

Date of Hearing: April 22, 2025

ASSEMBLY COMMITTEE ON ARTS, ENTERTAINMENT, SPORTS, AND TOURISM  
Christopher M. Ward, Chair  
AB 1291 (Lee) – As Amended April 7, 2025

**SUBJECT:** Ticket sellers: unlawful acts

**SUMMARY:** This bill would make changes to California's laws in regards to how tickets to entertainment events are advertised, delivered, and refunded.

Specifically, **this bill:**

- 1) Requires a primary contractor, or the seller of tickets for a primary contractor, to deliver an electronic ticket to a consumer within 24 hours after the consumer purchases the electronic ticket. If a consumer purchases a ticket less than 24 hours before an event, the primary contractor or contracted seller must deliver the consumer the electronic ticket as soon as reasonably possible after the purchase.
- 2) Requires a primary contractor, or the seller of tickets for a primary contractor, to clearly and conspicuously disclose on their website, at the box office, and any other method of distribution being utilized for the original sale of tickets to an event, the following information:
  - a) The total number of days reserved for an event at a venue.
  - b) The total number of tickets available for sale during any public sale or pre-sale.
  - c) The price of those tickets, including the number and total cost of the tickets offered for sale at a set price and the number of tickets with prices that will fluctuate to reflect demand.
- 3) Requires the ticket price of an event to be fully refunded to the purchaser by the ticket seller within 30 days of the event if any of the following:
  - a) The ticket received by the purchaser is counterfeit.
  - b) The ticket received by the purchaser does not allow the purchaser to enter the ticketed event, unless due to an act or omission of the purchaser.
  - c) The ticket fails to conform to the description made by the ticket seller.
  - d) The ticket was not delivered to the purchaser before the event, unless the failure of delivery was due to an act or omission of the purchaser.

**EXISTING LAW:**

- 1) Requires a ticket seller to have a permanent business address from which tickets may only be sold and that the address be included in any advertisement or solicitation. Makes a violation of this requirement a misdemeanor punishable by imprisonment or a fine not exceeding

\$2,500 or by both, and provides for civil penalties of up to \$2,500 for violations. (Bus. & Prof. Code § 22500.)

- 2) Defines a “ticket seller” as any person who for compensation, commission, or otherwise sells admission tickets to sporting, musical, theatre, or any other entertainment event. (Bus. & Prof. Code § 22503.)
- 3) Clarifies that the following are not ticket sellers for purposes of existing law:
  - a) An officially appointed agent of an air carrier, ocean carrier, or motor coach carrier who purchases or sells tickets in conjunction with a tour package.
  - b) Any person who sells six tickets or less to any one single event, provided the tickets are sold off the event premises, including, but not limited to, designated parking areas and points of entry to the event.
  - c) The person or organization responsible for the event for which tickets are being sold, or a seller of tickets operating under a written contract with this person or organization.
  - d) Any nonprofit charitable tax-exempt organization selling tickets to an event sponsored by the organization. (Bus. & Prof. Code §§ 22503.5, 22503.6, 22504, 22511.)
- 4) Requires that ticket sellers:
  - a) Maintain records of ticket sales, deposits, and refunds. (Bus. & Prof. Code § 22501.)
  - b) Prior to sale, disclose to the purchaser by means of description or a map the location of the seat or seats represented by the ticket or tickets. (Bus. & Prof. Code § 22502.)
  - c) Make any partial or full deposit refundable if received on a future event for which tickets are not available, except for a service charge of not more than 10 percent, until such time as tickets for the event are actually available. (Bus. & Prof. Code § 22506.)
  - d) Provide a refund within 30 days for the ticket price of an event that is canceled. (Bus. & Prof. Code § 22507(a).)
  - e) Provide a refund, upon request, within 30 days, for the ticket price of an event which is postponed, rescheduled, or replaced with another event at the same date and time. (Bus. & Prof. Code § 22507(b).)
  - f) Provide that a local jurisdiction may require a bond of not more \$50,000 to cover required refunds. (Bus. & Prof. Code § 22507(d).)
  - g) Disclose that a service charge is imposed by the ticket seller and is added to the actual ticket price by the seller in any advertisement or promotion for any event by the ticket seller. (Bus. & Prof. Code § 22508.)
- 5) Prohibits a ticket seller from contracting to sell or accepting payment for tickets unless the ticket seller:
  - a) Has lawful possession of the ticket;

