



December 17, 2024

The Honorable Mike Johnson, Speaker
U.S. House of Representatives
Washington, DC 20215

The Honorable Chuck Schumer, Majority Leader
U.S. Senate
Washington, DC 20510

RE: Consumer Reports Support for H.R. 3950 and S.1303, the “TICKET Act”

Dear Speaker Johnson and Majority Leader Schumer,

Consumer Reports (CR)¹ strongly supports H.R. 3950 (introduced by Rep. Gus Bilirakis and Rep. Jan Schakowsky) and S.1303 (introduced by Sen. Ted Cruz and Sen. Maria Cantwell), the Transparency in Charges for Key Events Ticketing Act (“TICKET Act”),² to protect consumers by requiring “all-in pricing” for sales of tickets for concerts, sports events and other live entertainment events.

Consumer Reports has also circulated petitions and email actions to Congress over the last two years in support of the TICKET Act which were supported by more than 37,000 consumers who agree that the bill should become law.

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 full price transparency for ticket sales, and enable consumers to make informed purchase decisions at the point of sale. We strongly urge

¹ 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.

² H.R. 3950 - 118th Congress (2023-2024), TICKET Act, *Congress.gov*, Library of Congress, April 26, 2023, available at: <https://www.congress.gov/bill/118th-congress/house-bill/3950> and 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>

you to secure the final passage of the TICKET Act this year, by including the compromise bill language in the continuing resolution and assuring its full passage through the Congress.

As noted by the Federal Trade Commission (FTC)³ and the Government Accounting Office (GAO),⁴ the current ticket marketplace for live entertainment events is not transparent, with 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.”⁵

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.”⁵

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.’”⁶ Thus, for an “all-in pricing” requirement to be effective, it should apply to all

³ 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-staffperspective/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-traderegulation-rule-commission-matter-no-r207011>, hereafter “Junk Fee Rule.”

⁴ 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.”

⁵ National Economic Council, *The Competition Initiative and Hidden Fees* (Dec. 2016), at: https://obamawhitehouse.archives.gov/sites/whitehouse.gov/files/documents/hiddenfeesreport_12282016.pdf⁶ GAO Report, page 15-18.

⁶ FTC Junk Fee Rule, op. cit note #3.

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 share a general frustration with the purchase process. Many gave concrete examples of frustrations with 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 all these reasons, Consumer Reports strongly supports the TICKET Act. Please include the TICKET Act language in the final continuing resolution and support its passage through the full Congress.

Sincerely,

A handwritten signature in black ink that reads "Charles W. Bell". The signature is written in a cursive, slightly slanted style.

Chuck Bell, Programs Director
Consumer Reports
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Appendix A. Ticket Fee Stories Shared by Consumer Reports action takers

Consumers continue to be highly concerned about hidden fees for tickets for concerts, sports, theater and other live entertainment events, that often turn out to be very expensive as a percentage of the purchase price. Here's a sampling of stories shared by consumers with Consumer Reports over the last two years.

Fees for concert and other event tickets are some of the worst. It's bad enough that the ticket price is so high, but once the fees get added to each ticket it makes the cost prohibitive. I can understand a service fee to help pay for the maintenance of the website, etc., but that should be a flat fee for the single purchase, not a separate cost attached to each ticket. If I'm buying tickets for a group of family members and/or friends, the fees really add up. That's price gouging, to me. -- **Andrea from Seattle, WA**

Many purchase websites don't give the fees, until after entering all information including credit card. No place to find out fees earlier There are \$100s. Make them disclose upfront! -- **Howard from Pompano Beach, FL**

{Ticketmaster's] pricing system sucks. Their "verified fan" system is a joke. I tried to get tickets to Bruce Springsteen and as I was 3rd in the queue, I got bumped back to 1600, then 2000 (it happened twice). Meanwhile the ticket prices kept going up by hundreds of dollars. I gave up, but have since bought a ticket for about \$350. (Outrageous but I really want to go to this concert and it is in a location, I have sat in before. Then I get charged a \$70.00 service fee, so my ticket is \$420. How does Ticketmaster get away with this? It is a monopoly; there is no competition. I have checked out other concerts and theater productions and the tickets are way beyond the listed price. So no more Ticketmaster for me. I think the service fee is based on the price of the ticket. A Springsteen concert ticket is usually about \$100. to sit in the section I am in. The the Ticketmaster fee is an additional \$20 or \$25. -- **Barbara from Maplewood, NJ**

Purchased \$40 tickets to college basketball from Ticketmaster which was the only option. By the time I reached checkout and fees were added, the tickets cost \$60, a whopping 50% increase. -- **Arthur from Cumberland, NJ**

A \$24 theater ticket ended up costing \$39... I decided to forego the theater event. Concert subscription fees added 25% to the ticket cost... NOT doing that again! -- **Giselle from Raleigh, NC**

When you buy tickets online through TicketMaster, you can pay upwards of \$15 per ticket in fees. That is outrageous! We chose not to attend the concert, one that we were planning for our anniversary, because of those fees. -- **Mark from Ankeny, IA**

I have tried to purchase tickets to many events only to get a nearly 30% increase in the final price all due to "Ticketmaster fees." These are tacked-on at the end of the purchase process. Most of the events on their site are not available for purchase without Ticketmaster control and of course their ridiculously high fees.

