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SUMMARY

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Tickets for Live Entertainment Events

Each year, millions of Americans purchase tickets for live entertainment events, such as concerts, theatrical performances, and sporting events. Tickets for live events initially are sold in the primary market, in which firms that provide ticketing services (i.e., ticketers) work directly with venues, promoters, producers, sports teams, and other entities to sell tickets to consumers. Tickets for some live events also are available in the secondary market, in which individuals who purchased tickets in the primary market can resell their tickets instead of using them. Individuals selling tickets in the secondary market can include consumers who cannot or no longer wish to attend the event, as well as ticket brokers who purchase tickets in the primary market with the intention of reselling them in the secondary market for a profit. Although tickets in the primary market are often priced to maximize revenue based on supply and anticipated demand, tickets for some events are purposefully set below the market-clearing price, allowing individuals to resell them with a significant markup.

For some events, ticketers might provide the ticket price, without fees and taxes, at the beginning of the transaction and in advertisements, noting that fees and taxes may apply. These ticketers may have a competitive advantage if they are perceived to offer tickets at a lower price than a competitor providing the total ticket price, including fees (i.e., all-in pricing). Some ticketers operate in both the primary and secondary markets, and some are vertically integrated (i.e., operate in multiple components of the supply chain) in other ways, such as operating as a ticketer while providing promotion services for artists or owning a sports franchise. Some ticketers have multiyear exclusive contracts with venues, promoters, sport franchises, and other entities in the supply chain.

Federal oversight of tickets for live events involves executive actions that result in voluntary commitments from companies and enforcement of legislation specific to event ticketing. For example, on June 15, 2023, President Biden met with several ticketing companies (including Live Nation Entertainment, SeatGeek, and others); those that did not provide all-in pricing at the time of that meeting made commitments to do so. The Better Online Ticket Sales Act of 2016 (BOTS Act; P.L. 114-274) prohibits individuals from circumventing a ticketer's system to purchase more tickets than permitted by the ticketer. The BOTS Act is enforced by state attorneys general (AGs) and the Federal Trade Commission (FTC). The FTC brought its first cases against three ticket brokers for violating the act in 2021.

Federal agencies enforce legislation that is applicable to various industries including event ticketing. For example, the FTC protects consumers by prohibiting "unfair or deceptive acts or practices in or affecting commerce" for certain sectors, and the FTC and the Antitrust Division of the Department of Justice (DOJ) enforce antitrust laws. The FTC has taken action against ticketers for engaging in deceptive tactics and proposed a trade regulation rule that would require all-in pricing; the proposed rule would likely apply to live event ticketers. The FTC held a virtual informal hearing on its proposed rulemaking on April 24, 2024. Additionally, on May 23, 2024, DOJ and 30 AGs from states and the District of Columbia filed a lawsuit against Live Nation Entertainment and its subsidiary Ticketmaster for violating the Sherman Act and state antitrust laws. When Live Nation and Ticketmaster merged in 2010 to create Live Nation Entertainment, both companies entered a consent decree with DOJ in which they agreed to certain requirements to address concerns about the effect of the merger on competition. The consent decree was modified in 2020. In the May 2024 lawsuit, the plaintiffs allege that Live Nation Entertainment and Ticketmaster have engaged in anticompetitive conduct that violates the 2020 revised consent decree in addition to engaging in anticompetitive conduct unrelated to the consent decree.

The House passed the Transparency in Charges for Key Events Ticketing Act (TICKET Act; H.R. 3950) on May 15, 2024. This bill contains several provisions related to ticketers, such as requiring all-in pricing, prohibiting the sale of speculative tickets unless certain requirements are met, and requiring a full refund or a replacement ticket for cancelled events. Other ticketing-related bills introduced in the 118th Congress variously include the following provisions: (1) requiring all-in pricing; (2) implementing requirements related to the supply chain; and (3) implementing requirements for tickets, such as prohibiting the sale of speculative tickets, prohibiting the sale of nontransferable tickets, and requiring ticketers to provide a full refund for a cancelled or postponed event, with exceptions.

Each of these provisions might have different effects on event ticketing. As Congress considers whether to pursue legislation related to event ticketing, it might consider whether legislation is needed, whether actions by federal agencies would address some congressional concerns, and what changes Congress might implement in event ticketing—which could range from increasing transparency to implementing broader structural changes to the industry—and the potential effects.

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Each year, millions of Americans purchase tickets for live entertainment events, such as concerts, theatrical performances, and sporting events. In 2023, about 81 million fans in North America and 145 million fans across the world attended events that were produced by Live Nation Entertainment—a firm that promotes events, owns venues, and provides ticketing services through its subsidiary, Ticketmaster.[1] IBISWorld, a market research firm, projects revenue for online ticket sales in the United States in 2024 will be $12.7 billion, with $4.2 billion (33.3%) spent on sporting events; $3.9 billion (30.7%) on concerts; and $1.5 billion (11.8%) on dance, opera, and theatrical performances.[2]

Congress has held hearings,[3] debated bills, and passed legislation[4] related to tickets for live events (**Appendix**). Some Members of the 118th Congress have called attention to event ticketing issues, such as rising ticket prices (potentially due to higher ticketing service fees), and efforts to increase consumer protection (e.g., by requiring full price disclosure for tickets from the beginning of a transaction).[5] Some states have enacted legislation related to event ticketing, including legislation that seeks to address these same concerns.[6]

This report provides an overview of event ticketing and actions taken by the federal government related to event ticketing. It also discusses selected legislative proposals from the 118th Congress.

Overview of Event Ticketing and Selected Issues

Tickets for live events initially are sold in the primary market. In the primary market, firms that provide ticketing services (i.e., ticketers) work directly with venues, promoters, producers, sports teams, and other entities to sell tickets to consumers (see **Figure 1**). Most tickets in the primary market are sold online,[7] although some tickets may be available through other outlets, such as a local box office or call center.[8] Events typically have one primary ticketer selling tickets online. For example, the primary ticketer for most Major League Baseball (MLB) teams is Tickets.com

[1] Live Nation Entertainment, Inc., Securities and Exchange Commission (SEC) Form 10-K for the year ending December 31, 2023, pp. 30, 36.

[2] IBISWorld, *Online Event Ticket Sales in the U.S.*, April 2024, pp. 8-9 (hereinafter IBISWorld, *Online Event Ticket Sales in the U.S.*).

[3] For example, see U.S. Congress, Senate Committee on the Judiciary, *That's the Ticket: Promoting Competition and Protecting Consumers in Live Entertainment*, hearing, 118th Cong., 1st sess., January 24, 2023, S.Hrg. 118-31 (Washington, DC: GPO, 2023), https://www.govinfo.gov/content/pkg/CHRG-118shrg52250/pdf/CHRG-118shrg52250.pdf (hereinafter Senate Judiciary hearing, *That's the Ticket*), and U.S. Congress, House Energy and Commerce Committee, Subcommittee on Oversight and Investigations, *In the Dark: Lack of Transparency in the Live Event Ticketing Industry*, hearing, 116th Cong., 2nd sess., February 26, 2020, https://docs.house.gov/Committee/Calendar/ByEvent.aspx?EventId=110588.

[4] The 114th Congress passed the Better Online Ticket Sales Act of 2016 (BOTS Act; P.L. 114-274). For more information about the BOTS Act, see "Federal Oversight of Event Ticketing."

[5] Senate Judiciary hearing, *That's the Ticket*.

[6] For example, some states require the total price of a ticket, including any taxes and fees, to be provided when the price is initially displayed (e.g., Connecticut General Statute §53-289a, Georgia Code Annotated §43-4B-28(a)(3), and New York Arts and Cultural Affairs Law §25.23).

[7] For example, in 2022, Live Nation estimated that it sold 56%, 42%, and 2% of its tickets through mobile apps, websites, and ticket outlets, respectively. Live Nation Entertainment, Inc., SEC Form 10-K for the year ending December 31, 2022, p. 11.

[8] IBISWorld, *Online Event Ticket Sales in the U.S.*, p. 12; and U.S. Government Accountability Office (GAO), *Event Ticket Sales: Market Characteristics and Consumer Protection Issues*, April 2018, pp. 4-5, https://www.gao.gov/assets/700/691247.pdf (hereinafter GAO, *Event Ticket Sales*).

