



Testimony of Angela Martin on HB 3510
Executive Director, Economic Fairness Oregon
May 13, 2013

Good afternoon. I'm Angela Martin, executive director of Economic Fairness Oregon. My organization watches out for Oregonians - in their every day lives. Standing up for basic fairness – and against those who try to rig the system. Today is no different. I am here today on behalf of this state's consumers who believe that when they buy a ticket, they own it.

The bill before you, HB 3510, while sincere in its intent, goes too far. And the result is a legal arrangement that corners the ticket resale market exclusively for ticket vendors and their contracted financial partners including venues, sports teams and artists. Excluded from this arrangement are consumers. This is what we call a monopoly.

There are certainly bad actors, which is why I agree with the sponsors intent to deal with deceptive websites. Greater transparency – including the full disclosure of a ticket's face value and whether or not entities are selling tickets that they don't yet possess – are good regulations that could help to create a fairer, level playing field for consumers.

But most individual consumers aren't bad actors and the legislation is too broad in its reach. It contains a central flaw – the creation of “authorized sellers” at the discretion of venues – that comes with several unintended consequences for consumers. In its current form, the bill:

1. Requires those who buy tickets – and own them – to get the original ticket sellers' permission, such as Ticketmaster and New Era Tickets, to resell a ticket.
2. Appears to prohibit tickets from being resold unless the ticket has first been “released for sale” - an undefined term in the legislation.
3. Would require that ticket resellers have access to real-time original seller seat-by-seat inventory. This information is (a) frequently not made available to consumers; and (b) available only if the original seller makes it so.
4. Would deem any ticket sold without permission to be fraudulent. No longer could a consumer safely resell a ticket to a friend, or a season-ticket holder safely post tickets for sale online, such as Craigslist or any site of the consumer's choosing.

All of these have a cumulative effect of eliminating competition and centralizing the power of the secondary market in the hands of the original seller. With this new power, ticket sellers and venues can create mini-monopolies that for each event control every initial sale and resale by determining who is or is not an “authorized reseller.”

There are clear winners in this scenario – and losers: Oregon consumers who are fans, and financial supporters, of the arts, music and sports industries.

In closing, I am submitting three letters from consumer groups opposing HB3510 for the record. They are from the Oregon Consumer League and a joint letter signed by three national consumer advocacy groups – Consumer Action, the National Consumers League and Consumer Federation of America.

All of us oppose HB 3510, as a bill that is too broad, and on behalf of these groups and Oregon consumers, I respectfully request that the committee take pause and allow time for further discussion and the full engagement of stakeholders. Economic Fairness Oregon is a willing participant and looks forward to further discussions.