



July 25, 2023

Senator Maria Cantwell, Chair  
Committee on Commerce, Science, &  
Transportation  
United States Senate  
254 Russell Senate Office Building  
Washington, D.C. 20510

Senator Ted Cruz, Ranking Member  
Committee on Commerce, Science, &  
Transportation  
United States Senate  
512 Dirksen Senate Office Building  
Washington, D.C. 20510

**RE: Consumer Reports Support for S. 1303, the “TICKET Act”**

Dear Chair Cantwell and Ranking Member Cruz:

Consumer Reports (CR)<sup>1</sup> strongly supports S.1303, the Transparency in Charges for Key Events Ticketing Act (“TICKET Act”),<sup>2</sup> to protect consumers by requiring “all-in pricing” for sales of tickets for concerts, sports events and other live entertainment events. By requiring the upfront disclosure of the full cost of the ticket, inclusive of all mandatory and unavoidable fees, the TICKET Act will help ensure price transparency for ticket sales, and enable consumers to make informed purchase decisions at the point of sale.

As noted by the Federal Trade Commission (FTC)<sup>3</sup> and the Government Accounting Office (GAO),<sup>4</sup> the current ticket marketplace for live entertainment events is not transparent, with

---

<sup>1</sup> Consumer Reports (CR) is an independent, nonprofit membership organization that works side by side with consumers to create a fairer, safer, and healthier world. Since 1936, CR has provided evidence-based product testing and ratings, rigorous research, hard-hitting investigative journalism, public education, and steadfast policy action on behalf of consumers’ interests. Unconstrained by advertising, CR has exposed landmark public health and safety issues and strives to be a catalyst for pro-consumer changes in the marketplace. From championing responsible auto safety standards, to winning food and water protections, to enhancing healthcare quality, to fighting back against predatory lenders in the financial markets, Consumer Reports has always been on the front lines, raising the voices of consumers.

<sup>2</sup> S.1303 - 118th Congress (2023-2024), TICKET Act, *Congress.gov*, Library of Congress, April 26, 2023, available at: <https://www.congress.gov/bill/118th-congress/senate-bill/1303>.

<sup>3</sup> Federal Trade Commission, “That’s The Ticket Workshop” Staff Perspective, May 2020, available at: [https://www.ftc.gov/system/files/documents/reports/thats-ticket-workshop-staff-perspective/staffperspective\\_tickets\\_final-508.pdf](https://www.ftc.gov/system/files/documents/reports/thats-ticket-workshop-staff-perspective/staffperspective_tickets_final-508.pdf) See also: *Proposed Rule, Unfair or Deceptive Fees Trade Regulation Commission Matter No R.207011, Advanced Notice of Proposed Rulemaking*, November 8, 2022, available at: <https://www.federalregister.gov/documents/2022/11/08/2022-24326/unfair-or-deceptive-fees-trade-regulation-rule-commission-matter-no-r207011>, hereafter “Junk Fee Rule.”

<sup>4</sup> Government Accounting Office, *Event Ticket Sales: Market Characteristics and Consumer Protection Issues*, GAO-18-347, April 12, 2018, available at: <https://www.gao.gov/products/gao-18-347>, hereafter “GAO Report.”

ticket sellers often hiding the full cost of admission through “drip pricing” methods. Mandatory and unavoidable fees, such as “venue,” “facility” and “ticket processing” fees, increase the price— sometimes by as much as 30 percent. Furthermore, consumers often are not informed about these fees after they have selected their tickets, sometimes only after entering their payment information. The late disclosure of fees at the last minute before purchase increases search costs for consumers, and makes it harder for them to comparison shop. It also creates opportunities for unfair and predatory competition, by obscuring the actual cost of tickets that may be available for sale on competitive platforms.

In December 2016, the National Economic Council issued a report, *The Competition Initiative and Hidden Fees*, which notes that ticket fees are generally structured as they are “in order to drive down the perceived price and lure consumers to make purchasing decisions based on misinformation” and are, at worst, “fraudulent or deceptive; at a minimum, they make prices unclear, hinder effective consumer decision making, and dull the competitive process.”<sup>5</sup>

The additional cost of the ticket fees quickly adds up. In 2018, the GAO estimated that “the average event ticket fee on a primary sale is 27 percent of face value” while fees on resale sites average 31 percent of the (often inflated) price.”<sup>6</sup>

Members of the ticket industry have also testified before FTC and Congress that without a federal requirement to provide “all-in pricing,” it is unlikely that ticket sellers will act to consistently implement transparent pricing on their own. In its 2022 proposed rulemaking to curb junk fees, the FTC has reported that: “After a market leader took unilateral action to phase out hidden fees, the platform ‘lost significant market share and abandoned the policy after a year because consumers perceived the platform’s advertised prices to be higher than its competitors’ displayed prices.’”<sup>7</sup> Thus, for an “all-in pricing” requirement to be effective, it should apply to all sellers in the marketplace, so that consumers can make head-to-head comparisons regarding the price of tickets.

As an organization that works to advance the interests of consumers, Consumer Reports has received thousands of stories from consumers who are frustrated by the imposition of expense fees for live entertainment. In 2018, in advance of a workshop on event ticketing at the FTC, CR reached out to its members asking them to share their stories about ticketing and ticket fees; more than 6,600 wrote back sharing their experiences with both CR and the FTC.

These consumers, representing all 50 states, the District of Columbia, and Puerto Rico shared a general frustration with the purchase process. Many gave concrete examples of frustrations with

---

<sup>5</sup> National Economic Council, *The Competition Initiative and Hidden Fees* (Dec. 2016), at: [https://obamawhitehouse.archives.gov/sites/whitehouse.gov/files/documents/hiddenfeesreport\\_12282016.pdf](https://obamawhitehouse.archives.gov/sites/whitehouse.gov/files/documents/hiddenfeesreport_12282016.pdf)

<sup>6</sup> GAO Report, page 15-18.

<sup>7</sup> FTC Junk Fee Rule, op. cit note #3.

hidden fees raising the price of a ticket well beyond what the individual had understood to be the price; with bait-and-switch tactics that left them uncertain about what they had bought, and whether the tickets were legitimate; and with the opaque operations of the secondary ticket market. Complaints like these are only the tip of the iceberg because many other consumers complain about hidden ticket fees to the FTC, state attorneys general, and other state and local consumer protection agencies.

In conclusion, the common-sense consumer protections provided through the TICKET Act to require “all-in pricing” for ticket sales are urgently needed and long overdue. The bill will help ensure consumers can shop and compare prices for tickets on a fair and transparent basis, as they routinely do for other products and services. By establishing fair ground rules for all ticket sellers and market participants, the TICKET Act also creates a level playing field for all market actors to act appropriately. For these reasons, Consumer Reports strongly supports the TICKET Act and we urge Senators to please cosponsor and vote YES for this critically important consumer protection legislation.

Sincerely,



Chuck Bell  
Programs Director



Jonathan Schwantes  
Senior Policy Counsel