118TH CONGRESS
2d Session

HOUSE OF REPRESENTATIVES

REPORT
118–496

# TRANSPARENCY IN CHARGES FOR KEY EVENTS TICKETING ACT

MAY 10, 2024.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mrs. RODGERS of Washington, from the Committee on Energy and Commerce, submitted the following

# R E P O R T

[To accompany H.R. 3950]

[Including cost estimate of the Congressional Budget Office]

The Committee on Energy and Commerce, to whom was referred the bill (H.R. 3950) to require sellers of event tickets to disclose comprehensive information to consumers about ticket prices and related fees, and for other purposes, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

CONTENTS



The amendment is as follows:

Strike all after the enacting clause and insert the following:

49–006

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "Transparency In Charges for Key Events Ticketing Act" or the "TICKET Act".

**SEC. 2. ALL INCLUSIVE TICKET PRICE DISCLOSURE.**

Beginning 180 days after the date of the enactment of this Act, it shall be unlawful for a ticket issuer, secondary market ticket issuer, or secondary market ticket exchange to offer for sale an event ticket unless the ticket issuer, secondary market ticket issuer, or secondary market ticket exchange—

(1) clearly and conspicuously displays the total event ticket price, if a price is displayed, in any advertisement, marketing, or price list wherever the ticket is offered for sale;

(2) clearly and conspicuously discloses to any individual who seeks to purchase an event ticket the total event ticket price at the time the ticket is first displayed to the individual and anytime thereafter throughout the ticket purchasing process; and

(3) provides an itemized list of the base event ticket price and each event ticket fee prior to the completion of the ticket purchasing process.

**SEC. 3. SPECULATIVE TICKETING BAN.**

(a) PROHIBITION.—Beginning 180 days after the date of the enactment of this Act, a ticket issuer, secondary market ticket issuer, or secondary market ticket exchange that does not have actual or constructive possession of an event ticket shall not sell, offer for sale, or advertise for sale such event ticket.

(b) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to prohibit a secondary market ticket issuer or secondary market ticket exchange from offering a service to a consumer to obtain an event ticket on behalf of the consumer if the secondary market ticket issuer or secondary market ticket exchange complies with the following:

(1) Does not market or list the service as an event ticket.

(2) Maintains a clear, distinct, and easily discernible separation between the service and event tickets through unavoidable visual demarcation that persists throughout the entire service selection and purchasing process.

(3) Clearly and conspicuously discloses before selection of the service that the service is not an event ticket and that the purchase of the service does not guarantee an event ticket.

(4) In the event the service is unable to obtain the specified event ticket purchased through the service for the consumer, provides the consumer that purchased the service, within a reasonable amount of time—

(A) a full refund for the total cost of the service to obtain an event ticket on behalf of the consumer; or

(B) subject to availability, a replacement event ticket in the same or a comparable location with the approval of the consumer.

(5) Does not obtain more tickets in each transaction than the numerical limitations for tickets set by the venue and artist for each respective event.

**SEC. 4. DECEPTIVE WEBSITES.**

A ticket issuer, secondary market ticket issuer, or secondary market ticket exchange—

(1) shall provide a clear and conspicuous statement, before a visitor purchases an event ticket from the ticket issuer, secondary market ticket issuer, or secondary market ticket exchange that the issuer or exchange is engaged in the secondary sale of event tickets;

(2) shall not state that the ticket issuer, secondary market ticket issuer, or secondary market ticket exchange is affiliated with or endorsed by a venue, team, or artist, as applicable, unless a partnership agreement has been executed, including by using words like "official" in promotional materials, social media promotions, search engine optimization, paid advertising, or search engine monetization unless the issuer or exchange has the express written consent of the venue, team, or artist, as applicable; and

(3) shall not use a domain name, or any subdomain thereof, in the URL of the ticket issuer, secondary market ticket issuer, or secondary market ticket exchange that contains—

(A) the name of a specific team, league, or venue where concerts, sports, or other live entertainment events are held, unless authorized by the owner of the name;

(B) the name of the exhibition or performance or of another event described in subparagraph (A), including the name of a person, team, performance, group, or entity scheduled to perform at any such venue or event, unless authorized by the owner of the name;

(C) any trademark or copyright not owned by the ticket issuer, secondary market ticket issuer, or secondary market ticket exchange, including any trademark or copyright owned by an authorized agent or partner of the venue or event identified in subparagraph (A) and (B); or

(D) any name substantially similar to those described in subparagraphs (A) and (B), including any misspelling of any such name.

