

Bad blood: California Legislature's proposals targeting ticketing industry face tough battle

By Eric He

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This Pro Bill Analysis covers three bills: [AB 2808](#), [SB 785](#) and [AB 8](#).

The rush — and subsequent debacle — over tickets to Taylor Swift's Eras Tour has inspired multiple pieces of legislation in California aimed at clamping down on the parties that people claim are responsible, such as primary ticket sellers like Ticketmaster and the secondary market. But Ticketmaster has fought back, defeating at least one of the proposals before it could even reach a floor vote in the Assembly.

[AB 2808](#), by Assemblymember [Buffy Wicks](#) (D-Oakland), was a direct shot at Ticketmaster, which [controls more than 70 percent](#) of the ticketing and live event market following its 2010 merger with Live Nation. Wicks' bill would ban exclusive contracts between large venues and primary ticket sellers. However it was significantly amended since being introduced earlier this year, and she ultimately [scrapped the measure](#) in her own committee on May 15.

Wicks [said in a statement](#) that she held the bill to “make sure the policy advances thoughtfully and with consumer interests at the forefront,” and suggested she wasn't giving up on the idea.

“Loosening the hold of a massive entertainment monopoly that controls not only the ticket-buying experience, but also the success of artists and independent venues, is more than a one-year undertaking,” she said

Two other bills — [SB 785](#) by Sen. [Anna Caballero](#) (D-Merced) and [AB 8](#) by Assemblymember [Laura Friedman](#) (D-Glendale) — are two-year bills that have made it out of their respective houses of origins, and the authors intend to pursue them later this year. They are competing measures, with Caballero's bill putting restrictions on the ticket resale market and Friedman's bill aiming to give consumers more power to resell tickets.

WHAT'S IN THE BILL?

This Pro Bill Analysis is based on the [text of AB 2808](#) as amended on April 30.

The bill would add a section regulating a “ticketing enterprising provider” to the [California Business and Professions Code](#), and notes in its findings the societal benefits of concerts and sporting events. The measure states that it is the intent of the Legislature to “establish policies that foster and support a vibrant and electric live entertainment industry” and ensure people have access to affordable live events (Sec. 1).

Beginning in 2024, exclusive contracts between large venues and primary ticket sellers like Ticketmaster would be banned. In general, any contract between the two parties would be limited to three years. The bill would allow artists to set their own conditions over ticket sales, including pricing, distribution and transfer of tickets — a provision that would essentially allow Ticketmaster, which has exclusive contracts with most artists, to continue to have sway over the process (Sec. 2).

The bill ensures that the secondary ticket market is not included in the definition of “primary ticket seller.”

The specific seated capacity of a venue for which the bill would apply remains under discussion, but the legislation would target any publicly or privately owned place of live entertainment.

The bill would provide exceptions for theaters and venues owned by a nonprofit, as well as interactive locations like amusement parks, fairgrounds and museums. Additionally, it would create an exception for significant national or international sporting events that would draw travelers from outside the state and country, and could potentially require stricter regulations on ticket sales to ensure availability and safety. California is set to host the World Cup, Super Bowl and

Olympics and Paralympics in the next decade. The annual Rose Bowl game, Stanley Cup and World Series are also cited in the bill.

Violators would face a \$2,500 fine per infraction, along with attorney's fees. The bill would make each ticket that is sold or offered for sale a separate violation.

This Pro Bill Analysis is based on the [text of SB 785](#) as amended on June 28, 2023.

The bill would require ticket sellers to register with the state and be licensed or face a fine of \$2,500, and make each ticket selling violation liable to a \$10,000 fine (Sec. 1). Anyone selling or reselling a ticket would need to have the contractual right to do so. When listing a ticket, a seller or reseller would have to provide the buyer with a description or a map of the seat location, along with the original cost of the ticket prior to the transaction (Sec. 3).

In order to resell a ticket, the seller must (Sec. 4):

- Have ticket in their possession
- Provide a written contract making clear that they obtained the ticket
- Make sure the ticket has first been offered to the public by the event organizer online

Ticket marketplaces, such as StubHub, would have to make sure the reseller has the contractual right to sell the ticket and can deliver the ticket to the buyer. They would also have to disclose the seat location of the ticket (Sec. 5).