-- **Thomas from San Carlos, CA**

While I appreciate that TM now has the option to view all your fees up front as part of the price if you toggle that option, its totally insane that fees can be 25% of the cost at LEAST. Facility fees, handling fees, etc. First of all its mobile tickets now so we are doing all the work so to speak adding to our digital wallets. The facility already gets a portion of the ticket prices. And dont get me started on dynamic pricing. Ticket prices going up as youre looking at the prices! -- **Marni from Mt. Vernon, NY**

Sporting event tickets and concert tickets have some of the highest fees I've seen anywhere. This must be a huge cash cow for the ticket sellers. -- **Tim from Spokane, WA**

I love music! Especially live concerts. I love alternative and rock and roll the best but do not hesitate to see a live show if it interests me. I would travel 5 hours for any show before I retired and now that limitation does not stop me. What does stop me from attending live events, and supporting the artists, are the fee Ticketmaster charges. The fees I have paid for shows this year range from over 14.5% and up to 21% on top of the price of the ticket - and for WHAT? This is all done by a computer. I pick the show, my seats and pay the price of the ticket and watch with shock what the final cost is. Even when I attend the local coliseum I have been told for some shows that I had to use the Ticketmaster kiosk to purchase my tickets. Why could I not purchase directly from the venue and save the added on Ticketmaster fee? Ticketmaster did not build this venue. Ticketmaster/Live Nation have a monopoly on live shows and the fees added onto the costs of tickets is outrageous! This has to be brought under control. -- **Betty from North Charleston, SC**

I love live music, but the price of concerts has gotten out of hand. The tickets are high enough on their own, but the "convenience" fees almost double the cost. No thank you. -- **Ingrid from Oakbrook Terrace, IL**

Ticketmaster buys bulk tickets shows/ games before they go on sale to the general public to other ticket agencies for profit and they sell them to you at a greater cost

with additional fees and then the price really sky rockets. --**Alfred from North Las Vegas, NV**

Ticketmaster and other online vendors charge exorbitant fees when buying tickets. Two \$100 tickets ends up costing around \$300 with all of the various fees they tack on. It's absurd. -- **Kristine from Denver, CO**

So sick and tired of planning to see a play or concert, selecting my tickets and seeing one price, then checking out and seeing Ticketmaster add 25%. They produce nothing, except headaches. -- **Colwell from Falls Church, VA**

Purchasing tickets to events is impossible without incurring a "convenience fee". Really??? There are no other options to purchase tickets. What exactly is the convenience? -- **Peter from Forest Hills, TN**

I purchased 4 tickets for a local production of The Nutcracker Suite Ballet as Christmas gifts. I could not buy them at the local theater box office but had to purchase them using Ticketmaster. What a surprise when I discovered that there was a \$15 processing fee for each ticket, which added an additional \$60 to the total cost. It didn't prevent me from purchasing those tickets but I certainly think \$60 in processing fees is outrageous. -- **Ron from North Fork, CA**

There's a convenience fees of 15\$ for 30\$ MLB ticket and this is the same for all sports and concerts. For high school sports - 6\$ ticket has 1.5\$ convenience fees. When are they going to stop? -- **Ravi from Carrollwood, FL**

The most ridiculous example I have encountered was a \$78 (seventy-eight dollars) "service fee" for buying a ticket online to a Broadway show. I only managed to get around it by having a good friend, who lived in the vicinity of the theatre, so they were able to buy the ticket in the box office. The fee inflated the ticket price by over 50%! What I find even more upsetting is the lack of a reasonable justification for the fee to be there, since a direct online sale of tickets (not through a 3rd party) is cheaper than having to pay a live person to do the same task. -- **Jan from Woodinville, WA**

I bought tickets for a concert that were \$600.00 plus two hundred dollars in service fees. This is ridiculous to charge such a mark -up. -- **Landre from Upland, CA**

Paid almost \$1,300 for 2 Taylor Swift tickets through Seat Geek. The seats were as advertised, but they were behind the stage. In fact, the main stage was completely obscured and she was only visible in the middle of the catwalk or farther out.

I'm quite sure these seats' original face value was \$100 each, or less. Seat Geek sells them for \$635 each with fees. It's LEGALIZED SCALPING! --

Jonathan from Dunnello, FL

Earlier today, 9/17/23, I went to Ticketmaster.com to purchase a ticket to Jason Bonham's Led Zeppelin Evening concert at San Jose Civic Theater. The ticket price was \$65.50. When I went to checkout, the total ticket price with fees was \$92.30. There were \$26.80 in Ticketmaster fees on a single \$65.50 ticket, which means the fees equated to 41% of the base ticket price. Out of principle to protest this type of deceptive price practice and exorbitant fees, I did not purchase the ticket. -- **Tom from Walnut Creek, CA**