**SEC. 5. REFUND REQUIREMENTS.**

(a) CANCELLATION.—Beginning 180 days after the date of the enactment of this Act, if an event is canceled or postponed (except for a case in which an event is canceled or postponed due to a cause beyond the reasonable control of the ticket issuer, including a natural disaster, civil disturbance, or otherwise unforeseeable impediment), a ticket issuer, secondary market ticket issuer, or secondary market ticket exchange shall provide the consumer, at the option of the purchaser, at a minimum—

(1) a full refund for the total cost of the event ticket, any event ticket fee, and any tax; or

(2) subject to availability, if the event is postponed, a replacement event ticket in the same or a comparable location once the event has been rescheduled, with the approval of the consumer.

(b) DISCLOSURE OF GUARANTEE AND REFUND POLICY REQUIRED.—Beginning 180 days after the date of the enactment of this Act, a ticket issuer, secondary market ticket issuer, or secondary market ticket exchange shall disclose clearly and conspicuously before the completion of an event ticket sale the guarantee or refund policy of such ticket issuer, secondary market ticket issuer, or secondary market ticket exchange, including under what circumstances any refund issued will include a refund of any event ticket fee and any tax.

(c) DISCLOSURE OF HOW TO OBTAIN A REFUND REQUIRED.—Beginning 180 days after the date of the enactment of this Act, a ticket issuer, secondary market ticket issuer, or secondary market ticket exchange shall provide a clear and conspicuous explanation of how to obtain a refund of the total cost of the ticket, any event ticket fee, and any tax.

**SEC. 6. REPORT BY THE FEDERAL TRADE COMMISSION ON BOTS ACT OF 2016 ENFORCEMENT.**

Not later than 6 months after the date of the enactment of this Act, the Commission shall submit to Congress a report on enforcement of the Better Online Ticket Sales Act of 2016 (Public Law 114–274; 15 U.S.C. 45c), including any enforcement action taken, challenges with enforcement and coordination with State Attorneys General, and recommendations on how to improve enforcement and industry compliance.

**SEC. 7. ENFORCEMENT.**

(a) UNFAIR OR DECEPTIVE ACT OR PRACTICE.—A violation of this Act shall be treated as a violation of a rule defining an unfair or deceptive act or practice under section 18(a)(1)(B) of the Federal Trade Commission Act (15 U.S.C. 57a(a)(1)(B)).

(b) POWERS OF COMMISSION.—

(1) IN GENERAL.—The Commission shall enforce this Act in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of the Federal Trade Commission Act (15 U.S.C. 41 et seq.) were incorporated into and made a part of this Act.

(2) PRIVILEGES AND IMMUNITIES.—Any person who violates this Act shall be subject to the penalties and entitled to the privileges and immunities provided in the Federal Trade Commission Act (15 U.S.C. 41 et seq.).

(3) AUTHORITY PRESERVED.—Nothing in this Act shall be construed to limit the authority of the Commission under any other provision of law.

**SEC. 8. DEFINITIONS.**

In this Act:

(1) ARTIST.—The term "artist" means any performer, musician, comedian, producer, ensemble or production entity of a theatrical production, sports team owner, or similar person.

(2) COMMISSION.—The term "Commission" means the Federal Trade Commission.

(3) DOMAIN NAME.—The term "domain name" means a globally unique, hierarchical reference to an Internet host or service, which is assigned through centralized Internet naming authorities, and which is comprised of a series of character strings separated by periods, with the right most string specifying the top of the hierarchy.

(4) EVENT; EVENT TICKET; TICKET ISSUER.—The terms "event", "event ticket", and "ticket issuer" have the meaning given those terms in the Better Online Ticket Sales Act of 2016 (Public Law 114–274).

(5) EVENT TICKET FEE.—The term “event ticket fee”—

(A) means a charge for an event ticket that must be paid in addition to the base event ticket price in order to obtain an event ticket from a ticket issuer, secondary market ticket issuer, or secondary market ticket exchange including any service fee, charge and order processing fee, delivery fee, facility charge fee, and any other charge; and

(B) does not include any charge or fee for an optional product or service associated with the event that may be selected by a purchaser of an event ticket.

(6) OPTIONAL PRODUCT OR SERVICE.—The term “optional product or service” means a product or service that an individual does not need to purchase to use or take possession of an event ticket.

(7) RESALE; SECONDARY SALE.—The terms “resale” and “secondary sale” mean any sale of an event ticket that occurs after the initial sale of the event ticket by a ticket issuer.

(8) SECONDARY MARKET TICKET EXCHANGE.—The term “secondary market ticket exchange” means any person that operates a platform or exchange for advertising, listing, or selling resale tickets, on behalf of itself, vendors, or a secondary market ticket issuer.

