

Date of Hearing: May 14, 2025

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

AB 1349 (Bryan) – As Amended May 5, 2025

Policy Committee:	Arts, Entertainment, Sports, and Tourism	Vote:	7 - 0
	Privacy and Consumer Protection		11 - 1
	Judiciary		10 - 0

Urgency: No State Mandated Local Program: Yes Reimbursable: No

SUMMARY:

This bill makes various changes to how a ticket seller, ticket reseller, and ticket resale marketplace may advertise, list, or sell a ticket for an entertainment event, and increases enforcement authority and civil penalties for violations of the bill's requirements.

Specifically, among other provisions, this bill:

- 1) Requires original sellers, ticket resellers, and ticket resale marketplaces to be registered and duly licensed, as may be required by any local jurisdiction.
- 2) Requires an original seller or ticket reseller to have actual or constructive possession of a ticket, or have a contractual right to a ticket before listing, marketing, or selling the ticket.
- 3) Requires an original seller, ticket reseller, or ticket resale marketplace to make specified disclosures when listing, marketing, advertising, or selling a ticket, including the price of the original ticket and the location of the seat for each ticket, if applicable.
- 4) Requires ticket resale marketplaces, before accepting a listing to sell a ticket, to require that the person listing the ticket has a right to sell the ticket and is able to deliver it to the consumer.
- 5) Prohibits a ticket reseller from using a website that is substantially similar to the website of an event presenter or original seller, without the written consent of the event presenter or original seller.
- 6) Prohibits a ticket reseller from representing that a live entertainment event is sold out or use the term "sold out" when tickets are still available on the original seller's website.
- 7) Prohibits a person from intentionally using, causing to be used, or selling software or services that facilitate purchasing more tickets from a primary ticket than allowed, as specified.
- 8) Specifies how a refund must be provided to a consumer for a cancelled event.
- 9) Increases, from \$2,500 to \$10,000, the maximum civil penalty for each violation of the bill's requirements.
- 10) Expands an existing private right of action to allow a consumer harmed by a violation of any of the bill's requirements to file a civil lawsuit to recover two times the contracted price of

the ticket, any nonrefundable expenses incurred by the consumer for attending or attempting to attend the event, and reasonable attorney's fees and court costs.

FISCAL EFFECT:

- 1) Possible costs (General Fund, special funds) to the Department of Justice (DOJ) of an unknown amount. By adding new requirements for ticket sellers, ticket resellers, and ticket resale marketplaces, this bill provides additional bases for enforcement by DOJ. Actual costs will depend on whether the Attorney General pursues enforcement actions, and, if so, the level of additional staffing DOJ needs to handle the related workload. If DOJ hires staff to handle enforcement actions authorized by this bill, the department would incur significant costs, likely in the low hundreds of thousands of dollars annually at a minimum. If DOJ does not pursue enforcement as authorized by this bill, the department would likely not incur any costs.
- 2) Cost pressures (Trial Court Trust Fund, General Fund) of an unknown but potentially significant amount to the courts to adjudicate civil actions and misdemeanor charges. Actual costs will depend on the number of cases filed and the amount of court time needed to resolve each case. It generally costs approximately \$1,000 to operate a courtroom for one hour. Although courts are not funded on the basis of workload, increased pressure on the Trial Court Trust Fund may create a demand for increased funding for courts from the General Fund. The fiscal year 2024-25 state budget provides \$37.3 million ongoing General Fund to backfill declining revenue to the Trial Court Trust Fund.
- 3) Possible incarceration costs (local funds, General Fund) of an unknown but potentially significant amount. This bill expands the conduct covered by an existing misdemeanor, which is punishable by up to six months in county jail, a fine, or both jail and a fine. Actual incarceration costs will depend on the number of convictions and the length of each sentence. The average annual cost to incarcerate one person in county jail is approximately \$29,000, though costs are higher in larger counties. County incarceration costs are not subject to reimbursement by the state. However, overcrowding in county jails creates cost pressure on the General Fund because the state has historically granted new funding to counties to offset overcrowding resulting from public safety realignment.

COMMENTS:

- 1) **Purpose.** This bill is sponsored by the National Independent Venue Association and the Music Artists Coalition, and is supported by Live Nation and several independent event venues. According to the author:

Secondary market resellers frequently deceive fans by listing and selling tickets to events that do not currently exist, or that they do not have a license to sell. This process is known as speculative ticketing. Fans buy these tickets, often for a predatory mark up. This practice is inherently anti-consumer and directly counter to the wishes of creatives and artists who seek to provide their fan base with a world-class show at an affordable price. AB 1349 will prohibit speculative ticketing by requiring ticket sellers to own, possess, or have the contractual right to sell tickets before listing them.

- 2) **Background.** In recent years, online ticket sales have drawn criticism by consumers and led to state and federal legislative hearings into online ticket retail practices and competition within the ticketing market. These criticisms have focused both on issues with primary ticket sellers (like Ticketmaster, which is currently the subject of a major antitrust lawsuit filed by the US Department of Justice) and with secondary ticket sellers and marketplaces (like Ticketmaster, Stubhub, and SeatGeek). This bill makes a number of changes to existing law with the goal of restricting the secondary ticket market. The bill's provisions fall into four main categories: prohibiting speculative ticket sales, requiring additional disclosures to consumers, prohibiting deceptive marketing tactics, and providing specific consumer refund rights.
- 3) **Opposition.** This bill is opposed by the Coalition for Ticket Fairness, Chamber of Progress, a number of secondary ticket sellers, and Consumer Federation of California, which believes the bill "furthers the interests of the monopoly company that currently dominates the ticketing and live entertainment industry, Live Nation/Ticketmaster, at the expense of consumers and average fans."

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