(a subsidiary of MLB Advanced Media),[9] and the primary ticketer for most National Football League (NFL) teams is Ticketmaster.[10] A portion of tickets might be sold through presales (e.g., an artist's fan club or season tickets), bundled together as a package (e.g., group tickets), or held for certain individuals (e.g., sponsors, media, high-profile guests).[11] Some live event tickets might be nontransferable—consumers might be required to show the credit or debit card that was used to make the purchase and a matching photo ID to enter the event.[12]

Tickets for some live events also are available in the secondary market. In the secondary market, individuals who purchased tickets in the primary market can resell their tickets, typically using ticketers that operate in the secondary market. Individuals selling tickets in the secondary market can include consumers who cannot or no longer wish to attend the event, as well as ticket brokers who purchase tickets in the primary market with the intention of reselling them in the secondary market for a profit. Some event organizers provide tickets directly to ticket brokers.[13] Thus, an event can have multiple individuals using different secondary ticketers.

[9] Ticketmaster was the primary ticketer for home games of 8 Major League Baseball (MLB) teams (Arizona Diamondbacks, Atlanta Braves, Chicago White Sox, Colorado Rockies, New York Yankees, San Diego Padres, Seattle Mariners, and Toronto Blue Jays), and Tickets.com was the primary ticketer for the remaining 22 MLB teams based on the ticketing platform associated with each franchise in June 2024.

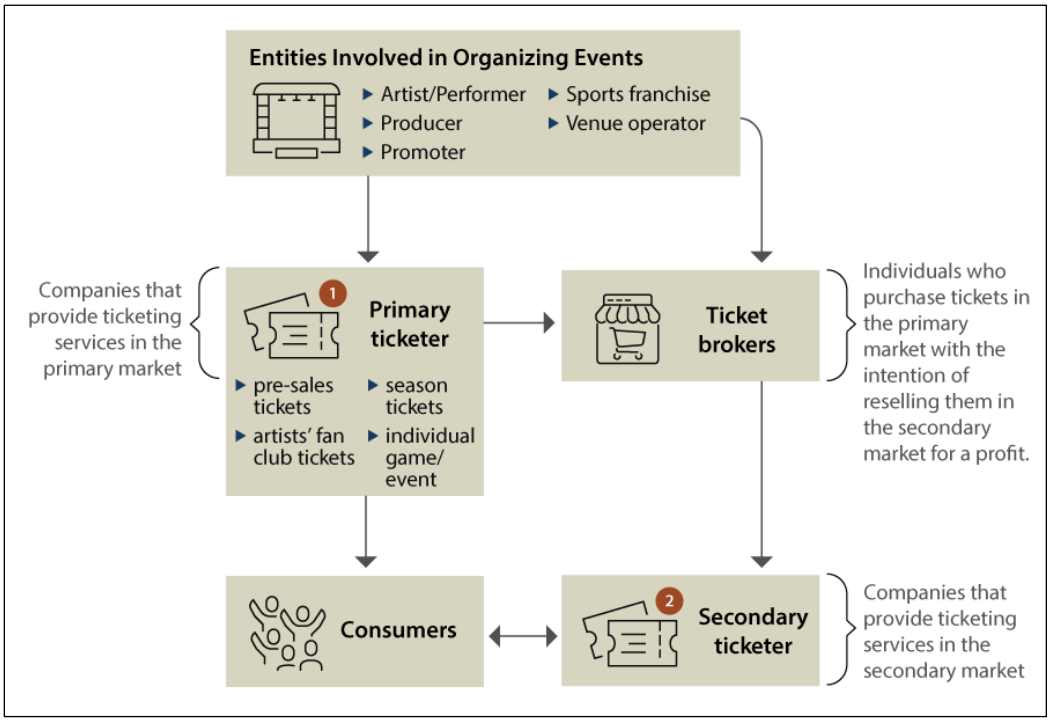
[10] SeatGeek was the primary ticketer for home games of 6 National Football League (NFL) teams (Arizona Cardinals, Baltimore Ravens, Dallas Cowboys, New Orleans Saints, Washington Commanders, and Tennessee Titans), and Ticketmaster was the primary ticketer for the remaining 26 NFL teams based on the ticketing platform associated with each franchise in June 2024.

[11] GAO, *Event Ticket Sales*, pp. 6-11.

[12] Ibid., pp. 37-40.

[13] Ibid., p. 11.

Figure 1. Ticket Sales for Live Events



Source: CRS using information from U.S. Government Accountability Office (GAO), *Event Ticket Sales: Market Characteristics and Consumer Protection Issues*, April 2018, and other sources.

Ticketers in the primary and secondary markets obtain revenue from fees that are paid by consumers. For example, in 2023, Ticketmaster averaged about $8.99 in revenue for each fee-bearing ticket sold, and Eventbrite reported its net revenue per paid ticket was $3.49.[14] These fees are often labelled as "service," "order processing," "delivery," or "convenience" fees.[15] The fees can be a fixed amount, a percentage of the ticket price, or other variations. In the primary market, some of the revenue obtained from these fees is shared with other entities, such as venues; some of these fees provide revenue only for these other entities (e.g., venues typically receive the entire "facility" fee).

Fees can add a significant cost to the final ticket price. One study found that the fees for 31 events across five primary ticketers ranged from 13% to 58% of the base ticket price, with an average of 27%, and that fees for 11 secondary ticketers ranged from 20% to 56% of the ticket price, with an average of 31%.[16] Another study found that Ticketmaster, TicketWeb,[17] and Tickets.com set fees

[14] CRS calculated the average revenue for each fee-bearing ticket sold by dividing the ticketing revenue ($2,959,477) by the number of fee-bearing tickets sold (329,116); both estimates are reported in thousands. Live Nation Entertainment, Inc., SEC Form 10-K for the year ending December 31, 2023, pp. 36, 38; and Eventbrite, Inc., SEC Form 10-K for the year ending December 31, 2023, p. 43.

[15] For more information about the fees charged, see Ticketmaster, "How Are Ticket Prices and Fees Determined?," Ticketmaster Help Center, https://help.ticketmaster.com/hc/en-us/articles/9663528775313-How-are-ticket-prices-and-fees-determined, and AXS, "What Fees Are There When Buying Tickets?," AXS Help Center, https://support.axs.com/hc/en-us/articles/201083104-What-fees-are-there-when-buying-tickets.

[16] GAO, *Event Ticket Sales*, pp.16-17.

[17] Ticketmaster acquired TicketWeb in 2000 (see Bruce Orwall, "Ticketmaster Buys TicketWeb in Bid to Diversify Offerings," *Wall Street Journal*, May 30, 2000, https://www.wsj.com/articles/SB959636314630051866).

that, on average, were about 21% of the base ticket price (or almost $8) at 150 New York venues.[18]

Policymakers and commentators have raised concerns about the transparency of the total ticket price, among other concerns.[19] For some events, ticketers provide the ticket price without fees and taxes at the beginning of the transaction and in advertisements, noting that fees and taxes may apply. These ticketers may have a competitive advantage if they are perceived to offer tickets at a lower price than a competitor providing the total ticket price, including fees and taxes (i.e., all-in pricing).[20] Some ticketers allow consumers to adjust settings to view all-in pricing from the beginning of the transaction for certain events,[21] potentially in response to state laws and federal actions (discussed below under "Federal Oversight of Event Ticketing"). Live Nation's CEO stated that the decision to provide all-in pricing is made by other entities, such as venues, artists, and sports teams.[22] No federal law currently requires ticketers to provide all-in pricing.

Ticket Pricing

In the primary market, tickets are often priced to maximize revenue based on supply and anticipated demand. Tickets for some events, however, are purposefully underpriced (i.e., set below the market-clearing price).[23] Event organizers might underprice tickets for various reasons, such as to avoid harming the reputation of the artist, to attract fans across income levels, to ensure the event is sold out (to enhance the audience's experience), and to increase revenue from merchandise and concession sales.[24] When tickets are underpriced or demand for an event is higher than anticipated, individuals who have purchased tickets in the primary market can resell them, at times with a significant markup, for a profit in the secondary market. If demand for an event is lower than anticipated, individuals might resell the ticket at a price lower than the amount they paid in the primary market or might be unable to resell the ticket.

Some ticketers offer pricing tools that enable tickets for certain events to be sold using *dynamic pricing*, which automatically adjusts prices based on real-time changes in supply and demand. For example, Ticketmaster's Official Platinum seat program enables artists and event organizers to

[18] Office of New York State Attorney General Eric T. Schneiderman, *Obstructed View: What's Blocking New Yorkers from Getting Tickets*, January 2016, p. 29, https://ag.ny.gov/pdfs/Ticket_Sales_Report.pdf (hereinafter NY State AG, *Obstructed View*).

