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RE: Opposition to SB 186, Relating to the Right to Resell Tickets

NetChoice respectfully asks you to **not advance SB 186** as it rolls back the protections and rights of Colorado fans. It will deny Colorado fans their current rights to buy, sell, and give away their sports and concert tickets. This bill would deny fans choice, convenience, and competition in the primary and secondary markets for event tickets.

This bill represents a transfer of rights from Colorado fans to corporations like Ticketmaster. SB 186 strips away protections from Colorado residents that represent the very protections that were recently passed by Utah and Virginia.

SB 186 would:

- Criminalize a person who bought a ticket for a friend and the friend pays them back.
 - Bill prohibits purchasing with the intent to resell, which is what “grabbing a ticket” for a friend is.
- Criminalize search results in Colorado as they often display “trademarks” in the URL.
- Transfer consumers’ power to Ticketmaster and enables Ticketmaster to prevent Colorado fans from giving away tickets to friends.
 - Empowers Ticketmaster to determine what fans can do with their tickets.
- Return power to Ticketmaster to deny reselling a ticket for the total amount the fan paid – cost of the ticket and the Ticketmaster fees.

SB 186 denies consumer choice, convenience, and market competition. SB 186:

- Allows Ticketmaster to deny Colorado fans from freely giving a ticket to a friend, client, or family member.
- Allows Ticketmaster to deny admission to anyone using a transferred ticket.
- Allows Ticketmaster to deny fans from selling tickets they are not going to use.
- Allows Ticketmaster to deny fans from choosing among competing secondary markets to buy and sell tickets.
- Allows Ticketmaster to deny fans from easily recouping service fees and other costs by imposing archaic restrictions.

With SB 186, Ticketmaster can restrict fans to restricted Tickets.

Ticketmaster’s “Restricted transfer” tickets prevent fans from easily giving away their tickets to friends and family. Ticketmaster has been increasing this practice of limiting fans’ ability to control their tickets.

With SB 186, Ticketmaster can use “Restricted Tickets” to deny citizens and businesses from giving away tickets to friends, family, or clients, because the purchaser’s name won’t match the ticketholder. While Ticketmaster sometimes gives the option to transfer a ticket, it requires a complex interaction with Ticketmaster and may require payment of yet another “convenience fee.”

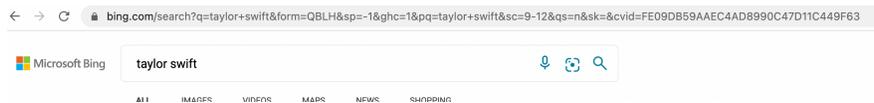
With restricted tickets, fans who give their tickets to family or friends have to escort them to the venue doors. And a ticketholder who cannot attend cannot easily sell or even give away his tickets.

Finally, SB 186 allows Ticketmaster and venues to deny entry to ticket holders that give away their tickets to friend like the can do today.

Unintended Consequences for Search Engines and Websites

SB 186 makes it a crime to do something that search engines and web marketplaces do every day: use trademarked terms in page addresses for content related to ticket resale -- without obtaining written consent of the trademark owner.

Under SB 186, Colorado would make it a crime for online portals and search engines that fail to get permission from trademark owners, just for responding to user inquiries like this:



A Bing search for "Taylor Swift" generates a URL that includes the trademarked term "Taylor+Swift."

Or consider a search for “Taylor Swift” on the Denver Post. You get “Taylor-Swift” in the URL:



Under SB 186, it could result in Denver Post and other news sites breaking the law.

We’re sure that this is not what the bill’s author originally intended, and this shows that SB 186 is not the right law for Colorado.

Other states are protecting their fans from restricted tickets – Why would Colorado deny them?

Fans don’t suffer these restrictions when artists perform Colorado, Connecticut, New York, Utah, or Virginia. But Colorado would lose these rights under SB 186.

Recently Utah,¹ and Virginia² enacted laws similar to those in Connecticut,³ New York,⁴ and Colorado⁵. These legislators protected their state's fans' ability to freely transfer, resell, and give away their tickets.

Do Not Advance SB 186

Ticketmaster is aggressively expanding its Credit Card Entry ticket program. This will limit fan choice and could impose a new battery of "convenience fees" just to give a ticket to a friend.

Now is the time to protect Colorado fans and not advance SB 186 and help Colorado consumers to continue enjoying the choice and convenience of an open tickets marketplace.

Sincerely,

Carl Szabo
Vice President and General Counsel, NetChoice

¹ UT Code §§ 13-54-102 (2019). "(1) Except as provided in Subsection (2), each ticket issued for an event shall be a transferrable ticket."

² VA Stat. §§ 59.1-466.5-.7. "No person that issues tickets for admission to an event shall issue any such ticket solely through a delivery method that substantially prevents the purchaser of the ticket from lawfully reselling the ticket on the Internet ticketing platform of the ticket purchaser's choice... No person shall be discriminated against or denied admission to an event solely on the basis that the person resold a ticket, or purchased a resold ticket, on a specific Internet ticketing platform."

³ CT Pub Act. 17-28 (2017). "No person shall employ an entertainment event ticketing sales system that fails to give the purchaser an option to purchase tickets that the purchaser may transfer to any party, at any price and at any time, without additional fees and without the consent of the person employing such ticketing system."

⁴ NY Arts & Cult Aff L § 25.30 "[I]t shall be prohibited for any operator of a place of entertainment, or operator's agent, to: (a) restrict by any means the resale of any tickets...(b) deny access to a ticket holder who possesses a resold subscription or season ticket to a performance based solely on the grounds that such ticket has been resold...(c) employ a paperless ticketing system unless the consumer is given an option to purchase paperless tickets that the consumer can transfer at any price, and at any time, and without additional fees, independent of the operator or operator's agent." (emphasis added).

⁵ Colorado Rev. Stat. § 6-1-718(3) "It is void as against public policy to apply a term or condition to the original sale to the purchaser to limit the terms or conditions of resale... A person or entity, including an operator, that regulates admission to an event shall not deny access to the event to a person in possession of a valid ticket to the event...based solely on the ground that such ticket was resold through a reseller that was not approved by the operator." (emphasis added).

