STAND. COM. REP. NO. 898

Honolulu, Hawaii

FEB 2 8 2025

RE: S.B. No. 1160 S.D. 2

Honorable Ronald D. Kouchi President of the Senate Thirty-Third State Legislature Regular Session of 2025 State of Hawaii

Sir:

Your Committees on Commerce and Consumer Protection and Judiciary, to which was referred S.B. No. 1160, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO CONSUMER PROTECTION,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Prohibit the sale of tickets at a higher price than the original price charged by the primary venue ticket provider for events held in the State; and
- (2) Repeal section 481B-15, Hawaii Revised Statutes, relating to ticket brokers.

Your Committees received testimony in support of this measure from the Music Artists Coalition, iHeartMedia Honolulu, Hawaii Theatre Center, Hawaii Symphony Orchestra, and twenty-three individuals.

Your Committees received testimony in opposition to this measure from SeatGeek and Sports Fans Coalition.

Your Committees received comments on this measure from the Department of Commerce and Consumer Affairs.



Your Committees find that the practice of scalping tickets has a significant, harmful impact on local consumers in the State. Scalpers often use computer software to conduct multiple transactions simultaneously on ticket-selling platforms, sometimes buying out thousands of tickets in a fraction of the time it would take a natural person to complete the same transactions. After artificially creating a low supply by buying up as many tickets as possible, scalpers then take advantage of the ratio of high demand against the now-lowered availability of tickets by selling the tickets at costs exceeding their original sale prices. Instead of being able to simply purchase a ticket at the price point that was calculated to appropriately reflect the costs of production, consumers are then left with the option of missing a show or paying an exorbitant price for a ticket held by a third-party entity. This measure will address the predatory practice of scalping by prohibiting third-party resellers from selling tickets at prices higher than the original price charged by the venue ticket provider. In addition to protecting consumers, this measure will also support the arts by enhancing and safeguarding the public's access to performances.

Your Committees have amended this measure by:

- (1) Codifying its provisions as a new section under chapter 481B, Hawaii Revised Statutes, rather than session law;
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Commerce and Consumer Protection and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1160, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 1160, S.D. 2.

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Respectfully submitted on behalf of the members of the Committees on Commerce and Consumer Protection and

EOHOKALOLE, Chair

Judiciary

KARL RHOADS, Chair



The Senate Thirty-Third Legislature State of Hawai'i

Record of Votes Committee on Commerce and Consumer Protection CPN

Bill / Resolution No.:* SBN60 SD\	Committee Referral: Date: 2/21/25									
The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:										
The Recommendation is:										
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313										
Members		Aye	Aye (WR)	Nay	Excused				
KEOHOKALOLE, Jarrett (C)		/								
FUKUNAGA, Carol (VC)										
MCKELVEY, Angus L.K.		<u> </u>								
RICHARDS, III, Herbert M. "Tim"		/	ļ							
AWA, Brenton		V								
			 							
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TOTAL		5								
Recommendation: Adopted Not Adopted										
Chair's or Designee's Signature: Chair's or Designee's Signature:										
Distribution: Original File with Committee Re		ellow 's Office I	Pink Goldenrod Prafting Agency Committee File Copy							

*Only one measure per Record of Votes

The Senate Thirty-Third Legislature State of Hawai'i

Record of Votes Committee on Judiciary JDC

Bill / Resolution No.:*	Committee Referral: Date:								
SB 1160, SDI	TCA, CPN/JDC 2/21/25								
The Committee is reconsidering its previous decision on this measure.									
If so, then the previous decision was to:									
The Recommendation is:									
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313									
Members		Aye	Aye (WF	R) Nay	Excused				
RHOADS, Karl (C)									
GABBARD, Mike (VC)					~				
CHANG, Stanley	\								
SAN BUENAVENTURA, Joy A	/								
AWA, Brenton									
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TOTAL		4			1				
Recommendation:									
Adopted Not Adopted									
Chair's or Designee's Signature:									
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copp									

*Only one measure per Record of Votes