Legislation Details (With Text)

File #:	Res 2004-2009	**Version:**	*	**Name:**	Supporting increased consumer protections in the purchase and sale of tickets to concerts, theater, sporting events and other forms of entertainment.
Type:	Resolution			**Status:**	Filed
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On agenda:	6/10/2009				
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Date	Ver.	Action By	Action	Result
6/10/2009	*	City Council	Introduced by Council	
6/10/2009	*	City Council	Referred to Comm by Council	
12/31/2009	*	City Council	Filed (End of Session)	

Res. No. 2004

Resolution supporting increased consumer protections in the purchase and sale of tickets to concerts, theater, sporting events and other forms of entertainment.

By Council Members Comrie, Brewer, Fidler, Foster, Jackson, James, Koppell, Liu, Palma, Sanders Jr. and White Jr.

Whereas, As one of the cultural capitals of the world, New York City's entertainment venues have long been a draw for both visitors and locals alike; and

Whereas, As an unfortunate by-product of its success as an entertainment destination, there is a long history of individuals capitalizing on the city's popular events by purchasing tickets to these events and reselling them to individuals at higher prices; and

Whereas, Once known as scalping, ticket reselling is now a multi-billion dollar industry and is accepted by some portions of the entertainment industry and state and local governments; and

Whereas, In 2007, the New York State Legislature enacted a law that repealed all restrictions governing

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the pricing of resold tickets, essentially lifting the cap on the price for which a ticket could be resold and surrendering it to the demands of the market; and

Whereas, Some resellers use sophisticated computer programs that automatically purchase large quantities of tickets that are available on the Internet, which are then resold on the secondary market at a premium; and

Whereas, As a consequence of deregulated pricing on resold tickets, many moderate-to-low income consumers are unable to purchase tickets to a variety of performances and sporting events; and

Whereas, On June 1, 2009, the day that the 2007 repeal was due to sunset, the New York State Legislature passed a bill that extended the current ticket resale policy for another fifty weeks; and

Whereas, The new law does, however, include several important consumer protections, including a prohibition on ticket agents reselling tickets to a reseller that they own, a requirement that tickets disclose whether a seat has an obstructed view, and a mandated report on the effectiveness of anti-scalping legislation to be completed by February 2010; and

Whereas, In recognition of the issue, other pieces of legislation are currently pending in the New York State Legislature that would further strengthen consumer protections in the ticket resale industry, including A.3723-A (Zebrowski) and S.4032 (Johnson, C), both of which would, among other things, outlaw the use of technologies that are used to bypass security measures on ticket-selling websites in order to buy tickets in bulk for resale; and

Whereas, The need for consumer protections for purchasers of resold tickets has also caught the attention of legislators at the federal level, with U.S. Senator Charles Schumer (D-NY) having recently announced plans to introduce legislation that would require ticket resellers to obtain a federal registration number to be posted on all sales-related documents, impose a two-day waiting period before a ticket reseller could purchase tickets, and require that all physical and electronic tickets contain the date and time of purchase; and

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Whereas, While entrepreneurship must always be fostered and encouraged, the Council believes that it should also be coupled with adequate and equitable protections for all consumers; now, therefore, be it

Resolved, That the Council of the City of New York supports enhanced consumer protections for the purchase and resale of tickets to concerts, theater, sporting events and other forms of entertainment.

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