(9) SECONDARY MARKET TICKET ISSUER.—The term “secondary market ticket issuer” means any person, including a ticket issuer, that resells or makes a secondary sale of an event ticket to the general public in the regular course of the trade or business of the person.

(10) TOTAL EVENT TICKET PRICE.—The term “total event ticket price” means, with respect to an event ticket, the total cost of the event ticket, including the base event ticket price and any event ticket fee.

(11) URL.—The term “URL” means the uniform resource locator associated with an internet website.

(12) VENUE.—The term “venue” means a physical space at which an event takes place.

## PURPOSE AND SUMMARY

H.R. 3950, the “Transparency In Charges for Key Events Ticketing Act” was introduced by Representatives Bilirakis and Schakowsky on November 2, 2023, and referred to the Committee on Energy and Commerce. This bill requires sellers of event tickets, on the primary and secondary markets, to disclose comprehensive information to consumers about ticket prices, ticket procurement service, and refunds. Additionally, the bill will provide an enforcement mechanism for fake and deceptive websites claiming to be selling legitimate event tickets. The Federal Trade Commission (FTC) will enforce the provisions of the Act.

## BACKGROUND AND NEED FOR LEGISLATION

According to the *Wall Street Journal*, nearly 60 percent of Americans have had to cut back on spending on live entertainment because of rising costs, with 37 percent of survey respondents saying they cannot keep up with the rising price of events they would like to attend, and 20 percent being willing to take out debt to continue to afford their favorite entertainment activities.[1]

Junk fees associated with event ticketing are commonplace and allow ticket sellers to increase their revenue without providing clear and timely disclosures about the actual cost of buying tickets.[2] In addition to encouraging consumers to spend more than they had intended to, these fees make it nearly impossible for consumers to comparison shop for the best deal across ticketing plat-

[1] Robbie Whelan and Anne Steele, It’s Getting Too Expensive to Have Fun, Wall Street Journal (Oct. 2023), https://www.wsj.com/economy/consumers/its-getting-too-expensive-to-have-fun-a59e9df8.

[2] Clear Barrett, ‘Drip Pricing’ is a Scandal, Financial Times (Sept. 2023), https://www.ft.com/content/44ae564c-2758–415f-9728–20a8bc092ffb.

forms. Consumers find these fees to be frustrating, and that they lack transparency leading to material information being omitted from pricing information. This often harms consumers who are price shopping for the best value and misleads consumers about total cost they will pay. These fees is that they are often levied after the checkout process has been nearly completed. One expert, Jeff Galak, a professor of marketing at Carnegie Mellon University's Tepper School of Business, explained that "[b]y the time the fee is tacked on, it's too late . . . It's either actually too late, like 'I'm standing at the hotel check-in desk, I don't have a choice anymore.' Or it's apparently too late."[4]

H.R 3950 requires a ban on speculative ticket sales. A speculative ticket is a ticket that the seller does not have constructive possession of at the time of sale. Speculative tickets can artificially drive up the price of tickets on secondary markets and cause confusion for consumers who believe they are purchasing an event ticket at the time of sale.[5] This legislation would not prohibit a secondary market ticket issuer and secondary ticket exchange from offering a service to a consumer to obtain an event ticket on behalf of the consumer.

Consumers have expressed frustration with receiving refunds for postponed or cancelled events.[6] H.R. 3950 would require a refund for any event that is postponed or cancelled. It would also require ticket sellers to disclose clearly and conspicuously their policy regarding issuing refunds.

Deceptive URLs are another major issue in the event ticketing industry. These deceptive websites look like they are affiliated with a venue or team but are not. These URLs can deceive consumers and cause confusion.[7] H.R 3950 would ban deceptive URLs and require secondary market ticket issuers and exchanges clearly state that they are engaged in the secondary sale of an event ticket.

By requiring sellers of event tickets on the primary and secondary markets to disclose comprehensive information to consumers about ticket prices, ticket procurement service, refunds, and by curbing deceptive websites claiming to sell event tickets, H.R. 3950 will enhance the transparency of the event ticketing market for consumers. Additionally, it will provide an enforcement mechanism for fake and deceptive websites claiming to be selling legitimate event tickets.

## COMMITTEE ACTION

On September 27, 2023, the Subcommittee on Innovation, Data, and Commerce held a hearing on H.R. 3950, as well a discussion draft to address speculative ticketing reforms. The hearing title was "Proposals to Enhance Product Safety and Transparency for Americans." The Subcommittee received testimony from:

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[4] Stacey Vanek Smith, *What my $30 Hamburger Reveals About Fees and how Companies use them to Jack Up Prices,* NPR (July 2023), https://www.npr.org/2023/07/27/1189665392/fees-inflation-white-house-service-hidden.

