfer or sell tickets according to their preferences. Or in venues revoking the "license" and denying entry to the venue. Such limitations on ticket resale will have a detrimental impact on fans.

A better approach is to protect a consumer's right to transfer or resell a ticket that they have purchased. Six states have language guaranteeing this right: Connecticut, Colorado, Illinois, New York, Utah, and Virginia.

Accordingly, we encourage you to **oppose SF 2003**.

Thank you,

A handwritten signature in cursive script that reads "Hope Ledford". The ink is a light gray color.

Hope Ledford
Policy Analyst