[19] For example, see Senate Judiciary hearing, *That's the Ticket*, and Committee on Investigations and Government Operations, New York State Senate, *Final Investigative Report: Live Event Ticketing Practices*, May 18, 2021 (hereinafter NY State Senate, *Final Investigative Report*).

[20] GAO, *Event Ticket Sales*, pp. 42-45, and Hannah Karp, "StubHub Sings the Blues After Shifting Fees," *Wall Street Journal*, updated March 26, 2014, https://www.wsj.com/articles/SB10001424052702303949704579459902559659002. Some definitions of *all-in pricing* include taxes, while others do not. In this report, references to all-in pricing do not include taxes, unless noted otherwise.

[21] For example, see Ticketmaster, "All-In Pricing: What It Means," September 25, 2023, https://blog.ticketmaster.com/all-in-pricing-explained/ (hereinafter Ticketmaster, "All-In Pricing"), and SeatGeek, "Other FAQs: Does SeatGeek Charge a Fee to Buy Tickets?," https://support.seatgeek.com/hc/en-us/articles/360036685293-Does-SeatGeek-charge-a-fee-to-buy-tickets (hereinafter SeatGeek, "Other FAQs").

[22] Dylan Smith, "Live Nation CEO Responds to U.S. Senator's Criticism, Reiterates 'The Importance of All-In Pricing Legislation,'" *Digital Music News*, October 30, 2023, https://www.digitalmusicnews.com/2023/10/30/live-nation-all-in-pricing-criticism-response/.

[23] The *market-clearing price* is the price at which the number of tickets available for sale equals the number of tickets consumers are willing to buy.

[24] GAO, *Event Ticket Sales*, p. 8.

use dynamic pricing in the primary market,[25] and SeatGeek allows individuals in the secondary market to resell tickets for certain events using a Smart Pricing feature that actively reprices tickets up to once every five minutes.[26] Studies have found that when ticket prices are set closer to the market-clearing price in the primary market, the price differential between the primary and the secondary market is smaller.[27]

The range of prices may be more constrained in the primary market than in the secondary market, even when dynamic pricing is used. Similar to the motivation for underpricing tickets, an artist, sports team, or performer might be concerned about longer-term reputational harms if the ticket is priced too high in the primary market, even if it is set at the market-clearing level.[28] These concerns can discourage the use of dynamic pricing.[29] There also may be an incentive to maintain ticket prices above a certain threshold in the primary market. For example, sports teams might want to ensure that the ticket price for an individual game remains above the season ticket price per game.[30] Additionally, consumers might see varying prices across secondary ticketers based on the fees charged, pricing tools offered, and other differences.

Vertical Integration and Contracts

Some ticketers operate in both the primary and secondary markets, such as Ticketmaster, SeatGeek, and AXS, a subsidiary of Anschutz Entertainment Group (AEG). Some companies are vertically integrated (i.e., operate in multiple components of the supply chain) in other ways, such as operating as a ticketer while providing promotion services for artists or owning a sports franchise. These ticketers may be able to rely on multiple sources of revenue. For example, Tickets.com may be able to rely on revenue from other components of MLB Advanced Media, such as advertising revenue from MLB.com and MLB.tv.

Vertically integrated ticketers might have a competitive advantage. A ticketer that operates in both the primary and secondary markets, for example, typically allows consumers who purchase tickets using its platform in the primary market to resell them using the same platform. This might be more convenient for consumers and might decrease the likelihood that consumers will use other secondary ticketers. Similarly, ticketers that own venues or offer promotion services might bundle their services or encourage event organizers that use one of their services to use their other services as well.

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[25] Ticketmaster, "What Are Official Platinum Seats?," Ticketmaster Help Center, https://help.ticketmaster.com/hc/en-us/articles/9782440112017-What-are-Official-Platinum-Seats, and Ticketmaster, "What Is Ticketmaster Platinum?," Ticketmaster Help Center, https://help.ticketmaster.fr/hc/en-us/articles/360007271253-What-is-Ticketmaster-Platinum.

[26] SeatGeek, "Other FAQs: What Is Smart Pricing?," Seat Geek Help Center, https://support.seatgeek.com/hc/en-us/articles/23259561610515-What-is-Smart-Pricing.

[27] For example, see Eric Budish and Aditya Bhave, "Primary-Market Auctions for Event Tickets: Eliminating the Rents of 'Bob the Broker?,'" *American Economic Journal: Microeconomics*, vol. 15, no. 1 (2023), pp. 142-170, https://doi.org/10.1257/mic.20180230 (hereinafter Budish and Bhave, "Primary-Market Auctions for Event Tickets").

[28] John Drea and Andrew Nahlik, "Dynamic Pricing in Major League Baseball Tickets: Issues and Challenges," *Atlantic Marketing Journal*, vol. 5, no. 3 (2016), pp. 59-70 (hereinafter Drea and Nahlik, "Dynamic Pricing in Major League Baseball Tickets").

[29] For example, see Marco della Cava, "Springsteen Tickets for $4,000? How Dynamic Pricing Works and How You Can Beat the System," *USA Today*, August 17, 2022, https://www.usatoday.com/story/entertainment/music/2022/08/17/springsteen-ticketmaster-dynamic-pricing-infuriates-music-fans/10310415002/, and Steve Knopper, "Taylor Swift's Ticket Strategy: Brilliant Business or Slowing Demand?," *Rolling Stone Magazine*, April 9, 2018, https://www.rollingstone.com/music/music-news/taylor-swifts-ticket-strategy-brilliant-business-or-slowing-demand-630218/. A similar argument has been raised for why auction pricing is no longer used (see Budish and Bhave, "Primary-Market Auctions for Event Tickets").

[30] Drea and Nahlik, "Dynamic Pricing in Major League Baseball Tickets."

Some ticketers have multiyear, exclusive contracts with venues, promoters, sport franchises, and other entities in the supply chain. These contracts often involve a "revenue-sharing agreement," under which a ticketer provides a percentage of the ticketing fees for an event or a fixed amount for a specified period. Ticketmaster, for example, reported that it generally enters written agreements to provide primary ticketing services, typically for three to five years.[31] SeatGeek testified that Ticketmaster has moved to longer exclusive agreements with venues, sometimes as long as 10 years.[32] SeatGeek is the official secondary ticketer for MLB,[33] reportedly through a revenue-sharing agreement that would provide MLB about $100 million per year for the next five years; the article states that SeatGeek's agreements with sports teams usually last five to seven years.[34] These agreements might make it difficult for new ticketers to enter the market.

Federal Oversight of Event Ticketing

The Biden Administration has included fees charged by ticketers as a part of its broader effort to address *junk fees* (i.e., fees that are "designed either to confuse or deceive consumers or to take advantage of lock-in or other forms of situational market power," such as mandatory fees that often hide the full price).[35] On June 15, 2023, President Biden met with several ticketers, including Live Nation Entertainment, SeatGeek, xBk, Pablo Center at the Confluence, TickPick, DICE, and Newport Festivals Foundation. At the meeting, the companies that did not provide all-in pricing announced a new commitment to do so.[36]

The 114th Congress enacted a law that specifically addresses event ticket sales—the Better Online Ticket Sales Act of 2016 (BOTS Act; P.L. 114-274). The act prohibits individuals from circumventing the ticketer's "security measure, access control system, or other technological control or measure" to purchase more tickets than the amount permitted by the ticketer.[37] It also prohibits the sale of any tickets obtained in this manner. The act applies to events open to the public in a venue with an attendance capacity exceeding 200 individuals. The BOTS Act is enforced by state attorneys general (AGs) and the Federal Trade Commission (FTC). The FTC brought its first cases against three ticket brokers for violating the act in January 2021.[38]

[31] Live Nation Entertainment, Inc., SEC Form 10-K for the year ending December 31, 2023, p. 6.

[32] Senate Judiciary hearing, *That's the Ticket*, p. 92.

[33] David Adler, "SeatGeek Named Official Ticket Marketplace for MLB," MLB.com, February 27, 2023, https://www.mlb.com/news/major-league-baseball-partners-with-seatgeek.

