# General Law Committee JOINT FAVORABLE REPORT

	HB-7182
Title:	AN ACT CONCERNING ENTERTAINMENT EVENT TICKETS.
Vote Date:	3/21/2025
Vote Action:	Joint Favorable Substitute (LCO 6651 as amended)
PH Date:	3/12/2025
File No.:	

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### SPONSORS OF BILL:

General Law Committee

#### **REASONS FOR BILL:**

This legislation intends to close loopholes in the committee's prior "all-in" pricing ticketing bill. It prohibits exclusivity agreements, enhances ticket price transparency, creates a requirement for resellers to provide prompt refunds for cancelled events, places a resell cap on ticket prices and prohibits various deceptive trade practices. The goal is to enhance transparency and fairness in the ticketing industry.

#### SUBSTITUTE LANGUAGE:

Based on feedback received in public testimony, it was determined that various changes should be made so that the language equally applies to ticket *sellers* as well as re-sellers. In order to ensure that private individuals who sell their own tickets from time to time are not subject to the legislation's requirements, the proposed substitute redefines "seller" and "reseller."

#### AMENDMENT:

In public discussion, it was pointed out that the proposed cap on ticket resale prices could have various unintended consequences, so the committee decided to strike subsection F from the substitute language (LCO 6651).

#### **RESPONSE FROM ADMINISTRATION/AGENCY:**

Bryan Cafferelli, Commissioner, Department of Consumer Protection commented to acknowledge that he appreciates the intent of HB-7182 but states that it will have an

operational impact. Compared to the Attorney General's bill that includes ticketing protections (<u>HB-6858</u>), DCP prefers the language associated with Sections 1 and 2 of HB-6858 because it contains stronger consumer protections.

## NATURE AND SOURCES OF SUPPORT:

Laurence Caso, Executive Director, Klein Auditorium Foundation supports this legislation, citing the harmful effects of deceptive ticket scalping. He expresses that fending off bots and other anti-consumer practices leaves smaller, independent venues struggling to protect themselves. He believes that these bots have only been enhancing the market power that large venues and dominant ticket sales platforms have. Mr. Caso states that the underenforcement of the BOTS Act has only neglected protections, driven up ticket prices and increased scams. He calls for vigorous enforcement within the live event market and of the BOTS Act. He would also like the FTC to provide briefings about the efforts made to help resolve predatory ticketing schemes. Mr. Caso submitted additional <u>testimony</u> on personal experiences with deceptive ticketing schemes.

Brian Hess, Executive Director, Sports Fan Coalition (SFC) supports many provisions of HB-7182 yet has concerns about the price cap on ticket resales. This proposed change would be harmful to fans, artificially restrict supply and make it more difficult for fans to access events. He recommends that that legislature focuses more on transparency of ticket pricing and promotion of a competitive market where fans can freely buy and sell event tickets. The SFC believes that there should be all-in pricing for fans that includes miscellaneous fees and taxes. Having clear pricing from the beginning will help curb fears of deception. SFC stated that refund requirements do make strides to cover the gap in consumer rights and recommended that language include primary sellers to create more standardized requirements across the ticketing industry. The SFC supports addressing the harmful effects of what it calls the "Live Nation-Ticketmaster monopoly on the ticketing industry" so that venues do not have to lock in exclusive contracts, which are not pro-consumer.

## NATURE AND SOURCES OF OPPOSITION:

Brianna January, Director, Chamber of Progress opposes HB-7182 because it would hurt consumers and only be beneficial to dominant ticket sellers like Ticketmaster. She argues that creating price caps or restrictions on resale prices will drive resales to unregulated channels. Ms. January believes consumers should have the freedom to utilize their tickets or sell them as they deem fit. She also argues that banning exclusive contracts only discriminates against resellers, claiming that the prohibition will only negatively affect smaller resellers and allow primary ticket sellers to retain exclusivity. The Chamber of Progress states that the all-in pricing requirement creates inconsistencies with the FTC ruling which will be in effect this year and would like to see these be more aligned.

#### **GENERAL COMMENTS:**

<u>Don Vaccaro, CEO, Ticket Network</u> provided feedback in general support of transparency and consumer rights but recommending edits. He believes that all-in prices are only going to help consumers. TicketNetwork maintains that banning exclusive contracts promotes competition in the industry, and requests that the language in lines 38-41 be modified from just "ticket resellers" to "any ticket seller." Mr. Vaccaro makes the same language suggestion in lines 66-76. Because he believes that caps for ticket resale can drive consumers away from legitimate marketplaces, he suggests that lines 80-86 be removed from this legislation. Mr. Vaccaro suggests adding a requirement that tickets be delivered promptly after customer purchase and provides example language for that change. He would also like to see Connecticut follow California's lead in passing a proposal that takes ticketing disputes out of private arbitration. Mr. Vaccaro argues that these changes would ensure that Connecticut stays on top of the ticket industry.

Kevin Callahan, Head of North America Government Relations, StubHub commented that they support this bill, but with recommended amendments. StubHub opposes introducing price restrictions on ticket resale because it has been proven to be ineffective in providing consumer protection. They argue that price caps push resales to unregulated and unsafe markets and 53-289(f) should therefore be removed. StubHub advocates for venues to be able to work with multiple ticket sellers rather than being involved in exclusive contracts with Live Nation-Ticketmaster. They would like to see greater standardization in the language by amending it to specify that ticket refunds for canceled events or denial of entry apply to primary ticket sellers as well as resellers.

<u>Neal Eskin, Executive Associate Athletic Director, University of Connecticut</u> commented that implementing all-in pricing aligns with UConn's goals of transparency, customer satisfaction, and supporting fair competition in price comparisons. He suggests displaying the ticket price inclusive of all fees upfront with a breakdown of the prices within the purchase process. UConn is also concerned with Section 1(c) and includes edits to the language involving mobile ticketing and receipts.

#### Reported by: Nicole Chambrello

Date: 3/28/2025