Today, I am signing Assembly Bill No. 4259 (First Reprint) into law, restructuring various aspects of our regulatory scheme surrounding ticket sales. Many parts of this scheme were enacted decades ago and have become increasingly outdated as the ticket marketplace has transformed over the years, particularly with the rise of online ticket-resale platforms and online ticket brokers. I am pleased that this bill responds to these changes by adding a number of consumer protections, including a requirement that ticket resellers refund purchasers if the ticketed event is cancelled or if the ticket is insufficient to gain admission to the event. Furthermore, the bill prohibits resellers from selling a ticket for the same seat to more than one person at a time, and amends state law to prohibit the use of BOTs to buy up large quantities of tickets.

Regarding other aspects of the bill, I understand the concerns that have been raised by some with respect to the repeal of the holdback provision, which nominally caps the number of tickets withheld from sale to the general public at 5 percent of the total number. However, I am worried that this holdback provision puts us at a competitive disadvantage with our neighboring states of New York and Pennsylvania when it comes to attracting top-flight entertainment talent, as neither of those states have any cap. Entertainers have an interest in rewarding their most loyal fans with access to live performances, and the 5 percent cap can act as a hindrance to this objective in certain circumstances. Moreover, the difficulty in identifying tickets that have been held back and tickets that are available to the general public has led to substantial confusion and ongoing litigation, particularly when entertainers reserve tickets for groups that can encompass a wide subset of the population.

Instead of having a patchwork of laws that give some states a leg up over others in attracting entertainment, I believe there should be a comprehensive federal approach that will promote competition and protect consumers. For instance, Representative Bill Pascrell has introduced the Better Oversight of Secondary Sales and Accountability in Concert Ticketing, which will require greater transparency of what tickets are available and authorize the Federal Trade Commission to prescribe further rules to protect the general public’s access to tickets. I am convinced that legislation along these lines would both create a level playing field for every state and ensure that consumers have a fair shot at getting tickets to their favorite events.
I urge Congress to find a nationwide solution, and in the meantime, my administration remains committed to aggressive enforcement of New Jersey’s strict consumer fraud laws to protect the rights of ticket customers.

Date: August 24, 2018

/s/ Philip D. Murphy
Governor

Attest:

/s/ Matthew J. Platkin
Chief Counsel to the Governor