The bill would make it illegal for ticket resellers or ticket marketplaces to not deliver a ticket by a reasonable or contracted time or within the listed price range (Sec. 6). In the event of a violation, the bill would make original sellers, resellers and marketplaces liable to the buyer for payment of two times the ticket price, on top of anything else the buyer had to spend in order to attend the event (Sec. 9).

The measure would make clear that event organizers can impose their own conditions on the sale and resale of tickets. It would repeal an [existing provision of the Business and Professions Code](#) exempting primary contractors — defined as a person or organization responsible for the event.

Next, the bill would prohibit using trademarked or copyrighted symbols, text, images or designs similar to that of the event or original seller's website without written consent (Sec. 12).

The proposal would explicitly ban purchasing excess tickets over the posted limit. People would not be able to take any of the following measures in order to buy up extra tickets to resell them by (Sec. 13):

- Circumvent the queue, waiting period, presale code or other methods aimed to govern an online ticket sale
- Disable a security measure or other control method to facilitate authorized entry
- Violate the organizer's terms and conditions
- Use multiple IP addresses, accounts or emails to exceed the number of allowable tickets to be purchased

Ticket resellers and marketplaces would be liable to pay back fees related to event cancellations (Sec. 14). The listed resale price would need to include all fees and charges, which could be listed separately, as long as doing so is not misleading — such as bundling taxes with any part of the ticket price. The total cost would have to be clearly disclosed at every step that pricing is displayed, including in price quotes or advertisements. The only exception would be for a delivery charge for paper tickets (Sec. 16).

In the description of the price of the ticket, resellers and marketplaces would also have to disclose that it is a resale ticket which might be more expensive than the ticket at face value. The original ticket price would have to be included in any listing (Sec. 16).

Events in which tickets are free would be exempt from the measure, along with any nonprofit, charitable, tax-exempt organizations that give away tickets to an event they are sponsoring (Sec. 17).

This Pro Bill Analysis is based on the [text of AB 8](#) as amended on June 19, 2023.

The bill would include primary contractors and platform operators in the definition of a “ticket seller,” holding ticket marketplaces such as Ticketmaster and event organizers liable to the proposal (Sec. 2). The measure would keep in place [Sections 22502.1](#) and [22502](#) of Chapter 21 of the Division 8 of the Business and Professions Code, which regulate how and when tickets can be sold, as well as requiring tickets to be delivered within a certain time and price range. It would also keep in place existing exceptions for travel agents, people who sell fewer than six tickets and nonprofits.

In addition to requiring disclosure of the seat location prior to sale and the total price of a promotional package, sellers must include all fees other than taxes when listing the ticket. Fees and other charges could be listed separately if they are not false or misleading, such as bundling together charges with taxes. Ticket sellers would not be able to increase prices — such as failing to display mandatory fees and charges until later — during the purchasing process after the buyer has selected the ticket. They would also have to provide a link for steps to get a refund.

The bill would make it illegal to use software or services to evade security or control measures intended to ensure an equitable process for buying tickets, and would bar reselling a ticket that was knowingly acquired by circumventing such measures. This would include exceeding the number of tickets that a person is allowed to purchase (Sec. 2).

Ticket sellers would not be able to resell a ticket that was initially offered for free to the public, and the bill would require a refund for tickets that are not available — with the exception of up to a 10 percent service charge. For canceled events, the bill would [amend Section 22507](#) to specifically make event organizers responsible for refunds within 30 days of the cancellation.

The bill would also target events that take away attendees’ cell phones and charge more for printed tickets, requiring that the fee for a paper ticket be the same as an electronic ticket.

Sections 22510 through 22513, as stated in the bill, would keep existing provisions. The bill would apply in conjunction with other existing laws (Sec. 2).

WHO ARE THE POWER PLAYERS?

Assemblymember [Buffy Wicks](#) (D-Oakland), chair of the Assembly Appropriations Committee, is the author of AB 2808, and Sen. [Anna Caballero](#) (D-Merced), chair of the Senate Appropriation Committee, is the author of SB 785. Assemblymember [Laura Friedman](#) (D-Glendale) authored AB 8.

