

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

Steve DelBianco, Executive Director  
1401 K St NW, Suite 502  
Washington, DC 20005  
202-420-7482  
[www.netchoice.org](http://www.netchoice.org)



May 13, 2013

Rep. Chris Garrett, Chairman  
House Committee on Rules  
Oregon State Legislature  
900 Court St. NE  
Salem, Oregon 97301

Subject: **HB 3510**, *Limiting Consumer Choice and Opportunity for Event Tickets*

Dear Chairman Garrett:

We ask you to oppose HB 3510. This legislation would let promoters and venues *void* tickets that were legally acquired and sold by Oregon fans.

This would be a giant step backwards for Oregon sports and concert fans that enjoy the convenience, choice, and competition the Internet has brought to the secondary tickets market.

***This bill would void tickets legally acquired by Oregon fans***

Section (1)(2)(b) allows venues to void tickets that are otherwise legally valid. For example, Oregon ticket buyers sometimes sell their ticket before they have actual physical possession -- because they're waiting for delivery or have not yet picked-up the ticket at Will-Call or from its original owner. Even though this sale happens after the official release date, Section (1)(2)(b) says that ticket would become *void*.

Oregon fans will suddenly find themselves standing outside concerts and performances, not because they bought invalid tickets, or through any fault of the ticketholder, but because the seller sold his ticket before they were in his hands. That's just not fair to Oregon fans.

***This bill could create the impression that legally sold tickets might be counterfeits***

Section (1)(2)(b) also creates doubt in the minds of consumers looking to buy a ticket from anyone other than an "authorized reseller". If this law generates a negative impression about non-authorized resellers, it could mean that season ticket-holders will see fewer willing buyers when they advertise their tickets for sale. This will discourage consumers from seeking better-priced tickets on the resale market and instead purchase only from "authorized resellers" who may have higher prices and smaller selections.

***This bill requires season ticket holders to identify all available tickets before they can resell a ticket***

Section (1)(3) requires a season ticket holder to show the buyer "an inventory of spaces available at the venue...and the price of each space...that remains available for purchase."

First, this information would not be readily available to the casual fan or season ticket holder wishing to sell a legally-acquired ticket. Second, this imposes such a high burden on a season ticket holder that they may no longer even try reselling tickets for events they can't attend. Finally, this burden is unnecessary, as price-

sensitive fans would surely do their own research to find the lowest priced among tickets available for purchase.

***This bill exposes email and online service providers to new liability.***

HB 3510 creates new legal liability for email and service providers. Because the definition of “reseller” is broad enough to cover these services, a venue would be able to call them and mandate the email or online posting be removed. Moreover, aggressive prosecutors could misuse HB 3510 against these providers.

Federal law has long held that intermediaries are not liable for actions by users of their services.<sup>1</sup> Newspapers, for example, are not liable for deceptive listings posted by users if its classified ads—whether online or in print. By the same token, Oregon should not attempt to hold online service providers responsible for a ticket resale posted on their website.

As the resale ticket markets continue to grow, Oregon fans have enjoyed greater choice and opportunity to buy and sell tickets to their favorite events. The rise of online ticket exchanges has brought more competition, safety, and convenience to the market.

But HB 3510 would allow venues to revoke this choice and convenience for Oregon sports and concert fans. It takes Oregon in the wrong direction – regulating upstream against a nationwide current of liberalizing markets that benefit and protect consumers.

Thank you for considering our views, and please let me know if I can provide further information.

Sincerely,



Steve DelBianco  
Executive Director, NetChoice

cc: Committee Members

*NetChoice is a trade association of online content and e-Commerce businesses promoting and protecting convenience, choice and commerce on the Net. Learn more about NetChoice at [www.netchoice.org](http://www.netchoice.org)*

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<sup>1</sup> See, e.g. 47 U.S.C. § 230 (c)(1).