

HB 4015 – Allow Ticket Scalping

Opposing Testimony

Thank you, Mr./Madame Chair. My name is _____ and I stand here on behalf of the True Free Market Alliance.

Mr./Madame Chair, I am a staunch advocate for our system of economics. A free market approach to business is the best system of commerce we could imagine. In this system the price is fixed by a producer, and if the customers want the product, then they will buy it. If they think the goods are too expensive, then they won't buy. That seems straight forward. But what happens when a third party enters the picture and artificially raises the price? This is what we risk by removing the ban on ticket scalping.

Committee members, I would encourage you to think about the average cost of a ticket to a concert over the years. Back in 2015, a concert ticket averaged around \$78.30. That price has only increased over the years, and in 2024 tickets cost on average \$135.92. That's roughly a 74% increase in 9 years. To attend a concert today is significantly more difficult for the average consumer, especially when you consider the cost of living now. Enter ticket scalpers. Ticket scalpers are people or entities that buy tickets, usually in bulk, and sell them at a higher price to make a profit. Consider how this would impact people buying a ticket if a scalper wants to make a 10% profit on their sale. An average consumer will now have to pay almost \$150. But this doesn't impact just concerts. All events, sports games, races, movies, plays, etc. are all affected. Entertainment as an entire industry would become much less accessible to the public.

This might be excused if it was just everyday people buying and selling tickets. But that's not the case. Because of current technology, bots can be used to buy tickets in bulk and artificially jack the apparent demand for a concert. When this happens, it severely limits people's abilities to attend events, and over time people won't think it worthwhile to attend concerts at all. The effects of scalpers won't just stop at the consumer, however.

When event venues set their prices, they want people to attend their shows. This is how they turn a profit, and so they want to price shows in a way that attracts people to attend. But what happens when scalpers buy all of their tickets? In the short run, venues will benefit because they sell out on their shows. But what happens in the long run? Ticket prices will become too expensive, and consumers will stop buying them. When this happens, the scalpers will eventually be driven to stop buying tickets as well because there isn't a market for it. The result will be that event centers will be left with no customers hurting or killing their business.

Finally, consider the impact on performers. If customers stop attending their concerts or other events, the in-person experience will be severely diminished and the incentive to go on tour will become less and less

appealing. Eventually, they may stop hosting concerts all together. In short, ticket scalpers will hurt everyone including consumers, venues, and artists. The in-person concert will effectively be killed.

Mr./Madame chair, I love going to shows with my friends and family, as I'm sure most of the senators do as well. But it needs to be affordable. Mr./Madame Chair, why would we deprive the citizens of this great state access to their favorite artists? Don't we owe it to them to let them have access to events that encourage community and talent? And don't we owe it to the local businesses of this state to encourage people to engage in their business? Don't we want an economy where everyone benefits? I certainly hope so. I strongly encourage this committee to vote no on HB 4015 and protect the rights of our citizens and local businesses. I will gladly take any questions at this time.

Article

Patrick Leu (January 15, 2025). Statista, *Average ticket price for music tour concert admission from 2011 to 2024 worldwide*. Retrieved from <https://www.statista.com/statistics/380106/global-average-music-tour-ticket-price/>