[34] Jabari Young, "Exclusive: SeatGeek Wins $100 Million Deal to Resell MLB Tickets," *Forbes*, February 27, 2023, https://www.forbes.com/sites/jabariyoung/2023/02/27/exclusive-seatgeek-wins-100-million-deal-to-resell-mlb-tickets/.

[35] Brian Deese, Neale Mahoney, and Tim Wu, "The President's Initiative on Junk Fees and Related Pricing Practices," *The White House, Briefing Room* (blog), October 26, 2022, https://www.whitehouse.gov/briefing-room/blog/2022/10/26/the-presidents-initiative-on-junk-fees-and-related-pricing-practices/.

[36] The White House, "President Biden Recognizes Actions by Private Sector Ticketing and Travel Companies to Eliminate Hidden Junk Fees and Provide Millions of Customers with Transparent Pricing," statements and releases, June 15, 2023, https://www.whitehouse.gov/briefing-room/statements-releases/2023/06/15/president-biden-recognizes-actions-by-private-sector-ticketing-and-travel-companies-to-eliminate-hidden-junk-fees-and-provide-millions-of-customers-with-transparent-pricing/.

[37] P.L. 114-274; 15 U.S.C. §45c. The law allows the circumvention of technological controls or measures to be used to investigate an alleged violation or engage in research to identify flaws and vulnerabilities.

[38] Federal Trade Commission (FTC), "Just in Time Tickets, Inc.," cases and proceedings, last updated January 22, 2021, https://www.ftc.gov/legal-library/browse/cases-proceedings/1823115-just-time-tickets-inc; FTC, "Concert Specials, Inc.," cases and proceedings, last updated January 22, 2021, https://www.ftc.gov/legal-library/browse/cases-proceedings/1923196-concert-specials-inc; and FTC, "Cartisim Corporation," cases and proceedings, last updated January 22, 2021, https://www.ftc.gov/legal-library/browse/cases-proceedings/1923195-cartisim-corporation.

Federal agencies enforce laws that are applicable to event ticketing and to other industries. For example, the FTC and the Antitrust Division of the Department of Justice (DOJ) enforce antitrust laws, which prohibit certain conduct to protect competition;[39] the agencies split enforcement depending on the industry or market.[40] The FTC also prohibits unfair methods of competition and protects consumers by prohibiting "unfair or deceptive acts or practices in or affecting commerce" for certain sectors.[41]

The following subsections discuss key actions taken by the FTC and DOJ related to event ticketing. Other laws and regulations enforced by other federal agencies also can affect event ticketing. For example, the American Rescue Plan Act of 2021 (P.L. 117-2) amended certain third-party settlements that must be reported to the Internal Revenue Service (IRS)—individuals earning more than $600 annually from ticket sales in the secondary market must report their earnings to the IRS.[42]

Selected Actions by the Federal Trade Commission

In addition to taking the aforementioned legal action against three ticket brokers for violating the BOTS Act, the FTC has taken other action in the past related to event ticketing, including the following:

- In 2010, the FTC reached a settlement with Ticketmaster addressing allegations that Ticketmaster used its primary ticketing service to steer consumers to its secondary ticketing service, TicketsNow, by misleading consumers that primary tickets were sold out when tickets were, in fact, still available.[43]
- In 2014, the FTC reached a settlement with TicketNetwork, Inc.—a secondary ticketer—and its marketing partners Ryadd, Inc. and SecureBoxOffice, LLCs. The settlement addressed allegations that the companies used deceptive

[39] For an overview of antitrust laws, see CRS In Focus IF11234, *Antitrust Law: An Introduction*, by Jay B. Sykes.

[40] The Department of Justice (DOJ) has sole antirust jurisdiction in certain industries, such as telecommunications, banks, railroads, and airlines. The FTC typically reviews cases that involve industries in which consumer spending is high, such as health care, pharmaceuticals, professional services, food, energy, and certain high-tech industries. For more information, see FTC, "The Enforcers," https://www.ftc.gov/advice-guidance/competition-guidance/guide-antitrust-laws/enforcers.

[41] 15 U.S.C. §45(a).

[42] Individuals who resell their tickets for a profit are generally required to pay taxes on the gains. Tickets that are resold at cost or at a loss may need to be reported but are not taxed; tickets resold at a loss cannot be deducted as a loss from the individual's income. For more information, see Internal Revenue Service (IRS), "IRS Announces Delay in Form 1099-K Reporting Threshold for Third Party Platform Payments in 2023; Plans for a Threshold of $5,000 for 2024 to Phase in Implementation," news release, last updated January 8, 2024, https://www.irs.gov/newsroom/irs-announces-delay-in-form-1099-k-reporting-threshold-for-third-party-platform-payments-in-2023-plans-for-a-threshold-of-5000-for-2024-to-phase-in-implementation; Andrew Lautz, "Navigating Tax Rules for Reselling Taylor Swift Tickets (and Other Tickets)," National Taxpayers Union Foundation, December 22, 2022, https://www.ntu.org/foundation/detail/navigating-tax-rules-for-reselling-taylor-swift-tickets-and-other-tickets; and Ticketmaster, "2024 U.S. Tax Law Updates You Need to Know," January 18, 2024, https://business.ticketmaster.com/2024-u-s-tax-law-updates-you-need-to-know/.

[43] FTC, "FTC v. Ticketmaster L.L.C., a Limited Liability Company, Ticketmaster Entertainment L.L.C., a Limited Liability Company, TicketsNow.com, Inc., a Corporation, and TNOW Entertainment, Inc., a Corporation," cases and proceedings, last updated September 15, 2010, https://www.ftc.gov/legal-library/browse/cases-proceedings/092-3091-ftc-v-ticketmaster-llc-limited-liability-company-ticketmaster-entertainment-llc-limited-liability.

advertisements and websites to mislead consumers into thinking they were buying tickets from the original venue at face value.[44]

- The FTC held a workshop about consumer protection issues related to online event ticketing on June 11, 2019. The workshop addressed "practices that limit ticket availability on the primary market, mislead consumers about ticket prices or availability, and confuse consumers about the entity from which they are purchasing."[45] FTC staff summarized issues raised in the workshop in a report that was published in May 2020.[46]
- The FTC has proposed a trade regulation rule (i.e., a rule adopted under §18 of the FTC Act)[47] on unfair or deceptive fees that may affect ticketers.[48] On November 9, 2023, the FTC issued a Notice of Proposed Rulemaking (NPRM) that would prohibit unfair or deceptive practices related to fees, specifically those "misrepresenting the total costs of goods and services by omitting mandatory fees from advertised prices and misrepresenting the nature and purpose of fees."[49] The proposed rule would require businesses to display the total price for a good or service, including any mandatory ancillary fees, except shipping charges and taxes. The NPRM lists "ticket sales" as an example of one of the sectors in which this practice is often found, asks whether the definition of *covered business* should be "limited to businesses in live-event ticketing and/or short-term lodging industries," and provides a cost-benefit analysis for event ticketing.[50] The FTC held a virtual informal hearing on its proposed rulemaking on April 24, 2024.[51]

Department of Justice Lawsuits: Live Nation and Ticketmaster

In 2010, Live Nation and Ticketmaster merged to become Live Nation Entertainment. After reviewing the proposed merger,[52] DOJ and 17 state AGs simultaneously filed a complaint and a

[44] FTC, "TicketNetwork, Inc.; Ryadd, Inc.; and SecureBoxOffice, LLC, et al.," cases and proceedings, last updated July 24, 2014, https://www.ftc.gov/news-events/news/press-releases/2014/07/ticketnetwork-marketing-partners-ryadd-secure-box-office-settle-charges-deceptively-marketing-resale.

[45] FTC, "Online Event Tickets Workshop," June 11, 2019, https://www.ftc.gov/news-events/events/2019/06/online-event-tickets-workshop.

[46] FTC, *"That's the Ticket" Workshop*, staff perspective, May 2020, https://www.ftc.gov/system/files/documents/reports/thats-ticket-workshop-staff-perspective/staffperspective_tickets_final-508.pdf (hereinafter FTC, *"That's the Ticket" Workshop*).

[47] 15 U.S.C. §57a. For more information about the FTC's authority to enact trade regulation rules, see FTC, "A Brief Overview of the Federal Trade Commission's Investigative, Law Enforcement, and Rulemaking Authority," revised May 2021, https://www.ftc.gov/about-ftc/mission/enforcement-authority, and CRS Legal Sidebar LSB10839, *FTC Considers Adopting Commercial Surveillance and Data Security Rules*, by Chris D. Linebaugh.