[5] Rolling Stone, *Beyonce Tickets Aren't on Sale Yet. Scalpers Are Trying to Sell Them*. (February 2023) (https://www.rollingstone.com/music/music-news/beyonce-tickets-scalpers-speculative-tickets-ticketmaster-stubhub-1234672209/).

[6] *Angry Fans Say First the Concerts Were Canceled, Then the Refunds*, New York Times (January 21, 2021).

[7] House Committee on Energy and Commerce, Testimony of David Touhey, Principal, Connett Consulting, *Hearing on Proposals to Enhance Product Safety and Transparency for Americans*, 118th Cong. (September 27, 2023).

- Kathleen Callahan, Owner, Xpertech Auto Repair;
- Scott Benavidez, Chairman, Automotive Service Association;
- Steven Michael Gentine, Counsel, Arnold & Porter, LLP;
- John Breyault, Vice President of Public Policy, Telecommunications and Fraud, National Consumers League; and,
- David Touhey, Principal, Connett Consulting, appearing on behalf of International Association of Venue Managers.

On November 2, 2023, the Subcommittee on Innovation, Data, and Commerce met in open markup session and forwarded H.R. 3950, without amendment, along with a separate bill to restrict speculative ticketing, to the full Committee by voice vote.

On December 5 and 6, 2023, the full Committee on Energy and Commerce met in open markup session and ordered H.R. 3950, as amended (including of H.R. 6568, the Speculative Ticketing Oversight and Prohibition Act, to restrict speculative ticketing), favorably reported to the House by a record vote of 45 yeas and 0 nays.

COMMITTEE VOTES

Clause 3(b) of rule XIII requires the Committee to list the recorded votes on the motion to report legislation and amendments thereto. The following reflects the record votes taken during the Committee consideration:

**COMMITTEE ON ENERGY AND COMMERCE**
**118TH CONGRESS**
**ROLL CALL VOTE # 18**

**BILL:** H.R. 3950, Transparency in Charges for Key Events Ticketing (TICKET) Act

**AMENDMENT:** A motion by Chair Rodgers to order H.R. 3950 favorably reported to the House, as amended (Final Passage).

**DISPOSITION: AGREED TO,** by a roll call vote of 45 yeas to 0 nays.

| REPRESENTATIVE | YEAS | NAYS | PRESENT | REPRESENTATIVE | YEAS | NAYS | PRESENT |
|---|---|---|---|---|---|---|---|
| Rep. Rodgers | X | | | Rep. Pallone | X | | |
| Rep. Burgess | X | | | Rep. Eshoo | X | | |
| Rep. Latta | X | | | Rep. DeGette | X | | |
| Rep. Guthrie | X | | | Rep. Schakowsky | X | | |
| Rep. Griffith | X | | | Rep. Matsui | | | |
| Rep. Bilirakis | X | | | Rep. Castor | X | | |
| Rep. Johnson | | | | Rep. Sarbanes | X | | |
| Rep. Bucshon | X | | | Rep. Tonko | X | | |
| Rep. Hudson | X | | | Rep. Clarke | X | | |
| Rep. Walberg | X | | | Rep. Cárdenas | X | | |
| Rep. Carter | | | | Rep. Ruiz | X | | |
| Rep. Duncan | X | | | Rep. Peters | X | | |
| Rep. Palmer | X | | | Rep. Dingell | X | | |
| Rep. Dunn | | | | Rep. Veasey | X | | |
| Rep. Curtis | X | | | Rep. Kuster | X | | |
| Rep. Lesko | X | | | Rep. Kelly | X | | |
| Rep. Pence | X | | | Rep. Barragán | X | | |
| Rep. Crenshaw | | | | Rep. Blunt Rochester | X | | |
| Rep. Joyce | X | | | Rep. Soto | X | | |
| Rep. Armstrong | X | | | Rep. Craig | | | |
| Rep. Weber | X | | | Rep. Schrier | X | | |
| Rep. Allen | X | | | Rep. Trahan | X | | |
| Rep. Balderson | X | | | Rep. Fletcher | | | |
| Rep. Fulcher | X | | | | | | |
| Rep. Pfluger | X | | | | | | |
| Rep. Harshbarger | X | | | | | | |
| Rep. Miller-Meeks | X | | | | | | |
| Rep. Cammack | X | | | | | | |
| Rep. Obernolte | X | | | | | | |
| | | | | | | | |

12/06/2023

OVERSIGHT FINDINGS AND RECOMMENDATIONS

Pursuant to clause 2(b)(1) of rule X and clause 3(c)(1) of rule XIII, the Committee held a hearing and made findings that are reflected in this report.