- b) Has a contractual right to obtain the ticket; or
  - c) Informs the purchaser, in a specified manner, that it does not have possession of the ticket, has no contract to obtain the offered ticket, and may not be able to supply the ticket at the contracted price. (Bus. & Prof. Code § 22502.1.)
- 6) Authorizes a ticket seller to accept a deposit from a prospective purchaser as part of an agreement that the ticket seller will make best efforts to obtain a ticket at a specified price or price range and within a specified time, provided that the ticket seller informs the purchaser, in a specified manner, of the terms of the deposit agreement and makes required disclosures. (Bus. & Prof. Code § 22502.1.)
- 7) Prohibits a ticket seller from representing that it can deliver or cause to be delivered a ticket at a specific price or within a specific price range and fail to deliver the ticket a) within a reasonable time and b) below or within the price and range of prices stated. (Bus. & Prof. Code § 22502.2.)
- 8) Provides a private right of action to ticket purchasers for violations of 6) and 7). (Bus. & Prof. Code § 22502.3.)
- 9) Declares it unlawful for a person to intentionally use or sell software or services to circumvent a security measure, access control system, or other control or measure (including limits on the number of tickets a person can purchase) that is used to ensure an equitable ticket buying process for event attendees. (Bus. & Prof. Code § 22502.5.)
- 10) Deems a violation of the chapter of the Business and Professions Code containing the provisions above to be a misdemeanor. (Bus. & Prof. Code § 22505.)

**FISCAL EFFECT:** Unknown. This measure has been keyed fiscal by the Legislative Counsel.

**COMMENTS:**

- 1) Author's statement. According to the author, "People love concerts, sporting events, and other spectacles but they do not love the sometimes infuriating process of buying the tickets. As evidenced by the well-publicized troubles with Taylor Swift and Beyonce tours, buying tickets is all too often an exercise in futility, with rumors of secret ticket sales and suspicions of manufactured scarcity driving people to the secondary market. This bill seeks to give people information about when and how many tickets are going to be available by a primary ticket seller. With this information, fans will be less susceptible to unscrupulous secondary sellers and outright fraud. In addition, the bill ensures that when someone electronically buys a ticket to their favorite event, they will receive their electronic ticket within 24 hours and not have to wait until right before the event. On time ticket delivery will ensure that people can deal with any problems that may come up, like a health emergency preventing attendance or a technological problem requiring customer support."
- 2) Background. In 2010, the Justice Department approved a merger between Ticketmaster and Live Nation Entertainment. Live Nation is a massive events promoter and venue operator, and Ticketmaster is widely recognized as a gigantic entity in ticket sales. Combined they control an estimate of 60 to 80 percent of the ticketing and live event venues market. The conditions of this merger included provision stipulating that Ticketmaster divest one of its

ticket divisions and license its software to a competitor, and be subject for 10 years to tough anti-retaliation provisions to prevent abuse of its power over concert tours, artist management, ticketing, and theaters. While originally the Justice Department determined that the merger was anticompetitive, these terms alleviated its concerns. However, many consumer advocates, politicians, and independent concert promoters were not in favor of the merger. In July 2010, 50 members of the House of Representatives sent a letter urging the Justice Department to oppose the deal.

Ticketmaster and Live Nation argued that by combining they would be able to reduce inefficiencies in the marketing and presentation of live events, which would help to revive the ailing music industry and ultimately benefit consumers. The lack of healthy competition in the primary market is a concern for consumer advocates, who claim that the near-monopoly power has created concerns among many that Live Nation will retaliate if venues go with a ticketing company other than their Ticketmaster operation, and in many cases exclusivity agreements, that can last 3-7 years, require Ticketmaster to be used.

On Tuesday, January 24, 2023, the U.S. Senate Judiciary Committee had a hearing on this issue, focusing specifically on Live Nation and Ticketmaster's 2010 merger. U.S. Senators questioned Live Nation and raised potential solutions to the problems above, including non-exclusivity of contracts between venues and ticketing agents, in addition to placing price caps on tickets and working more closely with the Federal Trade Commission to stop speculative ticket sales.

Of note, in January 2017, Ireland's Competition and Consumer Protection Commission (CCPC) launched an investigation into Ticketmaster Ireland. The CCPC concluded that, "Ticketmaster Ireland may have abused a dominant position in the market by entering into long term exclusive contracts with contractual partners and that these contracts may have restricted competition in the market." In November 2020, Ticketmaster Ireland entered into an agreement with CCPC to remove exclusivity clauses from contracts with venues over the supply of ticketing services.

