

NetChoice *Promoting Convenience, Choice, and Commerce on The Net*

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Rep. Eric Leutheuser, Chair
House Commerce and Trade Committee
Michigan House of Representatives
Lansing, MI 48933

May 25, 2018

RE: Support for HB 4424, Crimes; other; resale of event tickets at higher or lower prices; allow.

Dear Chairman Leutheuser and members of the committee:

NetChoice enthusiastically supports HB 4224. This bill brings Michigan's ticket laws into the 21st Century by enabling resale at market rates and creating important consumer protections.

HB 4424 maintains consumer choice, convenience, and market competition by:

- allowing fans to more easily resell tickets by removing archaic restrictions
- preventing the use of technology to circumvent ticket website access measures

Protecting Fans Ability to Freely Resell Their Tickets

HB 4424 updates an 80-year-old law that restricts Michigan fans' ability to sell at market prices. Michigan stands virtually alone with this restriction that harms the ability of fans to recoup their ticket expenses.

Today, Michigan fans cannot resell their tickets for more than face value. HB 4424 moves Michigan into parity with most of the nation by allowing fans to resell at market-rates. By passing HB 4424, Michigan will finally allow fans paying a transaction fee for their tickets to be made whole.

Making it illegal to use "Bots" for Ticket Scalping

States across the country have outlawed the use of computer software "bots" to circumvent ticket sellers' security or ticket control protections.

The New York Attorney General found that bots allowed brokers to grab hundreds of tickets in the first few seconds after tickets go on sale, as seen in these documented examples:

1,012 tickets in **1 minute**
U2 2015 Tour
Madison Square Garden

Bought by one bot on December 8, 2014, for a July 19, 2015 concert.

520 tickets in **3 minutes**
Beyoncé
Barclays Center

Bought by one Bot on March 4, 2013 for an August 5, 2013 concert.

By prohibiting these circumvention techniques, HB 4424 helps ensure that one group doesn't use "bots" to grab hundreds of tickets the minute they go on sale.

Now is the Time to Enact HB 4424

Legislatures across the country have passed or are considering laws affirming citizens' rights to transfer their tickets. Now is the time to pass HB 4424 and help Michigan consumers enjoy the choice and convenience of an open tickets marketplace.

Sincerely,



Carl Szabo
Vice President and General Counsel, NetChoice

NetChoice is a trade association of e-Commerce and online businesses. www.netchoice.org