NEW BUDGET AUTHORITY, ENTITLEMENT AUTHORITY, AND TAX EXPENDITURES

Pursuant to clause 3(c)(2) of rule XIII, the Committee finds that H.R. 3950 would result in no new or increased budget authority, entitlement authority, or tax expenditures or revenues.

CONGRESSIONAL BUDGET OFFICE ESTIMATE

Pursuant to clause 3(c)(3) of rule XIII, the following is the cost estimate provided by the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974:

**At a Glance**

**Energy and Commerce Legislation**

**As ordered reported by the House Committee on Energy and Commerce on December 6, 2023**

On December 6, 2023, the House Committee on Energy and Commerce ordered reported 41 bills. This single, comprehensive document provides estimates for 7 of those bills.

- All of the bills would increase spending subject to appropriation.
- H.R. 2964, H.R. 3950, H.R. 6125, and H.R. 6543 would each increase revenues by an insignificant amount; thus, pay-as-you-go procedures apply to those bills. None of the bills would affect direct spending.
- None of the bills would increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2034.
- H.R. 2964, H.R. 3950, H.R. 6125, and H.R. 6543 would impose intergovernmental or private-sector mandates.

Details of the estimated costs of each bill are discussed in the text.

| Bill | Net Increase or Decrease (-) in the Deficit Over the 2024-2034 Period (Millions of Dollars) | Changes in Spending Subject to Appropriation Over the 2024-2029 Period (Outlays, Millions of Dollars) | Mandate Effects? |
|---|---|---|---|
| H.R. 2964 | * | 4 | Yes |
| H.R. 3950 | * | 4 | Yes |
| H.R. 5146 | 0 | 2 | No |
| H.R. 5390 | 0 | 1 | No |
| H.R. 5398 | 0 | 2 | No |
| H.R. 6125 | * | 4 | Yes |
| H.R. 6543 | * | 4 | Yes |

* = between -$500,000 and zero.

Summary of legislation: On December 6, 2023, the House Committee on Energy and Commerce ordered reported 41 bills. This document provides estimates for 7 of those bills.

The bills would require the Federal Trade Commission (FTC) to enforce new prohibitions and requirements or would direct the Department of Commerce to study various issues and report to the Congress.

Estimated Federal cost: The bills' costs fall within budget function 370 (commerce and housing credit).

Basis of estimate: For this estimate, CBO assumes that the bills will be enacted near the middle of fiscal year 2024. The estimated costs do not include any interaction effects among the bills. If all seven bills were combined and enacted as a single piece of legislation, the estimated costs would be different from the sum of the separate estimates, although CBO expects that any difference would be small.

CBO estimates that implementing each of the seven bills would cost between $1 million and $4 million over the 2024–2029 period; that spending would be subject to the availability of appropriated funds.

Four bills—H.R. 2964, H.R. 3950, H.R. 6125, and H.R. 6543—would each increase revenues by an insignificant amount. Entities that fail to meet each of those bills' new requirements could face civil penalties, which are recorded in the federal budget as revenues. To some extent, collection of any civil fines would depend on the amount of appropriations provided by future appropriation acts to pay for enforcement. In addition, whether the FTC would pursue civil penalties or some other remedy for violations is unclear. In any event, CBO expects that companies would generally comply with the new requirements and that any additional revenues collected over the 2024–2034 period would be insignificant for each bill.

H.R. 2964, WIPPES Act: The bill would require manufacturers and suppliers of disposable wipes to clearly mark their products with a "do not flush" label and symbol. The FTC would enforce those requirements.

Based on the cost of similar provisions, CBO estimates that implementing H.R. 2964 would cost the FTC $4 million to issue guidance and to monitor and enforce violations. In addition, CBO estimates that enacting the bill could increase civil penalty collections, which are recorded in the federal budget as revenues, by an insignificant amount.

H.R. 3950, TICKET Act: The bill would require companies that issue tickets or that sell tickets on the secondary market to clearly display the total price of any ticket, including itemizing any fees not included in the base ticket price. That requirement would apply to live events at venues with an attendance capacity of 200 people or more. The FTC would enforce those requirements.

Based on the cost of similar provisions, CBO estimates that implementing H.R. 3950 would cost the FTC $4 million to issue guidance and to monitor and enforce violations. In addition, CBO estimates that enacting the bill could increase civil penalty collections, which are recorded in the federal budget as revenues, by an insignificant amount.