- 3) Live event ticketing. Tickets purchased online are typically found on either primary ticket seller websites or on the secondary market. Primary ticket sellers, including Ticketmaster and AXS, work with event organizers to control ticket prices, and share revenue between the artists and the venue operators. The prices set in the primary market heavily affect the volume and value of tickets in the secondary market. Although the cost of tickets can fluctuate through dynamic pricing, tickets generally sell on the primary market with a face value that is below their market value. The number of tickets available is of necessity limited to the capacity of the venue, and of course are subject to sell outs.

The secondary market is where tickets purchased on the primary market are resold. Ticket prices are usually significantly higher when purchased from someone in the secondary market, especially for high demand or sold out concerts and sports games, as was seen last year for tickets to see Taylor Swift, Beyoncé, or the Sacramento Kings' playoff games. Secondary market platforms not only serve as a way for consumers who are unable to use their tickets to have a relatively simple way of recouping their money, and potentially making a profit, by reselling them to someone else, they also are utilized by professional ticket brokers. These brokers operate as a business that purchases event tickets solely for the purpose of reselling them to maximize profit.

The platforms, for a fee, simply provide the infrastructure and technology that make up the marketplace for brokers and individuals to resell their tickets. Professional ticket brokers either enter into agreements with sports teams and promoters to have access to tickets for resale, or they compete with consumers in the primary marketplace, to purchase tickets that they intend to resell at a profit on the platforms. These secondary market platforms include StubHub, Vivid Seats, TickPicks, and SeatGeek, as well as resale platforms run by Ticketmaster and AXS.

According to a 2018 report by the United States Government Accountability Office (GAO), ticket brokers are dominating the resale marketplaces. They have a competitive advantage over individual consumers because they have the technology and resources to purchase large numbers of tickets as soon as they go on sale. Some consumer advocates, state officials, and event organizers believe that brokers unfairly use this advantage to obtain tickets from the primary market, which restricts ordinary consumers from buying tickets at face value. As a result, consumers may pay higher prices than they would if tickets were available on the primary market. In addition, some event organizers and primary ticket sellers have expressed frustration that the profits from the higher resale price are pocketed by brokers who had no role in creating or producing the event.

It is possible that brokers and others reselling tickets could list a ticket on multiple resale platforms at the same time, and choose to complete the transaction with the highest bidder. For digital ticket sales, where a paper ticket is not being mailed or delivered to the purchaser, it is unclear at what stage in the process the reseller can cancel the sale or choose to keep the ticket and offer a refund to the purchaser.

- 4) Recent news. On Monday, March 31<sup>st</sup>, President Donald Trump signed an executive order to strengthen enforcement of the Better Online Ticket Sales (BOTS) act. Under the order, the Treasury Department, Department of Justice (DOJ), and the Federal Trade Commission (FTC) will deliver a report within 180 days summarizing the actions taken to address the issue of unfair practices in live concert and entertainment industry and will recommend additional regulations or legislation needed to protect consumers.
- 5) Arguments in support. According to StubHub, “StubHub believes that a competitive, transparent, and secure ticket marketplace unequivocally supports fans. We advocate for comprehensive regulation that addresses the ticket buying experience holistically and caution against regulation that may have the unintended consequence of emboldening entrenched entities with significant market power in our industry. We advocate for comprehensive legislation that:
  - (1) Increases transparency across live events;
  - (2) Ensures fans have the information they need to make informed purchasing decisions;
  - (3) Protects consumers from fraudulent behavior by expanding refund requirements;
  - (4) Removes delivery delays for fans who purchase tickets; and
  - (5) Strengthens accountability in the ticketing ecosystem.

“Fans are eager to support their favorite teams, artists and performers, yet they have very little control over the tickets they have rightfully purchased or the way that tickets are sold. AB 1291 improves accountability by increasing the civil penalty ticket sellers who do not

meet minimum requirements. For these reasons, StubHub supports the bill and applauds the author for his interest in addressing consumer protection and accountability in the ticketing ecosystem.”