[48] FTC, "Trade Regulation Rule on Unfair or Deceptive Fees," Rulemaking Docket, https://www.regulations.gov/docket/FTC-2023-0064/unified-agenda.

[49] FTC, "Trade Regulation Rule on Unfair or Deceptive Fees," 88 *Federal Register* 77420, November 9, 2023, https://www.federalregister.gov/documents/2023/11/09/2023-24234/trade-regulation-rule-on-unfair-or-deceptive-fees.

[50] Ibid.

[51] FTC, "Informal Hearing on Proposed Trade Regulation Rule on Unfair or Deceptive Fees – April 24, 2024," April 24, 2024, https://www.ftc.gov/news-events/events/2024/04/informal-hearing-proposed-trade-regulation-rule-unfair-or-deceptive-fees-april-24-2024.

[52] Live Nation Entertainment, "Live Nation and Ticketmaster Entertainment to Combine in Merger of Equals to Create World's Premier Live Entertainment Company," February 10, 2009, https://www.livenationentertainment.com/2009/02/live-nation-and-ticketmaster-entertainment-to-combine-in-merger-of-equals-to-create-worlds-premier-live-entertainment-company/.

proposed agreement with the merging parties to resolve competition concerns raised in the complaint. According to the complaint, Ticketmaster was the largest primary ticketer and Live Nation was the world's largest promoter of live concerts, owning or operating over 75 live entertainment venues and having launched its own primary ticketing services in 2008 by licensing software from CTS Eventim AG.[53] DOJ estimated that Live Nation had obtained 16.5% of the market share in primary ticketing services, reducing Ticketmaster's market share from 82.9% to 66.4%.[54] Thus, DOJ alleged that the merger would substantially lessen competition in primary ticketing services for major concert venues, violating Section 7 of the Clayton Act.[55]

To address the competition concerns raised by the proposed merger, Live Nation and Ticketmaster, in a consent decree, agreed to do the following:[56]

- Provide AEG, the second largest promoter in the United States at the time, the option of obtaining a fully paid license to Ticketmaster Host Platform, the software used by Ticketmaster to sell primary tickets, including the source code. If AEG chose to exercise this option, Ticketmaster would be required to also provide ticketing services on a website designed and branded for AEG on which AEG would determine the final ticketing fees charged to consumers or clients, beginning six months after the merger and for no more than five years.[57] AEG chose not to exercise this option; it partnered with Outbox Technology to create its own ticketing service, Axs, in 2011.[58]
- Divest Paciolan—a ticketing platform that Ticketmaster licensed to venues to sell tickets through the venues' own websites—to Comcast-Spectacor within 60 days of closing the merger.[59] Comcast-Spectacor was licensing Paciolan to provide primary ticketing services to venues, owned two major U.S. concert venues, and managed 15 others.[60]
- Not retaliate against venues for contracting with another company for ticketing services and not condition or threaten to condition the use of Ticketmaster's

[53] *United States of America et al. v. Ticketmaster Entertainment, Inc., and Live Nation, Inc.*, complaint, case no. 1:10-cv-00139, January 25, 2010, pp. 7-8, https://www.justice.gov/atr/case-document/file/513381/dl (hereinafter 2010 DOJ Complaint). In 2008, Ticketmaster also acquired a controlling interest in Front Line Management Group Inc., an artist management group. While this is mentioned in the complaint and the competitive impact statement, it is not addressed in the consent decree. Live Nation Entertainment subsequently purchased the remaining equity stake of Front Line Management group (see PR Newswire, "Live Nation Entertainment Acquires Remaining Equity Stake in Front Line Management Group," February 7, 2011, https://www.prnewswire.com/news-releases/live-nation-entertainment-acquires-remaining-equity-stake-in-front-line-management-group-115474169.html).

[54] 2010 DOJ Complaint, pp. 10, 13.

[55] *Major concert venues* is defined as the top 500 revenue generating venues in the United States reported by Pollstar, a third-party service that collects information on ticket sales (see 2010 DOJ Complaint, p. 10).

[56] For a discussion of how these provisions would address competition concerns raised by the merger, see *United States of America et al. v. Ticketmaster Entertainment, Inc., and Live Nation, Inc.*, "Competitive Impact Statement," case no. 1:10-cv-00139, January 25, 2010, pp. 13-18, https://www.justice.gov/atr/case-document/file/513376/dl (hereinafter 2010 DOJ Competitive Impact Statement).

[57] *United States of America et al. v. Ticketmaster Entertainment, Inc. and Live Nation, Inc.*, "Final Judgement," case no. 1:10-cv-00139, July 30, 2010, pp. 8-10, https://www.justice.gov/atr/case-document/file/513321/dl (hereinafter 2010 Consent Decree).

[58] John Kwoka, "Case 2: Ticketmaster-Live Nation," in *The Antitrust Revolution: Economics, Competition, and Policy*, ed. John Kwoka and Lawrence White (New York, NY: Oxford University Press, 2014), p. 88-89. AEG became the sole owner of AXS in 2019. "AEG Purchases All Outstanding Shares of AXS," AEG Press Center, September 19, 2019, https://www.aegworldwide.com/press-center/press-releases/aeg-purchases-all-outstanding-shares-axs.

[59] 2010 Consent Decree, p. 11.

[60] 2010 DOJ Competitive Impact Statement, p. 15.

> ticketing services for events promoted by Live Nation and vice versa. The consent decree specifies that these requirements do not prevent the companies from bundling their services or products or from competing in any part of the supply chain for live events.[61]

DOJ filed a motion to modify the consent decree in 2020. DOJ alleged that Live Nation and Ticketmaster had violated the consent decree by "repeatedly condition[ing] and threaten[ing] to condition Live Nation's provision of live concerts on a venue's purchase of Ticketmaster ticketing services, and ... retaliat[ing] against venues that opted to use competing ticketing services."[62] The companies denied DOJ's allegations but agreed to a revised agreement that includes an extension of certain provisions of the consent decree until December 31, 2025, independent monitoring provisions, and clarifications on prohibited conduct.[63]

On May 23, 2024, DOJ and 30 AGs from states and the District of Columbia filed a separate lawsuit against Live Nation Entertainment and Ticketmaster for violating the Sherman Act and state antitrust laws.[64] The complaint alleges that Live Nation Entertainment has engaged in anticompetitive conduct that violates the 2020 revised consent decree (e.g., retaliating against potential entrants, threatening and retaliating against venues that work with rivals) and alleges anticompetitive conduct unrelated to the consent decree (e.g., acquiring competitors and competitive threats, locking out competition with exclusionary contracts, blocking venues from using multiple ticketers, restricting artists' access to venues).[65] The complaint proposes ordering the divestiture of Ticketmaster and enjoining Live Nation from continuing to engage in the anticompetitive practices discussed in the suit, in addition to other remedies.[66]

Selected Legislative Options

Some Members of the 118th Congress have introduced bills related to ticketing for live events (see **Appendix**). In addition, the House passed its version of the Transparency in Charges for Key Events Ticketing Act (TICKET Act; H.R. 3950) on May 15, 2024. The provisions in these bills aim to increase protections for consumers, for example, by increasing transparency about the ticket price and the ticketer; other bills might have broader effects on market dynamics. Multiple state legislatures have introduced or enacted legislation related to ticketing services, some of which require ticketers to implement the provisions proposed in the federal bills.[67] This section discusses select legislative provisions proposed in the 118th Congress.

[61] 2010 Consent Decree, p. 19.

[62] *United States of America et al. v. Ticketmaster Entertainment, Inc., and Live Nation, Inc.*, "Motion to Modify Final Judgement," case no. 1:10-cv-00139-RMC, January 8, 2020, pp. 4, 9-13, https://www.justice.gov/atr/case-document/file/1233396/dl.

[63] Ibid., pp. 5-6, 13-18.

[64] *United States of America et al. v. Live Nation Entertainment, Inc. and Ticketmaster L.L.C.*, "Complaint," case no. 1:24-cv-3973, May 23, 2024, pp. 78-102, https://www.justice.gov/atr/media/1353101/dl.

[65] Ibid., pp. 3-5.

[66] Ibid., pp. 102-104.

[67] For a list of state legislation related to the ticketing industry, see Iris Nott, "2023 Event Ticket Sales Legislation," National Conference of State Legislatures, updated November 28, 2023, https://www.ncsl.org/financial-services/2023-event-ticket-sales-legislation.

