

Good morning. My name is Tom Kirdahy. I am an independent theatrical producer with credits including the Tony Award winning *Hadestown*, *Tina*, *Anastasia*, *Ragtime*, *The Inheritance* and *Frankie & Johnny in the Claire de Lune*, among many other shows I have produced in the past 14 years. I am the former chairman of The Broadway League's Government Relations Committee and actively participated in many of the state-sponsored roundtables and discussions that lead to Senate Bill 8501-B, which was signed into law on July 1, 2018 (Ch. 110 of 2018). I want to thank Chairs Skoufis and Kaplan, as well as the distinguished members of the Committees on Investigations & Government Operations and of Commerce, Economic Development and Small Business for this opportunity to discuss the current state of the ticket sale and resale markets.

I would like to preface my comments with some important background: In 2019, Touring Broadway shows performed in over 240 cities across North America and welcomed 17.5 million audience members. More than half of the venues that host Touring Broadway report that most of their annual income is derived from their Broadway Series. In New York City, commercial theatre welcomed 14.8 million admissions and provided almost 100,000 full-time equivalent jobs. Combined, Broadway Theatre had an economic impact of approximately \$20 billion on the United States in 2019.

Due to the COVID-19 mandatory closures, the industry has come to a halt, resulting in an unparalleled financial hardship. Based on our 2020 forecasts, the nation loses an estimated \$1.4 billion of economic activity every month that Broadway and Touring Broadway remain closed. Further, sixteen new productions were scheduled to debut in New York in 2020 and the future of these productions, as well as numerous shows across the country, remain uncertain. The pandemic has resulted in hundreds of millions in lost capital, thousands abruptly unemployed and leaves dry the pipeline critical to filling venues across the country for the foreseeable future.

As we all know, Broadway, and specifically Broadway's most successful productions, have long-been targets of unauthorized ticket resellers. Over the past several decades, New York and other states with robust live entertainment industries, have examined, discussed and implemented various pieces of legislation intended to provide ticket buyers with more transparency and to discourage some of the more egregious tactics taken by unaffiliated ticket distributors.

In 2018, when Assemblyman Daniel O'Donnell, Senator Terrence Murphy and Governor Andrew Cuomo made it clear that they wished to revisit the state's ticketing law, our members felt very strongly that it was important to address the issues that our venues had found to be the most challenging. Patrons would frequently arrive at our theatres having been deceived about the location of their seats and the face value of their tickets—leaving the venues to handle the mess created by deceptive resale practices. We are extremely satisfied overall with S. 8501-B as it includes disclosures for platforms and resellers relating to their pricing structures, as well as disclosures relating to speculative ticketing, refund policies, any business relationship with the production, fees and surcharges. It also includes strict prohibitions against deceptive URLs and carries meaningful penalties. We believe these recent changes went a long way towards ensuring

our patrons are knowledgeable of the terms of their purchases and give consumers information they need to make informed decisions. In other words, these measures went a long way towards protecting consumers and artists as well as our venues.

Given that the current law has only been in full effect since 2019, and that our industry has remained completely shuttered since March 2020, we do not believe our productions, venues or buyers have lived with the new law long enough for us to speak to its success. Without a period of effectiveness where we can more fully examine the impact, if any, the new legislation may have on the industry, it would be difficult to meaningfully discuss amending the law at this time.

Further, as I discussed earlier, we are in a crisis. When our shows can restart, we cannot simply turn on the lights and open the doors. We will need to fund rehearsal periods for casts who have not performed in over a year, recast roles for performers who have left New York or found other work, refurbish and re-install our highly technical physical sets, and prepare venues for the safe return of audiences. In addition, we will need to invest in substantial marketing campaigns and rehire thousands of crew members. We anticipate a lengthy period of audience-rebuilding as fear of public spaces will lead to lightly filled houses and depressed revenues even when social distancing measures are lifted. Our industry is working diligently with investors, lawmakers and health experts to find safe and efficient ways to raise our curtains, put our casts and crews back to work and to help revitalize the state's economy. We are simply ill-equipped to address, let alone implement, new regulations governing the way we distribute tickets at this time.

The Broadway League suggests that producers of live entertainment and our customers would be better served by extending the existing law for two years. We are optimistic that, by that time, our productions will have mostly resumed at full capacity, we will have had a robust history of selling tickets under current law and will be in a far better position to discuss what amendments, if any, may be in the best interests of our customers.

Thank you for the opportunity to testify today.