Second Regular Session Seventy-fourth General Assembly STATE OF COLORADO

INTRODUCED

LLS NO. 24-0536.02 Christopher McMichael x4775

HOUSE BILL 24-1378

HOUSE SPONSORSHIP

Lindstedt and Valdez,

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Sullivan and Gardner,

House Committees
Business Affairs & Labor

101

Senate Committees

A BILL FOR AN ACT

CONCERNING CONSUMER PROTECTION IN EVENT TICKET SALES.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at http://leg.colorado.gov.)

The bill amends consumer protection laws regarding ticket sales and resales for events. The bill requires operators and resellers to guarantee refunds to purchasers of tickets under certain circumstances. The bill prohibits an operator from denying an individual access to an event because the individual's ticket was bought through a reseller.

The bill also expands the actions that constitute a deceptive trade practice during the sale or resale of tickets. A person engages in a deceptive trade practice when, in the course of the person's business,

vocation, or occupation, the person:

- Displays trademarked, copyrighted, or substantially similar web designs, URLs, or other images and symbols with the intent to mislead a purchaser;
- Sells a ticket to an event without disclosing the total cost of the ticket, including the cost of any service charge or other fees that must be paid, or displays service charges and fees less prominently than the total price of the ticket; or
- Increases the price of a ticket once the ticket has been selected for purchase, with the exception of adding delivery fees.
- 1 Be it enacted by the General Assembly of the State of Colorado:
- 2 **SECTION 1.** In Colorado Revised Statutes, 6-1-718, **amend** (1)
- introductory portion, (1)(c), (2), (3)(a) introductory portion, (3)(a)(IV),
- 4 and (3)(b) as follows:
- 5 6-1-718. Ticket sales and resales prohibitions unlawful
- 6 **conditions definitions.** (1) As used in this section AND IN SECTION
- 7 6-1-720, unless the context otherwise requires:
- 8 (c) (I) "Place of entertainment" OR "VENUE" means a public or
- 9 private entertainment facility IN THIS STATE, such as a stadium, arena,
- racetrack, museum, amusement park, or other place where performances,
- 11 concerts, exhibits, athletic games, or contests are held, for which an entry
- fee is charged, to which the public is invited to observe, and for which
- tickets are sold.
- 14 (II) "Place of entertainment" OR "VENUE" does not include a ski
- 15 area.
- 16 (2) Resellers AN OPERATOR OR A RESELLER FROM WHICH A
- 17 PURCHASER BOUGHT A TICKET shall guarantee a full refund OF THE TICKET
- 18 PRICE to a THE purchaser if:
- 19 (a) The event for which the ticket was resold is canceled;

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1	(b) The ticket does not or would not in fact grant the purchaser
2	admission to the event, for which the ticket was resold EXCEPT IF
3	NONADMISSION TO THE EVENT IS DUE TO AN ACT OR OMISSION BY THE
4	PURCHASER;
5	(c) The ticket PURCHASED FROM THE RESELLER OR OPERATOR is
6	counterfeit; or
7	(d) The ticket PURCHASED FROM THE RESELLER OR OPERATOR fails
8	to conform to its description as advertised or as represented to the
9	purchaser. by the reseller.
10	(3) (a) It is void as against public policy to apply a term or
11	condition to the original sale OF A TICKET to the A purchaser to limit THAT
12	LIMITS the terms or conditions of THE resale OF THAT TICKET, including
13	but not limited to, a term or condition:
14	(IV) That imposes a sanction on the purchaser if the sale of the
15	ticket is not through a reseller THAT IS NOT approved by the operator.
16	(b) Nothing in this section shall be deemed to prohibit PROHIBITS
17	an operator from prohibiting the resale of:
18	(I) A contractual right in a season ticket package agreement that
19	gives the original purchaser a priority or other preference to enter into a
20	subsequent season ticket package agreement with the operator; OR
21	(II) A TICKET TO A PLACE OF ENTERTAINMENT IF THE TICKET WAS
22	INITIALLY OFFERED:
23	(A) AT NO CHARGE, AND ACCESS TO THE TICKET IS NOT
24	CONTINGENT UPON PROVIDING ANY FORM OF MONETARY CONSIDERATION;
25	OR
26	(B) BY OR ON BEHALF OF A CHARITABLE ORGANIZATION, AS
27	DEFINED IN SECTION 6-16-103 (1), FOR A CHARITABLE EVENT FOR A

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1	BENEVOLENT, EDUCATIONAL, PHILANTHROPIC, HUMANE, SCIENTIFIC,
2	PATRIOTIC, SOCIAL WELFARE, SOCIAL ADVOCACY, PUBLIC HEALTH,
3	ENVIRONMENTAL, CIVIC, OR OTHER ELEEMOSYNARY PURPOSE; FOR AN
4	OBJECTIVE OF LAW ENFORCEMENT OFFICERS, FIREFIGHTERS, OR OTHER
5	INDIVIDUALS WHO PROTECT THE PUBLIC SAFETY; OR FOR VETERANS,
6	WHERE ALL PROCEEDS FROM THE TICKET SALE ARE PROVIDED TO THE
7	CHARITABLE ORGANIZATION.
8	SECTION 2. In Colorado Revised Statutes, 6-1-720, amend (1)
9	introductory portion, (1)(a), and (2); and add (1)(c), (1)(d), (1)(e), (1)(f),
10	(1)(g), (1)(h), (1)(i), and (2.5) as follows:
11	6-1-720. Ticket sales - deceptive trade practice - definitions.
12	(1) A person engages in a deceptive trade practice when, in the course of
13	the person's business, vocation, or occupation, such THE person:
14	(a) Uses or causes to be used a software application that runs
15	automated tasks over the internet to access a computer, computer
16	network, or computer system, or any part thereof, for the purpose of
17	purchasing tickets in excess of authorized limits for an online event ticket
18	sale with the intent to resell such tickets; or
19	(c) USES OR CAUSES TO BE USED AN INTERNET DOMAIN NAME OR
20	SUBDOMAIN NAME IN AN OPERATOR'S OR RESELLER'S URL IF THE
21	INTERNET DOMAIN NAME OR SUBDOMAIN NAME USED CONTAINS ANY OF
22	THE FOLLOWING WITHOUT PRIOR WRITTEN AUTHORIZATION:
23	(I) THE NAME OF THE PLACE OF ENTERTAINMENT;
24	(II) THE NAME OF THE EVENT, INCLUDING THE NAME OF THE
25	INDIVIDUAL OR ENTITY SCHEDULED TO PERFORM OR APPEAR AT THE
26	EVENT; OR
27	(III) A NAME SURSTANTIALLY SIMILAD TO THOSE DESCRIBED IN

