

Chairman Klein and Members of the Committee,

I represent <u>Sports Fans Coalition</u>, a national non-profit advocacy organization devoted to representing fans wherever public policy impacts the games we love. This includes fighting sports blackouts, advocating for equal pay for women athletes and getting the federal Equal Pay for Team USA Act signed into law, providing resources for those at risk of gambling addiction, opposing publicly financed sports stadiums, and ticketing consumer protections. Thank you for the opportunity to submit written testimony on SF 2003. We recommend several amendments that would better achieve the goals of the legislation.

SFC is a founding member of the <u>Ticket Buyer Bill of Rights</u>, a set of principles the nation's leading consumer advocacy groups and others believe should serve as a framework for ticketing legislation that can improve the live events ticketing market that serves millions of fans each year. The Bill of Rights features five pillars:

- 1. The Right to Transferability, where ticket holders decide how to use, sell or give away their tickets if they wish and not the entity that previously sold the tickets;
- 2. The Right to Transparency, which includes all-in pricing and disclosures of relevant information for the purchasing decision;
- 3. The Right to Set the Price, so that companies who originally sold the tickets cannot dictate to fans for what price they can or cannot resell their purchased tickets, and, lastly;
- 4. The Right to a Fair Marketplace, where fans compete with actual humans, not illegal software bots, for tickets.
- 5. The Right to Recourse, where harmed fans retain the choice to seek remedies through the public court system and are not blocked by terms and conditions that force them into private arbitration.

SF 2003 raises important topics. However, I would like to make some suggestions that could strengthen the bill. While I believe protections for transfer should be added to any ticketing legislation, your bill focuses mostly on transparency and deceptive trade practices and so I will focus my recommendations on these themes:

- Bots Reporting: Your bill currently bans bots, which is great. However, federal bots bans have gone largely unenforced because the companies that combat bots do not turn that data over to law enforcement. I would recommend adding a requirement that bots be reported to the Attorney General.
- 2. Holdback disclosures: While there is some deception on the secondary market, there is also deception on the primary market side, as well. Not disclosing how many tickets are actually available for sale leads fans to think they have better opportunities to procure tickets than they actually do. This leads to them waiting in longer queues than they ordinarily would. It also costs consumers more. Many times tickets become available at a later date for less than the original on-sale (depending on dynamic pricing and



supply/demand). Fans don't know this and may choose to wait for a better price if they knew more tickets would be made available later. I would recommend adding holdback disclosures to your bill.

- 3. Ticket Procurement Services: Deceptive speculative ticketing can be harmful to fans. "Busted orders" can cause harm to fans who think they bought a ticket, but instead bought a promise of a ticket. However, there are many fans that do enjoy ticket procurement services as a way to avoid waiting in long online queues and having to take off work to do so. Fans should be allowed to contract with professionals that provide this service.
- 4. Delivery Delays: Tickets don't often get delivered at the time of purchase, which can lead to confusion among fans. The actual ticket should be delivered to fans at the time of purchase.
- 5. Bans on Forced Arbitration: We also encourage you to outlaw the use of forced arbitration in the ticket terms and conditions from the original ticket. As I'm sure you are aware, many Swifties who tried to sue Ticketmaster were denied their day in court by such clauses in the Ticketmaster's terms and conditions. Consumer rights in the marketplace mean nothing if consumers can't enforce those rights.

Thank you for your consideration, and I welcome the opportunity to work with the committee to address these vital consumer protections.

Brian Hess
Executive Director
Sports Fans Coalition