All-In Pricing

Several bills would require ticketers to increase transparency about the total price of a ticket. For example, the BOSS and SWIFT Act of 2023 (H.R. 3660, S. 2957), Fans First Act (S. 3457), Junk Fee Prevention Act (H.R. 2463, S. 916), and TICKET Act (H.R. 3950, S. 1303) would require the total ticket price, including any fees, to be provided when the price is initially displayed—such as on any advertisement, promotion, and price list—and throughout the purchasing process.[68] The BOSS and SWIFT Act of 2023, Fans First Act, and Ticket Act additionally would require ticketers to provide an itemized list of the base ticket price and any ancillary charges and taxes.

Some ticketers provide consumers the option to view all-in pricing from the beginning of a transaction for some events, potentially because of state laws requiring ticketers to provide all-in pricing and the commitments made to President Biden.[69] Additionally, ticketers may be required to provide all-in pricing in every state if the FTC finalizes its proposed trade regulation on unfair or deceptive fees; the rule would likely apply to ticketers.[70] It is unclear whether the FTC will proceed with a final rule, when it might be published, or whether it might be subject to legal challenges, particularly given a 2024 Supreme Court ruling that may change legal interpretations of federal administrative law.[71]

All-in pricing can help consumers determine whether they wish to purchase the ticket before they have invested time going through the checkout process. Some studies have found that disclosing fees separately may interfere with consumers' decisionmaking process and often results in consumers underestimating the total price.[72] All-in pricing also can make it easier for consumers to compare ticket prices between a primary and secondary ticketer and across secondary ticketers, when applicable.

Some ticketers and venue managers have stated that knowing fees up front would not affect consumers' purchasing decisions in the primary market and that it is only important that the fees are disclosed before the consumer completes the purchase.[73] Additionally, one manager, one promoter, and two artist advocacy groups have raised concern that all-in pricing might give fans the incorrect impression that the artist is receiving all of the revenue from ticket sales, particularly if a breakdown of the price is not separately disclosed.[74]

Requiring ticketers to provide all-in pricing would increase consumer transparency but might not affect ticket prices. Consumers typically do not have multiple ticketers to choose from in the primary market, and the ticketer determines the price with event organizers, venues, sports franchises, and other entities. All-in pricing might make it easier for consumers to compare

[68] The BOSS and SWIFT Act of 2023 and the Fans First Act exclude taxes in the total ticket price. The Junk Fee Prevention Act and the TICKET Act do not specify whether taxes would need to be included.

[69] Examples of state laws include Connecticut General Statute §53-289a, Georgia Code Annotated §43-4B-28(a)(3), and New York Arts and Cultural Affairs Law §25.23. For more about all-in pricing, see Ticketmaster, "All-In Pricing," and SeatGeek, "Other FAQs."

[70] See "Federal Oversight of Event Ticketing."

[71] For more information about the Supreme Court decision, see CRS Legal Sidebar LSB11189, *Supreme Court Overrules Chevron Framework*, by Benjamin M. Barczewski.

[72] For example, see Alexander Rasch, Miriam Thöne, and Tobias Wenzel, "Drip Pricing and Its Regulation: Experimental Evidence," *Journal of Economic Behavior & Organization*, vol. 176 (August 2020), pp. 353-370, https://doi.org/10.1016/j.jebo.2020.04.007; and Glenn Ellison and Sara Ellison, "Search and Obfuscation in a Technologically Changing Retail Environment: Some Thoughts on Implications and Policy," in *Innovation Policy and the Economy*, eds. Josh Lerner and Scott Sterns (Chicago: University of Chicago Press, 2018), pp. 1-25.

[73] GAO, *Event Ticket Sales*, p. 44.

[74] GAO, *Event Ticket Sales*, p. 45.

prices, potentially influencing their purchasing behavior, which might affect prices. One study found that disclosing fees at the end of the transaction increased the likelihood that a consumer would purchase the ticket.[75] The study also found that sellers in the secondary market were more likely to advertise higher-quality tickets (i.e., tickets for better seats) when fees were disclosed at the end of the transaction.[76] Other factors, such as the reputation of the ticketer, may also affect consumers' purchasing behavior.

Requirements Related to Supply Chain

Some bills would create requirements related to the supply chain for event ticketing. For example, the BOSS and SWIFT Act (H.R. 3660, S. 2957) would require a ticketer to provide a clear and conspicuous disclosure to consumers if it operates in both the primary and secondary markets. The Unlock Ticketing Markets Act of 2023 (S. 1321) would prohibit a primary ticketer from entering an exclusive contract with a venue for an "excessive duration," which would be determined by the FTC.

Requiring vertically integrated ticketers to provide a separate disclosure about the different components of the supply chain in which they operate might increase transparency for consumers. Some ticketers provide this information in terms of service or other legal documentation that consumers might not read. Providing a separate disclosure might increase the likelihood that consumers would be aware that a ticketer is vertically integrated.

Knowing that a ticketer is vertically integrated might not affect a consumer's decision to purchase a ticket from the ticketer. Consumers might not have other options; a vertically integrated ticketer might be the only entity selling tickets to an event, particularly in the primary market. Additionally, if a ticketer has integrated its primary and secondary ticketing services on a single platform, allowing consumers who purchased tickets in the primary market to resell them in the secondary market on the same platform, some consumers might find it more convenient to use the vertically integrated ticketer.[77] It might be more time consuming for a consumer to use a different secondary ticketer.

It is unclear how implementing structural requirements, such as restrictions on long-term contracts between ticketers and venues, could affect ticketers. On the one hand, restrictions on long-term contracts could increase opportunities for ticketers to bid for contracts with venues, which might increase competition among ticketers. On the other hand, long-term contracts might provide ticketers assurance that they would likely obtain revenue from future events, which might help mitigate risk (e.g., event cancellations), particularly for ticketers that are unable to rely on other sources of revenue.

Regardless of the effect on competition among ticketers, it is unclear how structural requirements might affect consumers. Ticketers would be competing for bids from venues, promoters, sports franchises, or other entities involved with the event. Ticketers might, for example, offer these entities a greater share of the revenue from fees or a larger fixed payment, which ticketers might pass on to consumers through higher ticket fees. Ticketers also might offer to decrease fees for consumers, lowering the total ticket price.

[75] Tom Blake et al., "Product Salience and Product Choice," *Marketing Science*, vol 40, no. 4 (July-August 2021), pp. 619-636, https://doi.org/10.1287/mksc.2020.1261.

[76] Ibid.

[77] For example, see Ticketmaster, "Resale," Ticketmaster Help Center, https://help.ticketmaster.com/hc/en-us/articles/9672915828881-How-do-I-sell-tickets. Venues, event organizers, and artists can prohibit tickets from being resold.

Requirements for Tickets

Speculative Tickets

Some bills would prohibit the sale of speculative tickets. For example, the Fans First Act (S. 3457), TICKET Act (H.R. 3950) and the Speculative Ticketing Oversight and Prohibition Act (STOP Act of 2023; H.R. 6568) would prohibit a secondary ticketer from selling, offering to sell, or advertising a ticket if the ticketer does not already have the ticket. These bills would allow secondary ticketers to offer a service to obtain tickets on behalf of consumers if certain requirements were met, such as providing a full refund for the total cost of the service if they were unable to obtain a ticket. These bills and the BOSS and SWIFT Act (H.R. 3660, S. 2957) would require secondary ticketers to provide a clear and conspicuous statement on the initial ticket listing if they cannot guarantee that the ticket can be obtained.

Some states require ticketers to inform consumers when they are purchasing a speculative ticket and provide a full refund if they are unable to provide the ticket.[78] Some secondary ticketers state in their policies that they do not allow speculative tickets to be sold on their platforms.[79] It is unclear whether secondary ticketers can easily determine that a ticket is speculative and the extent to which this prohibition is enforced.[80]

Implementing disclosure and refund requirements with the sale of speculative tickets could allow consumers to determine whether they are willing to take the risk of purchasing a speculative ticket. In addition, a refund requirement could help mitigate some of that risk. Even with disclosure and refund requirements, however, the sale of speculative tickets might harm consumers. Some participants of the FTC workshop on the online event ticket marketplace asserted that state legislation requiring disclosure when selling a speculative ticket has been ineffective.[81] Some reports have also noted that speculative tickets can drive up prices in the secondary market, mislead consumers about when tickets are available, and result in additional financial losses for consumers (e.g., travel expenses for the event), among other potential harms.[82] Allowing the sale of speculative tickets might help individuals in the secondary market better assess potential demand for tickets, which might influence the number of tickets ticket brokers try to obtain and resell.

