

Skoufis Releases Investigative Report on Ticketing Industry

JAMES SKOUFIS May 18, 2021

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COMMITTEE: INVESTIGATIONS AND GOVERNMENT OPERATIONS

REPORT FROM THE NEW YORK STATE SENATE

COMMITTEE ON INVESTIGATIONS AND GOVERNMENT OPERATIONS

CHAIR SENATOR JAMES SKOUFIS

Skoufis Faces Down Event Ticketing Industry,
Announces Investigative Report and Sweeping Pro-Consumer Legislation

Senator James Skoufis (D-Hudson Valley), Chair of the Senate Investigations and Government Operations Committee, announced the conclusion of his year-long investigation into anti-consumer live event ticketing practices, simultaneously releasing an eye-opening report and an omnibus bill that aims to remake the industry and its culture. The

report and legislation are timely: in less than two months, New York's existing ticketing laws - a patchwork over 150 years in the making - are due to expire.

From requiring consumer refunds for postponed and canceled events, to mandating disclosures around exorbitant platform fees and ticket "holdbacks" at massive venues that have long kept consumers from enjoying their favorite acts, the report's legislative recommendations are a wholesale pro-consumer reboot - not a bandaid. And while most industry players have hired lobbyists in response to the Senator's efforts, working to keep the playing field tilted against their own fans, Skoufis is fighting them to the negotiating table.

The looming July 1 expiration for existing ticketing laws has the potential to turn the entire industry on its head this summer, just as the return to non-pandemic life kicks into high gear. While some industry reps jockey for a simple extension of their existing protectionism, consumers deserve more. Skoufis' pro-reform legislation is expected to pass the Senate Investigations and Government Operations Committee later today. Specifically, the bill:

- 1. Mandates platforms report bot activity to the Attorney General
- 2. Prohibits resale platforms from allowing unlicensed brokers from selling tickets on their site
- 3. Adjusts broker licensure fees and clarifies who is required to procure a broker's license
- 4. Extends refund requirements to postponed events
- 5. Requires the disclosure of a ticket's face value upon resale
- 6. Bans speculative ticket sales
- 7. Mandates all-in pricing: the first price a consumer sees shall includes fees
- 8. Defines "reasonable" in the current law as it pertains to ticket fees

- 9. Requires disclosure of how many tickets are "held back" for artist friends, family, and insiders
- 10. Caps "holdbacks" at 10% for any given event
- 11. Cracks down on manipulative pricing schemes such as Ticketmaster's Platinum Seats
- 12. Bans the resale of free tickets
- 13. Permits all major New York sports teams to offer membership passes
- 14. Prohibits exclusivity clauses in primary ticketing contracts

"The Ticketmasters of the world want to perpetuate a system that allows them to continue fleecing hardworking New Yorkers," said Senator Skoufis. "As we continue to reopen and rebuild our status as the entertainment capital of the country, New York has a rare opportunity to ensure our state leads the nation in accessible, fan-friendly live event experiences that position ourselves for an unconditional comeback. Now is the time to take up long overdue reforms and put an end to the outright thievery that consumers face on a daily basis."

"The common-sense consumer protections provided through this legislation are long overdue," said Consumer Reports' Programs Director for Advocacy Chuck Bell. "As New York reopens its entertainment venues and stadiums in the aftermath of the COVID-19 pandemic, it is critical to ensure that consumers get fair value for their money, and can have confidence in the honesty and integrity of the businesses they patronize. Consumer Reports, along with our partners at the National Consumers League, urge the passage of this bill."

The full report can be found here. Skoufis' legislation can be found here

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-JAMES SKOUFIS

State Senator







RELATED LEGISLATION

2021-S6716

- Introduced
- o In Committee Assembly
 - o In Committee Senate
- o On Floor Calendar Assembly
 - o On Floor Calendar Senate
- o Passed Assembly

- Passed Senate
- Delivered to Governor
- Signed By Governor

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Enacts into law components of legislation that relate to live event ticket sales

May 12, 2021

In Senate Committee Investigations and Government Operations

Sponsored by James Skoufis

Do you support this bill?