



NEW YORK STATE SENATOR

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OpEd: New York's Shot on Ticket Reselling

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Daniel Squadron & Brad Hoylman

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"It seems everyone wants to see "Hamilton" on Broadway. Unfortunately, for most New Yorkers, last week's televised Grammy Awards performance of the show's big opening number is the closest they will ever get.

Ticket resellers have Hamilton tickets going for twice the retail price or more on reselling sites. When it comes to big tickets like this, Broadway consumer advocates have said resellers often employ illegal automated software to purchase tickets in the first place. But Hamilton is not the only ticket out of reach. The average fan would be hard pressed to score a concert ticket for many of this year's Grammy winners.

Why's it so hard to get tickets these days? Supply and demand of course play a role. The more popular the act, the fewer the tickets. But a lesser-known factor for many shows is our state's arcane ticket laws, which often work for big ticket resellers, instead of everyday fans.

Where did things go so wrong?

In 2007, there were seismic changes to New York State's ticket reselling laws. The state legalized ticket reselling.

The legal floodgates were now open and a ticket scalping industry sprung from the shadows. A secondary ticket market that ballooned to north of \$5 billion in annual sales was created.

Even charity performances aren't immune to the greed driving ticket reselling. There's been charity ticket profiteering on events like a Hurricane Sandy Benefit including headliners like Bruce Springsteen, emergency food relief benefits headlined by Billy Joel, and an addiction recovery benefit headlined by Billy Idol and Joan Jett. It's scandalous that none of the enormous markups on these tickets made it to the intended beneficiaries. September's visit by Pope Francis to New York City was marred by resellers who sold the free tickets to celebrate mass with the Pontiff for hundreds of dollars each, drawing rebukes from Cardinal Dolan and Senator Schumer.

Unfortunately, as the money involved in this industry has increased, so have unscrupulous profiteering practices, from those charity events to some of the biggest shows. As Attorney

General Eric Schneiderman detailed in a recent report, a majority of tickets to many big shows are never even released for sale to the general public, some purchased directly by resellers who mark the prices up before making them available. Sometimes, even when tickets do go on sale to the public, they are sucked up in bulk within moments by ticket resellers using illegal software. The AG's report estimated that such software is used to purchase tens of thousands tickets annually. These tickets are then, through market manipulation, resold substantially above face value.

There is a clear way to fix these problems. Senator Squadron has introduced legislation to ban charity ticket profiteering, co-sponsored by Senator Hoylman, as well as legislation with provisions including increased transparency and price caps on resales. Though they will not guarantee a ticket to our favorite show, passing these bills would go a long way to making a clearer, fairer marketplace that works better for fans.

This year the Legislature must hold oversight hearings before simply reauthorizing the same bill yet again. That is why we've both recently called on the Senate Majority to do just that. Hearings would provide an opportunity for the Legislature to hear from New Yorkers and experts throughout the state about the problems our ticket reselling laws are causing. And they would give the State a big opportunity to address many of these concerns -- from everyday constituents to the Attorney General's report and beyond.

It's time to fix our broken ticket laws for the benefit of everyday fans, once and for all. To paraphrase "Hamilton," we should not throw away our shot."

RELATED LEGISLATION

2015-S571

-
- Introduced
 - - In Committee Assembly
 - In Committee Senate
 - - On Floor Calendar Assembly
 - On Floor Calendar Senate
 - - Passed Assembly
 - Passed Senate
 - Delivered to Governor
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Limits the re-sale price of tickets to charitable events and criminalizing violations of the limitation

December 31, 2014

In Senate Committee Investigations and Government Operations

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2015-S192

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- Introduced
 - - In Committee Assembly
 - In Committee Senate
 - - On Floor Calendar Assembly
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Relates to resale of tickets to places of entertainment; repealer

December 19, 2014

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