Nontransferable Tickets

One bill would prohibit ticketers from issuing nontransferable tickets, that is, tickets that cannot be transferred to another individual. Specifically, the BOSS and SWIFT Act (H.R. 3660, S. 2957) would prohibit primary ticketers from restricting or hindering the ability of a consumer to resell a ticket using a secondary ticketer. Some states have enacted legislation prohibiting ticketers from selling nontransferable tickets.[83]

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[78] For example, see Maryland Commercial Law Code §13-310.1 and New York Arts and Cultural Affairs Law §25.10.

[79] For example, see SeatGeek, "Terms of Use," last updated May 2, 2024, https://seatgeek.com/terms, and StubHub, "Seller Policies," https://www.stubhub.com/legal?section=sp.

[80] GAO, *Event Ticket Sales*, pp. 31-33.

[81] FTC, *"That's the Ticket" Workshop*, pp. 5-6.

[82] NY State Senate, *Final Investigative Report*, pp. 24-26; NY State AG, *Obstructed View*, p. 26; and GAO, *Event Ticket Sales*, pp. 31-33.

[83] For example, see New York Arts and Cultural Affairs Law §25.30(1)(c), 2017 Connecticut Acts 17-28 (Reg. Sess.), and Virginia Code Annotated §§59.1-466.5 to 59.1-466.7.

Nontransferable ticket policies that prevent tickets from being resold can limit competition in the secondary market or effectively dismantle it, depending on the share of tickets that are nontransferable. Nontransferable tickets might benefit consumers by restricting the ability for ticket brokers to resell tickets for a profit in the secondary market.[84] Consumers might be more likely to obtain tickets in the primary market because they would no longer be competing with ticket brokers, particularly for high-demand events. Consumers might be harmed if, for example, they could no longer attend an event and if the tickets were nonrefundable; consumers would be unable to recoup at least some of their money by selling the ticket in the secondary market. Some consumer advocacy groups argue that nontransferable tickets impinge on consumers' property rights, arguing that consumers should be able to do whatever they would like with a ticket after purchasing it.[85] Additionally, limiting transferability could impose artificial price floors for events that are less popular than anticipated; it would prevent tickets from being resold at a price lower than the price in the primary market.[86]

Refundable Tickets

Several bills would require ticketers to provide a full refund for a cancelled or postponed event, with some exceptions. For example, the BOSS and SWIFT Act (H.R. 3660, S. 2957), the Fans First Act (S. 3457), and the STOP Act of 2023 (H.R. 6568) would require ticketers to provide a full refund, including any fees and taxes, if an event is cancelled or postponed, except when it is beyond the reasonable control of a ticketer, such as a natural disaster, civil disturbance, or otherwise unforeseeable impediment. The BOSS and SWIFT Act and the STOP Act of 2023 also would allow the ticketer to provide a replacement ticket in the same or comparable location, subject to availability and the consumer's approval.

Some states require tickets to be refundable in certain situations, such as cancelled events or if the ticket does not conform to the description provided by the seller.[87] Some ticketers provide refunds for events that are cancelled or postponed, subject to policies set by the event organizer, while others provide refunds only for cancelled events.[88] Refunds issued by ticketers might include some fees but not others. For example, Ticketmaster issues a refund for the ticket price paid, any services fees, and any additional add-ons (e.g., parking); it does not refund expedited shipping charges, merchandise purchases, or other charges.[89] Ticketers for some events did not provide refunds when numerous cancellations and indefinite postponements of live events occurred

[84] NY State AG, *Obstructed View*, p. 36, and GAO, *Event Ticket Sales*, p. 37.

[85] GAO, *Event Ticket Sales*, p. 39.

[86] FTC, *"That's the Ticket" Workshop*, p. 3.

[87] For example, Connecticut General Statute §53-289b, Florida Statute §817.36, Georgia Code §43-4B-28, New York Arts and Cultural Affairs Law §§25.01–25.35, and North Carolina General Statutes §14-344.1.

[88] Ticketmaster, "Purchase Policy," Ticketmaster Help Center, https://help.ticketmaster.com/hc/en-us/articles/10465798887953-Purchase-Policy#11._refunds,_credits,_and_exchanges, and StubHub, "Postponed, Rescheduled, or Canceled Events," StubHub Support, https://support.stubhub.com/articles/61000276300-postponed-rescheduled-or-canceled-events.

[89] Ticketmaster, "Purchase Policy," Ticketmaster Help Center, https://help.ticketmaster.com/hc/en-us/articles/10465798887953-Purchase-Policy#11._refunds,_credits,_and_exchanges.

because of the Coronavirus Disease 2019 (COVID-19), raising consumer protection concerns;[90] ticketers also faced unexpected revenue losses during that time.[91]

A consideration may be whether the ticketer should be solely responsible for providing refunds for a cancelled or postponed event. Some ticketers have made statements that suggest other entities, such as event organizers, determine the refund policy, particularly the amount of the refund that will be covered by other entities.[92] Determining how the costs associated with a cancelled or postponed event are to be distributed may be part of negotiations between ticketers and other entities in the supply chain. If ticketers are required to provide full refunds for a cancelled or postponed event, and other entities in the supply chain are unwilling to share the costs that are incurred regardless of whether the event occurs, ticketers may face greater risks and costs. This might incentivize ticketers to increase ticket fees to try to offset the costs associated with cancelled and postponed events.

Legislative Considerations

As Congress considers whether to pursue legislation related to event ticketing, some general considerations might include the following:

- **Whether legislation is needed.** Some ticketers have implemented changes over the last two years, such as allowing consumers to adjust settings to view all-in pricing from the beginning of the transaction for some events.[93] Ticketers might make additional changes in response to other factors, such as public scrutiny, market pressure, state laws, and actions taken by the federal government.
- **Whether actions by federal agencies would address some congressional concerns.** For example, it is unclear how the lawsuit led by DOJ against Live Nation Entertainment and Ticketmaster might affect the ticketing industry. The judge might rule in favor of the plaintiffs and implement the remedies they suggested, which would include the divesture of Ticketmaster.[94] The remedies might increase competition among primary ticketers. The potential effect on fees charged by ticketers and ticket prices is unclear; increased competition in the primary market might not necessarily result in lower ticket prices for consumers if they can obtain tickets from only one primary ticketer. Additionally, the lawsuit might be ongoing for several years, and the judge might rule in favor of Live Nation Entertainment and Ticketmaster.
- **What changes Congress might implement in event ticketing and the potential effects.** Congress might consider whether to increase consumer transparency, incentivize ticketers to implement changes, or implement broader

[90] For example, see NY State Senate, *Final Investigative Report*, pp. 23-24, and Ben Sisario and Graham Bowley, "Angry Fans Say First the Concerts Were Canceled, Then the Refunds," *New York Times*, April 8, 2020, https://www.nytimes.com/2020/04/08/arts/music/ticketmaster-refunds-coronavirus.html.

[91] For example, Live Nation Entertainment estimates that in 2020, it had a $1.7 billion operating loss, with a $612 million operating loss in its ticketing services (Live Nation Entertainment, Inc., SEC Form 10-K for the year ending December 31, 2020, pp. 2, 36, 39). IBISWorld estimates that the outbreak of COVID-19 contributed to an estimated 40% drop in revenue in 2020 (IBISWorld, *Online Event Ticket Sales in the U.S.*, p. 12).

[92] For example, see Vivid Seats, Inc., SEC Form 10-K for the year ending December 31, 2023, p. 72, and Live Nation Entertainment, Inc., SEC Form 10-K for the year ending December 31, 2020, p. 3.

[93] For example, see Ticketmaster, "All-In Pricing," and SeatGeek, "Other FAQs."

[94] *United States of America et al. v. Live Nation Entertainment, Inc. and Ticketmaster L.L.C.*, "Complaint," case no. 1:24-cv-3973, May 23, 2024, pp. 102-104, https://www.justice.gov/atr/media/1353101/dl.

structural changes to the industry, among other potential legislative options. The effect of each option on event ticketing could differ and, depending on the specifics of the legislation, might have unintended effects. For example, requiring all tickets to be nontransferable and refundable might prevent ticket brokers from selling tickets in the secondary market with a significant mark-up. Another result might be an underground secondary market, which might have less federal oversight and greater potential for consumer harms. It might also be more difficult for event organizers to produce sold-out shows if numerous consumers ask for last-minute refunds.