“I see a clear, unfair competitive advantage with Ticketmaster-Live Nation,” Wicks said at the [April 23 Assembly Privacy and Consumer Protection committee hearing](#). “Ticketmaster-Live Nation controls both the vertical and the horizontal of the industry across the board: The managers, the promoters, the venues, the ticket distribution in the primary market and the secondary market across the board.”

The **Consumer Federation of California** sponsored Wicks’ proposal. **Live Nation**, which merged with **Ticketmaster**, opposed Wicks’ bill and prior versions of Friedman’s measure, and was still backing Caballero’s bill as of last year. A number of professional sports teams in California — including the **Golden State Warriors**, **San Francisco 49ers** and **Los Angeles Clippers** — also opposed Wicks’ measure.

Speaking on the original version of Wicks’ bill, **Dan Wall**, Live Nation Entertainment’s executive vice president of corporate and regulatory affairs, said the legislation would benefit ticket resellers, not consumers.

“When we and others who have a true stake in producing events — like artists, teams, and venues — explain the real effect of these bills, and how they mainly promote ticket scalping, legislators figure out on their own that they aren’t good for consumers,” Wall [said in a statement](#).

A coalition of music creators, including **SAG-AFTRA and the Recording Academy**, backed SB 785 and opposed AB 8 last year.

“AB 8 would strip artists of their right to control prices for fans and upend the live entertainment ecosystem,” [the coalition wrote in a letter](#). “SB 785 will create protections for audiences, artists, and California’s venues for live entertainment, including concerts.”

WHAT’S HAPPENED SO FAR?

Wicks' bill saw substantial amendments in the Assembly Privacy and Consumer Protection Committee in April — so much so that [several supporters](#), including the California League of United Latin American Citizens, threatened to pull their support. The provision allowing artists to have the final say over the terms and conditions of the sale, pricing, distribution and transfer of tickets drew the most scrutiny because Ticketmaster represents many artists and venues.

“I think the intent is to bring the artists into the conversation, which I think is critical — and we should absolutely do that,” Wicks said in the committee. “But I do share some of the concerns that some of the coalition has raised around the potential that the language — as currently written — maybe isn't in the best interest of consumers.”

For Wicks, the bill was “one of the most complicated bills I've worked on” due to the number of stakeholders involved. She noted that she proposed the bill in the state Legislature because she said [a federal antitrust lawsuit](#) against Ticketmaster will take time to resolve.

At the federal level, the Justice Department [filed a lawsuit](#) on May 23 to break up Ticketmaster, alleging a monopoly. Attorneys general from several states — including California, Colorado, Texas and Florida — signed onto the antitrust case filed in New York federal court. The suit adds to the embattled company's myriad of policy and legal battles. If successful, it could potentially lead to Live Nation being forced to sell Ticketmaster, 14 years after it acquired the company following a DOJ settlement.

Both Caballero and Friedman's bills have been parked in committee since last summer. Friedman's measure, which would have barred primary sellers like Ticketmaster from restricting the reselling of tickets, was pared down so severely that it lost the support of the Consumer Federation of California, which had co-sponsored it. The bill was held in the Senate Appropriations Committee last September.

Republican state Sen. [Scott Wilk](#) (R-Santa Clarita) similarly introduced a bill last year to break up exclusive ticketing contracts, but his office confirmed he intends to shelve the measure.

WHAT'S NEXT?

Wicks could bring back her proposal in the future and Friedman's measure is expected to be taken up in the Senate in June, while Caballero said she will amend her measure before it is heard by the Assembly Privacy and Consumer Protection Committee.

Caballero's amendments will focus on “protecting the integrity of ticket sales for artists” and making sure that consumers can access the tickets in a timely manner. However, she is unsure if Ticketmaster will continue supporting her bill, given that there are so many different entities looking for various concessions.

“What you want to do is have some consumer protections, but then allow some flexibility in the marketplace,” Caballero said. “So we're not we're not creating a monopoly, and we're allowing a number of companies to come in and to be successful.”

WHAT ARE SOME STORIES ON THE BILL?

Read POLITICO news on [AB 2808](#), [SB 785](#) and [AB 8](#).

Josh Sisco, Lara Korte and Dustin Gardiner contributed to this report.