H.R. 5146, Advancing Gig Economy Act: The bill would require the Department of Commerce to study and report to the Congress within two years of enactment on how the gig economy affects U.S. businesses.

Based on the cost of similar studies, CBO estimates that implementing H.R. 5146 would cost $2 million over two years for the work of four employees, at an annual cost of about $220,000 each, along with purchases of data and survey contracts.

H.R. 5390, Critical Infrastructure Manufacturing Feasibility Act: The bill would require the Department of Commerce to study and report to the Congress within one year of enactment on the feasibility of manufacturing in the United States products in critical infrastructure sectors that now are imported because of supply chain constraints.

Based on the cost of similar studies, CBO estimates that implementing H.R. 5390 would cost $1 million for one year for the work of four employees, at a cost of about $220,000 each, along with purchases of data and survey contracts.

H.R. 5398, Advancing Tech Startups Act: The bill would require the Department of Commerce to study and report to the Congress within two years of enactment on how technology startup companies affect the U.S. economy.

Based on the cost of similar studies, CBO estimates that implementing H.R. 5398 would cost $2 million over two years for the work of four employees, at an annual cost of about $220,000 each, along with purchases of data and survey contracts.

H.R. 6125, Online Dating Safety Act of 2023: The bill would require providers of online dating services to notify a user if they are contacted by a member whose account was suspended or terminated because of fraudulent activity. The FTC would enforce those requirements.

Based on the cost of similar provisions, CBO estimates that implementing H.R. 6125 would cost the FTC $4 million to issue guidance and to monitor and enforce violations. In addition, CBO estimates that enacting the bill could increase civil penalty collections, which are recorded in the federal budget as revenues, by an insignificant amount.

H.R. 6543, No Hidden FEES Act of 2023: The bill would require providers of short-term lodging and websites that advertise or offer such lodging to display each mandatory fee required to complete a booking. The FTC would enforce those requirements.

Based on the cost of similar provisions, CBO estimates that implementing H.R. 6543 would cost the FTC $4 million to issue guidance and to monitor and enforce violations. In addition, CBO estimates that enacting the bill could increase civil penalty collections, which are recorded in the federal budget as revenues, by an insignificant amount.

Pay-As-You-Go considerations: CBO estimates that enacting H.R. 2964, H.R. 3950, H.R. 6125, and H.R. 6543 would each increase revenues by less than $500,000 over the 2024–2034 period; therefore, pay-as-you-go procedures apply to those bills.

Increase in long-term net direct spending and deficits: None of the bills would increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2035.

Mandates: The following bills—H.R. 2964, H.R. 3950, H.R. 6125, and H.R. 6543—would impose mandates as defined in the Unfunded Mandates Reform Act (UMRA).

H.R. 2964, WIPPES Act: The bill would impose intergovernmental and private-sector mandates, but CBO estimates that the costs to comply with those mandates would not exceed the thresholds established in UMRA ($100 million and $200 million in 2024, respectively, adjusted annually for inflation).

H.R. 2964 would preempt some state and local laws governing the labeling of certain disposable wipes. Although the preemptions would limit the application of state and local laws, they would impose no duty on state or local governments that would result in significant spending or loss of revenues.

The bill would require manufacturers of certain disposable wipes to clearly mark their products with a “do not flush” label and symbol. Because manufacturers already are complying with similar laws enacted in California, Illinois, and several other states, CBO estimates that the cost for manufacturers to comply with the mandate would be small.

H.R. 3950, TICKET Act: The bill would impose private-sector mandates as defined in UMRA on ticket sellers and resellers by requiring certain changes, including new refund policies, to the ticketing process. CBO estimates that the aggregate cost to comply with the mandates would be above the threshold established in UMRA for private-sector mandates ($200 million in 2024, adjusted annually for inflation).

Under the bill, if an event is canceled, ticket sellers and resellers would be required to refund the full ticket price, including taxes and fees, to purchasers. If an event is postponed, sellers and resellers would be required to offer customers either a full refund or a replacement ticket, if available, subject to the customer’s preference. Sellers also would be required to disclose this refund policy. The bill allows for exceptions to this policy in cases where the cancellation or postponement is beyond the control of the ticket issuer, such as natural disasters. Based on discussions with industry sources, a substantial share of sellers and resellers already provide full refunds for canceled events but few offer refunds for postponed events. Considerable uncertainty surrounds the ways that federal regulations might define what is within the control of a ticket issuer in the event of a cancellation or postponement or what might constitute comparable replacement events. Given the large size of the industry and the amount of revenue generated by ticketed events, CBO estimates that the cost of the mandate would exceed the threshold for private-sector mandates.