Appendix. Live Event Ticketing Bills

Table A-1. Selected Bills Related to Event Ticketing

Introduced in the 118th Congress

Bill No.	Bill Title (as introduced)	Summary (copied from Congress.gov, when available)
H.R. 2463, S. 916	Junk Fee Prevention Act	This bill establishes requirements related to the fees charged by specified covered businesses, including those providing short-term lodging, ticketing services, internet service, mobile service, or video programming. It also requires air carriers to seat each young child next to an accompany adult during flights. Specifically, businesses providing short-term lodging or ticketing services must display the total price (including mandatory fees) of the offered good or service in each advertisement and when the price is first shown to the consumer. Further, ticketing services must (1) disclose any guarantee or refund policy for an event before the transaction is completed, and (2) disclose when they do not possess the ticket for an event at the time of sale. The bill also prohibits excessive or deceptive mandatory fees and provides the Federal Trade Commission (FTC) and state attorneys general (AGs) authority to enforce these requirements. Additionally, the bill prohibits internet service, mobile service, or video programming providers from charging excessive or unreasonable termination fees. The Federal Communications Commission (FCC) also must conduct a rulemaking to consider requiring such providers to disclose mandatory fees or prohibiting the services from imposing mandatory fees. The bill provides the FCC authority to enforce these requirements. Finally, the bill establishes requirements for air carriers to seat each child who is age 13 or younger next to an accompanying adult, subject to limited exceptions. The bill also requires air carriers to provide specified alternatives or a full refund in the event that such seating is not available.
H.R. 3660, S. 2957	Better Oversight of Stub Sales and Strengthening Well Informed and Fair Transactions for Audiences of Concert Ticketing Act of 2023 (BOSS and SWIFT Act of 2023)	* This bill would require ticket sellers in the primary and secondary markets to disclose the total cost of a ticket the first time the price is displayed (including price quotes and advertisements) and anytime thereafter. Ticket sellers would be required to provide consumers the option to view an itemized list of the base ticket price and any ancillary charges and taxes; offer a refund or replacement ticket if the ticket is not delivered, with some exceptions; disclose whether the ticket is being offered in the primary or secondary market and the refund policy; and report activity that may violate the Better Online Ticket Sales Act of 2016 (BOTS Act; P.L. 114-274). Ticket sellers would be prohibited from changing the total cost of a ticket during the purchasing process, unless there is clear and conspicuous notice; designing or manipulating a user interface to obscure or impair user autonomy; and knowingly selling a ticket for the same seat to more than one person. The bill includes separate requirements for primary ticket sellers (e.g., disclosing where the event will be held and the total number of tickets that will be offered for sale) and secondary ticket sellers (e.g., providing notification in the initial listing if the ticket sellers do not control the ticket and cannot guarantee the ticket). The bill would be enforced by the FTC and state AGs. The bill would require the FTC to provide a report on enforcement actions of the BOTS Act.

Bill No.	Bill Title (as introduced)	Summary (copied from Congress.gov, when available)
H.R. 3950, S. 1303	Transparency in Charges for Key Events Ticketing Act (TICKET Act)	This bill requires ticket sellers (including sellers on the secondary market) for concerts, performances, sporting events, and similar activities to clearly and prominently disclose at the beginning of the transaction, and prior to the selection of a ticket, the total ticket price for the event and an itemized list of the base ticket price and each fee (e.g., service fee, processing fee, delivery fee, facility charge fee, tax, or other charge). The total ticket price must also be disclosed in any advertisement, marketing, or price list. Currently, ticket sellers generally disclose fees at the checkout stage. Additionally, ticket sellers that are offering to sell a ticket that the seller does not have in their actual or constructive possession must clearly and prominently disclose that the ticket is not in their possession before an individual selects a ticket to purchase. The FTC must enforce these requirements.
H.R. 6568	Speculative Ticketing Oversight and Prohibition Act (STOP Act of 2023)	* This bill would prohibit ticket issuers and secondary ticket exchanges from selling or advertising speculative tickets. In the secondary market, ticket issuers and ticket exchanges would be able to offer a service to obtain an event ticket on behalf of a consumer if certain requirements are met, including providing a disclosure that a ticket is not guaranteed and a full refund will be issued if a ticket is not obtained. They would be required to provide notice that a consumer is engaged in the secondary sale of tickets. Ticket issuers and secondary ticket exchanges would be prohibited from stating that they are affiliated with or endorsed by a venue, team, or artist unless a partnership has been executed. They would be required to provide a full refund or replacement ticket if an event were canceled or postponed, with some exceptions, and provide a refund policy and disclose how to obtain a refund. This bill would be enforced by the FTC. The FTC would be required to submit a report on the enforcement of the BOTS Act, including challenges with enforcement and recommendations on how to improve enforcement and industry compliance.
S. 1321	Unlock Ticketing Markets Act of 2023	This bill requires the FTC to limit the duration of an agreement that a ticket service provider may enter into with a venue for the exclusive right to conduct the initial sale of tickets to all, or substantially all, live concerts, theatrical performances, sporting events, comedy shows, or other scheduled performances held at that particular venue. The FTC must issue regulations to define the period of time that constitutes an excessive duration for such an exclusivity agreement. However, the minimum period of time that constitutes an excessive duration must be more than four years. The bill provides the FTC with authority to enforce this limitation.
S. 3191	Mitigating Automated Internet Networks for Event Ticketing Act (MAIN Event Ticketing Act)	* This bill would amend the BOTS Act to require ticket issuers to implement an access control system, security measure, or other technological control to enforce posted event ticket purchasing limits. It would require ticket issuers to maintain reasonable safeguards to protect the security, confidentiality, or availability of such website or service and to report any incidents of circumvention within 30 days after an incident is discovered by the ticket issuer. The bill would require the FTC to create a publicly available website to allow individuals to report violations and to provide guidance for ticket issuers on compliance with the requirements.

Bill No.	Bill Title (as introduced)	Summary (copied from Congress.gov, when available)
S. 3457	Fans First Act	* This bill would prohibit a secondary ticketing exchange or reseller from using an artist's name, venue name, or event organizer name or implying they have been endorsed by the artist, venue, or event organizer without their written consent. It would prohibit resellers from selling, offering, or advertising an event ticket unless they have the ticket. They would be able to offer a service to obtain an event ticket on behalf of a consumer if certain requirements are met, including providing a disclosure that a ticket is not guaranteed and a full refund if a ticket is not obtained. The bill would require sellers to provide the total event ticket price, including any fees, and an itemized breakdown of the price and any applicable taxes. It would require sellers to provide the seller's refund policies and how to obtain a refund in certain situations (e.g., if the ticket does not match the description; if the event is canceled or postponed). It would require sellers to provide terms and conditions and a proof of purchase within 24 hours if the ticket is electronic. A seller would be required to provide a full refund, including any taxes paid, if an event is cancelled, with some exceptions. The bill would create additional requirements for secondary ticketing exchanges, such as allowing the ticket purchaser the option to provide affirmative consent to provide the artist and venue the purchaser's name, email address, and phone number for the purpose of ensuring the safety and security of individuals and property associated with the event and to provide notice about postponements and cancellations. All the provisions mentioned thus far would be enforced by the FTC and state AGs. The bill would require the Government Accountability Office to conduct a study on the event ticket market. The study would be required to contain certain information, such as an assessment of event ticket brokers obtaining tickets through fan clubs, venue pre-sales, or credit card rewards programs. This bill would amend the BOTS Act to require ticket issuers to implement an access control system, security measure, or other technological control to enforce posted event ticket purchasing limits. It would require ticket issuers to maintain reasonable safeguards to protect the security, confidentiality, or availability of such website or service and report any incidents of circumvention within 30 days after the incident is discovered by the ticket issuer. The bill would require the FTC to create a publicly available website to allow individuals to report violations and to provide guidance for ticket issuers on compliance with the requirements.

Source: Congress.gov.

Notes: The bills are ordered by title. CRS conducted a search of the terms *ticket* and *event* on Congress.gov. *This summary was written by CRS for the purpose of this report; a summary was not available on Congress.gov when this report was published.

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