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1	SUBSECTIONS $(1)(c)(I)$ AND $(1)(c)(II)$ OF THIS SECTION;
2	(d) Uses or causes to be used, without prior written
3	AUTHORIZATION, AN INTERNET WEBSITE TO DISPLAY A TEXT, IMAGE,
4	WEBSITE GRAPHIC, WEBSITE DESIGN, OR INTERNET ADDRESS THAT
5	INDIVIDUALLY OR IN COMBINATION IS SUBSTANTIALLY SIMILAR TO AN
6	OPERATOR'S INTERNET WEBSITE IN A MANNER THAT COULD REASONABLY
7	BE EXPECTED TO MISLEAD A POTENTIAL PURCHASER;
8	(e) SELLS A TICKET TO AN EVENT AT A PLACE OF ENTERTAINMENT
9	WITHOUT DISCLOSING THE TOTAL TICKET COST, INCLUSIVE OF ALL
10	ANCILLARY FEES THAT MUST BE PAID IN ORDER TO PURCHASE THE TICKET,
11	THE FIRST TIME A PRICE IS DISPLAYED TO THE PURCHASER AND ANYTIME
12	THE PRICE IS DISPLAYED THEREAFTER;
13	(f) SELLS A TICKET TO AN EVENT AT A PLACE OF ENTERTAINMENT
14	WITHOUT DISCLOSING IN A CLEAR AND CONSPICUOUS MANNER THE
15	PORTION OF THE TICKET COST THAT REPRESENTS A SERVICE CHARGE FOR
16	THE PURCHASE OR OTHER FEE OR SURCHARGE FOR THE PURCHASE;
17	(g) MAKES A FALSE OR MISLEADING DISCLOSURE TO A PURCHASER
18	OF SUBTOTALS, FEES, CHARGES, OR ANY OTHER COMPONENT OF THE TOTAL
19	PRICE OF A TICKET;
20	(h) Presents subtotals, fees, charges, or any other
21	COMPONENT OF THE TOTAL PRICE OF THE TICKET MORE PROMINENTLY OR
22	IN A FONT SIZE THAT IS LARGER THAN THE FONT SIZE USED TO PRESENT THE
23	TOTAL PRICE OF THE TICKET; OR
24	(i) INCREASES THE TOTAL PRICE OF A TICKET AFTER THE FIRST TIME
25	A PRICE IS DISPLAYED TO THE PURCHASER; EXCEPT THAT THE PERSON MAY
26	ADD FEES FOR THE DELIVERY OF NONELECTRONIC TICKETS BASED ON
27	DELIVERY TO THE PURCHASER'S ADDRESS OR THE DELIVERY METHOD

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1	SELECTED BY THE PURCHASER IF THE PERSON DISCLOSES THE AMOUNT OF
2	EACH DELIVERY FEE PRIOR TO ACCEPTING PAYMENT.
3	(2) As used in this section, unless the context otherwise requires:
4	(a) "In excess of authorized limits" with regard to an online
5	purchase of tickets, means exceeding a restriction on the number of
6	individual tickets that can be purchased by any A single person or
7	circumventing any other terms and conditions of access to an online event
8	ticket sale established by the event sponsor or promoter OPERATOR.
9	(b) "Internet domain name" means a globally unique,
10	HIERARCHICAL REFERENCE TO AN INTERNET HOST OR SERVICE THAT IS:
11	(I) Assigned through a centralized internet naming
12	AUTHORITY; AND
13	(II) COMPOSED OF A SERIES OF CHARACTER STRINGS SEPARATED
14	BY PERIODS WITH THE RIGHTMOST STRING SPECIFYING THE TOP OF THE
15	HIERARCHY.
16	(b) (c) "Online event ticket sale" means an electronic system A
17	PROCESS utilized by the sponsor or promoter of a sporting or
18	entertainment event OPERATOR to sell MAKE AN ORIGINAL SALE OF tickets
19	to such THE event to the public over the internet.
20	(d) "URL" MEANS A UNIFORM RESOURCE LOCATOR FOR A WEBSITE
21	ON THE INTERNET.
22	(2.5) Definitions in Section 6-1-718 (1) apply to terms as
23	THEY ARE USED IN THIS SECTION.
24	SECTION 3. Act subject to petition - effective date -
25	applicability. (1) This act takes effect at 12:01 a.m. on the day following
26	the expiration of the ninety-day period after final adjournment of the
27	general assembly; except that, if a referendum petition is filed pursuant

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- to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2024 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.
- 7 (2) This act applies to conduct occurring on or after the effective date of this act.

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