H.R. 3950 also would require ticket sellers and resellers to make certain up-front disclosures to consumers. They would need to disclose the total ticket prices, including taxes and fees. Those disclosures would occur when the ticket is first displayed to the consumer and in any advertisements or marketing. The bill also would require sellers and resellers to provide purchasers with an itemized list of the base price and all fees. Information from the industry indicates that most ticket sellers have already begun to provide the total cost to consumers in advance; thus, CBO expects that the additional requirements in the bill would have small costs for ticket sellers and resellers.

The bill also would require ticket resellers to disclose to consumers that they are resellers before any purchase is complete. Sellers and resellers would be prohibited from advertising or selling any ticket that the seller does not actually or constructively possess. In certain instances, sellers also would be prohibited from revealing to consumers and using the names of venues, teams, artists, and events in their online domain names. CBO expects that those disclosures and prohibitions would impose minimal costs on the sellers.

The bill contains no intergovernmental mandates as defined in UMRA.

H.R. 6125, Online Dating Safety Act of 2023: The bill would impose intergovernmental and private-sector mandates, but CBO estimates that the costs to comply with those mandates would not exceed the thresholds established in UMRA ($100 million and $200 million in 2024, respectively, adjusted annually for inflation).

The bill would preempt state laws governing fraud notifications issued by online dating services. Although the preemptions would limit the application of state and local laws, they would impose no duty on state or local governments that would result in significant spending or loss of revenues.

H.R. 6125 would require providers of online dating services to send a fraud notification to consumers who receive a message from any member who has been banned by the service. Because some states already require those fraud notifications, most dating services have implemented the policy regardless of the consumer's location. Therefore, CBO expects that the cost to comply with the mandate would be small.

H.R. 6543, No Hidden FEES Act of 2023: The bill would impose intergovernmental and private-sector mandates, but CBO estimates that the costs to comply with those mandates would not exceed the thresholds established in UMRA ($100 million and $200 million in 2024, respectively, adjusted annually for inflation).

The bill would preempt state and local laws governing the display of prices for short-term lodging. Although the preemptions would limit the application of state and local laws, they would impose no duty on state or local governments that would result in significant spending or loss of revenues.

H.R. 6543 would prohibit providers, online booking websites, and advertisers of short-term lodging from displaying prices that do not include all mandatory fees. Information from industry sources and the FTC indicates that several lodging providers already comply with provisions in the bill, and CBO expects the cost for other entities to comply would be small because they already possess the fee information required to be displayed.

Previous CBO estimate: On October 25, 2023, CBO transmitted a cost estimate for S. 1303, the TICKET Act, as reported by the Senate Committee on Commerce, Science, and Transportation on September 12, 2023. Under H.R. 3950, regulated companies would be required to fulfill requirements that are additional to those specified in S. 1303; for example, if an event is canceled or postponed, a ticket seller would need to provide a full refund or replacement ticket. In addition, H.R. 3950 would require the FTC to report to the Congress on its enforcement of the Better Online Ticket Sales Act of 2016. CBO's estimated federal costs for both bills are the same. Because of the additional refund requirements on ticket sellers and resellers in H.R. 3950, CBO has determined that the cost of the private-sector mandates is above the threshold.

Estimate prepared by: Federal Costs: David Hughes, Mandates: Rachel Austin and Grace Watson.

Estimate reviewed by: Justin Humphrey, Chief, Finance, Housing, and Education Cost Estimates Unit; Kathleen FitzGerald, Chief, Public and Private Mandates Unit; H. Samuel Papenfuss, Deputy Director of Budget Analysis.

Estimate approved by: Phillip L. Swagel, Director, Congressional Budget Office.

## FEDERAL MANDATES STATEMENT

The Committee adopts as its own the estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act.

## STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

Pursuant to clause 3(c)(4) of rule XIII, the general performance goal or objective of this legislation is to provide the following in the field of event ticketing: upfront, all-inclusive ticket price disclosures; speculative ticketing ban; limit the use of deceptive websites in the sale of event tickets; provide refund requirements; and study the FTC's enforcement of the Better Online Ticket Sales Act of 2016.

## DUPLICATION OF FEDERAL PROGRAMS

Pursuant to clause 3(c)(5) of rule XIII, no provision of H.R. 3950 is known to be duplicative of another Federal program, including any program that was included in a report to Congress pursuant to section 21 of Public Law 111–139 or the most recent Catalog of Federal Domestic Assistance.