- 6) Arguments in opposition. According to a coalition of California’s professional sports teams, speaking on potential amendments that are not being adopted in this committee, “We believe AB 1291 is unnecessary given that our venues have consistently provided positive fan and customer experiences for decades and that trying to artificially manipulate the primary ticket market, to the benefit of the secondary and broker market, doesn’t provide the consumer with a better opportunity to purchase tickets more cheaply, nor help improve their fan experience.”
- 7) Triple-referral. Should the bill pass from this committee, it will be re-referred to the Assembly Committee on Privacy and Consumer Protection, followed by the Assembly Committee on Judiciary.
- 8) Amendments and policy considerations. With the suggested Committee amendments, this bill would:
  - a) Require that a ticket seller in the primary or secondary market immediately send a proof of purchase or receipt that is linked to an actual ticket to the consumer.
  - b) Require that an entertainment venue operator honor a legitimate proof of purchase in lieu of a ticket if the consumer cannot access the electronic ticket at the time of the event.
  - c) Limit the ability of a ticket seller to sell tickets that they do not either have in their possession or have a contract to sell individual tickets assigned to specific seats (unless the tickets are general admission).
  - d) Clarify that a consumer is an individual who purchases a ticket or tickets to an entertainment event with the intention of attending that event.
- 9) Prior and related legislation:
  - a) AB 1349 (Bryan), of 2025, would revise and recast California’s entertainment ticket statutes, particularly as it pertains to reselling tickets. The bill is currently with the Assembly’s Committee on Privacy and Consumer Protection.
  - b) AB 2203 (McCarty), of 2024, would have required ticket sellers that sells admission tickets to sporting, musical, theater, or any other entertainment event, to immediately deliver a proof of purchase to a consumer, and would require a venue operator to honor that proof of purchase in lieu of the ticket if specified conditions are met. Died in the Senate Committee on Business, Professions, and Economic Development.
  - c) AB 2808 (Wicks) of 2024, would have prohibited certain entertainment venue operators from entering into an exclusive contract with a primary ticket seller, among other requirements. Died in the Assembly Committee on Appropriations.

- d) AB 8 (Friedman), of 2023, would have required a ticket seller to disclose to a purchaser the total price of the ticket and the portion of that price that represents any fees or surcharges. The seller would have also been required to provide a link to an internet web page that includes certain refund requirements, as specified. Died in the Senate Committee on Appropriations.
- e) SB 478 (Dodd), Chapter 400, Statutes of 2023, made it an unlawful business practice pursuant to the Consumer Legal Remedies Act to advertise, display, or offer a price for a good or service that does not include all mandatory fees or charges other than taxes imposed by a government.
- f) SB 785 (Caballero), of 2023, would have updated laws regulating ticket sales by establishing new categories of ticket sellers, establishing requirements for different categories of ticket sellers, and increasing penalties for violations of rules governing ticket seller operations. Died on Assembly Third Reading.
- g) SB 829 (Wilk, 2023), would have prohibited the operator of an entertainment facility and a primary ticket seller from entering into a contract that provides for the primary ticket seller to be the exclusive ticket seller for the operator of the entertainment facility. Died in the Assembly Committee on Arts, Entertainment, Sports, and Tourism.
- h) AB 1556 (Friedman), Chapter 180, Statutes of 2021, requires, for cancelled events, that a refund be made within 30 calendar days of the cancellation. Requires a ticket price at any event which is postponed, rescheduled, or replaced with another event at the same date and time be fully refunded to the purchaser by the ticket seller upon request within 30 calendar days of the refund request.
- i) AB 1032 (Quirk) Chapter 105, Statutes. 2019) bolstered anti-bot provisions enacted by AB 329, described below, by clarifying that “a control or measure used to ensure an equitable ticket buying process” includes limits on the number of tickets that a person can purchase.
- j) SB 1001 (Hertzberg), Chapter 892, Statutes of 2018, prohibits a person from using of a bot to communicate or interact with another person in California online with intent to mislead the other person about its artificial identity for the purpose of knowingly deceiving the person about the content of the communication in order to incentivize a purchase or sale of goods or services in a commercial transaction or to influence a vote in an election.
- k) AB 329 (Pan), Chapter 325, Statutes of 2013, made it a misdemeanor to intentionally use or sell software to circumvent a security measure, access control system, or other control or measure on a ticket seller’s Internet Web site that is used to ensure an equitable ticket buying process.

## **REGISTERED SUPPORT / OPPOSITION:**

### **Support**

CA League of United Latin American Citizens (LULAC)  
California Black Chamber of Commerce

Central Valley Latino Mayors and Elected Officials Coalition  
Central Valley Yemen Society  
Chamber of Progress  
Consumer Federation of California  
Hispanic 100  
Latin Business Association  
Multicultural Business Alliance  
National Action Network - Sacramento Chapter  
Si Se Puede Fresno, Tulare, Kings & Kern  
Stubhub, INC.

**Opposition**

California Arts Advocates  
Golden State Warriors  
Los Angeles Angels  
Los Angeles Rams  
Music Artists Coalition  
National Independent Venue Association of California  
San Diego Padres  
San Francisco 49ers  
San Francisco Giants  
San Joes Sharks

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