## RELATED COMMITTEE AND SUBCOMMITTEE HEARINGS

Pursuant to clause 3(c)(6) of rule XIII, the following related hearing was used to develop or consider H.R. 3950:

- On September 27, 2023, the Subcommittee on Innovation, Data, and Commerce held a hearing on H.R. 3950, as well a discussion draft to address speculative ticketing reforms. The hearing title was "Proposals to Enhance Product Safety and Transparency for Americans." The Subcommittee received testimony from:
    - Kathleen Callahan, Owner, Xpertech Auto Repair;
    - Scott Benavidez, Chairman, Automotive Service Association;
    - Steven Michael Gentine, Counsel, Arnold & Porter, LLP;
    - John Breyault, Vice President of Public Policy, Telecommunications and Fraud, National Consumers League; and,
    - David Touhey, Principal, Connett Consulting, appearing on behalf of International Association of Venue Managers

## COMMITTEE COST ESTIMATE

Pursuant to clause 3(d)(1) of rule XIII, the Committee adopts as its own the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974

## EARMARK, LIMITED TAX BENEFITS, AND LIMITED TARIFF BENEFITS

Pursuant to clause 9(e), 9(f), and 9(g) of rule XXI, the Committee finds that H.R. 3950 contains no earmarks, limited tax benefits, or limited tariff benefits.

## ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act were created by this legislation.

## APPLICABILITY TO LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act.

## SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

### *Section 1. Short title*

Section 1 provides that the Act may be cited as the "Transparency In Charges for Key Events Ticketing Act" or the "TICKET Act."

### *Section 2. All inclusive ticket price disclosure*

Section 2 makes it unlawful for a ticket issuer, secondary market ticket issuer, or secondary market ticket exchange to offer for sale an event ticket unless: (1) the issuer or exchange clearly and conspicuously displays the total event ticket price; (2) clearly and conspicuously discloses to a prospective purchaser the total event ticket price the first time the price is displayed and anytime thereafter throughout the ticket buying process; and (3) provides an itemized list of the base event ticket price and each ticket fee prior to the completion of the purchase of a ticket.

### *Section 3. Speculative ticketing ban*

Section 3 prohibits an issuer or ticket exchange from selling, offering for sale, or advertising such sale of an event ticket for a ticket that the issuer or exchange does not have actual or constructive possession of. This section does not prohibit an issuer or exchange from offering a service to consumers to obtain an event ticket on behalf of the consumer so long as the issuer or exchange complies with the following: (1) does not list the service as an event ticket; (2) maintains clear, distinct, and easily discernable separation between the service and event tickets through unavoidable visual demarcation that persists throughout the entire service selection and purchasing process; (3) clearly and conspicuously discloses before selection of the service that the service is not an event ticket and the purchase of such a service does not guarantee an event ticket; (4) should the service be unable to obtain the specified event ticket, provides the consumer that purchased the service, within a reasonable amount of time, a full refund for the total cost of the service, or subject to availability a replacement ticket in the same or comparable location with customer approval; and (5) does not exceed ticket numerical limitations set by the venue and artist for each respective event.

### *Section 4. Deceptive websites*

Section 4 states that issuers and exchanges must: (1) provide a clear and conspicuous statement before purchase that the issuer or exchange is engaged in the secondary sale of tickets; (2) not state that the issuer or exchange is affiliated with or endorsed by a venue, team, or artist, unless such a partnership agreement has been executed; (3) shall not use a domain name or any subdomain thereof, in the URL of the issuer or exchange that contains the name of a specific team, league, or venue where live events are held, the name of the exhibition or performance, or any trademark or copyright not owned or licensed by the issuer or exchange unless authorized by the owner.

*Section 5. Refund requirements*

Section 5 details refund requirements in the event of a cancellation or postponement of an event. It requires disclosure of guarantee and refund policies, in addition to how to obtain a refund required by the Act or pursuant to the policies.

*Section 6. Report by the Federal Trade Commission on BOTS Act of 2016 enforcement*

Section 6 requires the FTC to submit a report to Congress on the enforcement of the Better Online Ticket Sales Act of 2016 (Pub. L. 114–275; 15 U.S.C. 45c), including any enforcement action taken, challenges with enforcement and coordination with State Attorneys General, and recommendation on how to improve enforcement and industry compliance.

*Section 7. Enforcement*

Section 7 requires the FTC to treat a violation of the Act as a violation of a rule defining an unfair or deceptive act or practice under Section 18(a)(1)(B) of the Federal Trade Commission Act (15 U.S.C. 57a(a)(1)(B)).

*Section 8. Definitions*

Section 8 provides relevant definitions related to the Act.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

This legislation does not amend any existing Federal statute.

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