

**First Regular Session
Seventy-third General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 21-0847.01 Christy Chase x2008

SENATE BILL 21-186

SENATE SPONSORSHIP

Donovan,

HOUSE SPONSORSHIP

Cutter,

Senate Committees

Business, Labor, & Technology

House Committees

A BILL FOR AN ACT

101 **CONCERNING MODIFICATIONS TO LAWS REGULATING 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>.)

With regard to event ticket sales and resales, the bill repeals provisions prohibiting certain restrictions on ticket resales and instead limits a reseller from advertising, offering for sale, or contracting to resell tickets or accepting payment for a resale ticket unless the reseller has possession of the ticket or has a written contract to obtain the ticket from the person who possesses it and the ticket matches the advertised description of the ticket. The bill also specifies that terms or conditions on the original sale of a ticket, including limits on transferability, are

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

permissible.

With regard to online ticket sales, the bill adds the following as deceptive trade practices:

- Using or causing to be used a website to display a trademarked or copyrighted URL, title, image, or other symbol without written consent; or
- Using or causing to be used a website to display text, images, web designs, or internet addresses, which website is substantially similar to another website, without written consent.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 6-1-718, **amend**
3 (1)(a), (1)(d), (1)(e), (1)(f), (2), (3), and (5); and **repeal** (4) as follows:

4 **6-1-718. Ticket sales and resales - prohibitions - unlawful**
5 **conditions - definitions.** (1) As used in this section, unless the context
6 otherwise requires:

7 (a) (I) "Operator" means a person ~~or entity who~~ THAT:

8 (A) Owns, operates, or controls a place of entertainment or ~~who~~
9 promotes or produces entertainment; and ~~that~~

10 (B) Sells a ticket to an event for original sale. ~~including~~

11 (II) "OPERATOR" INCLUDES:

12 (A) A PERSON THAT HAS BEEN AUTHORIZED BY A PERSON
13 DESCRIBED IN SUBSECTION (1)(a)(I)(A) OF THIS SECTION TO SELL A TICKET
14 TO AN EVENT FOR ORIGINAL SALE; AND

15 (B) An employee of ~~such~~ A person ~~or entity~~ DESCRIBED IN
16 SUBSECTION (1)(a)(I) OF THIS SECTION.

17 (d) "Purchaser" means a person ~~or entity who~~ THAT purchases a
18 ticket to a place of entertainment.

19 (e) "Resale" or "resold" means a sale other than the original sale
20 of a ticket by a person. ~~or entity.~~

1 (f) "Reseller" means a person ~~or entity~~ that offers or sells RESALE
2 tickets ~~for resale after the original sale by the operator~~ OR THAT OPERATES
3 A PLATFORM OR EXCHANGE FOR ADVERTISING, LISTING, OR SELLING
4 RESALE TICKETS, including ~~an entity~~ A PERSON that operates a platform or
5 exchange for the purchase and sale of ORIGINAL SALE tickets to events
6 that also engages in the purchase and resale of ~~the ticket~~ TICKETS either
7 on behalf of the operator or on its own behalf if a reseller.

8 (2) Resellers shall guarantee a full refund to a purchaser OF A
9 TICKET if:

- 10 (a) The event ~~for which the ticket was resold~~ is canceled;
- 11 (b) The ticket does not or would not in fact grant the purchaser
12 admission; ~~to the event for which the ticket was resold;~~
- 13 (c) The ticket is counterfeit; or
- 14 (d) The ticket fails to conform to its description as advertised ~~or~~
15 ~~as represented~~ to the purchaser by the reseller.

16 (3) ~~(a) It is void as against public policy to apply a term or~~
17 ~~condition to the original sale to the purchaser to limit the terms or~~
18 ~~conditions of resale, including, but not limited to, a term or condition:~~

19 ~~(I) That restricts resale in a subscription or season ticket package~~
20 ~~agreement as a condition of purchase;~~

21 ~~(II) That a purchaser must comply with to retain a ticket for the~~
22 ~~duration of a subscription or season ticket package agreement that limits~~
23 ~~the rights of the purchaser to resell the ticket;~~

24 ~~(III) That a purchaser must comply with to retain any contractually~~
25 ~~agreed-upon rights to purchase future subscriptions or season ticket~~
26 ~~package agreements; or~~

27 ~~(IV) That imposes a sanction on the purchaser if the sale of the~~

1 ~~ticket is not through a reseller approved by the operator.~~

2 (b) ~~Nothing in this section shall be deemed to prohibit an operator~~
3 ~~from prohibiting the resale of a contractual right in a season ticket~~
4 ~~package agreement that gives the original purchaser a priority or other~~
5 ~~preference to enter into a subsequent season ticket package agreement~~
6 ~~with the operator.~~ A RESELLER SHALL NOT ADVERTISE, OFFER FOR SALE,
7 OR CONTRACT FOR THE RESALE OF A TICKET OR ACCEPT FULL OR PARTIAL
8 CONSIDERATION FOR RESALE OF A TICKET UNLESS THE TICKET CONFORMS
9 TO ITS DESCRIPTION AS ADVERTISED AND:

10 (a) THE RESELLER HAS POSSESSION OF THE TICKET; OR

11 (b) THE RESELLER HAS A WRITTEN CONTRACT TO OBTAIN THE
12 TICKET AT A CERTAIN PRICE FROM A PERSON THAT HAS:

13 (I) POSSESSION OF THE TICKET; OR

14 (II) A CONTRACTUAL RIGHT TO OBTAIN THE TICKET FROM A
15 PERSON THAT HAS POSSESSION OF THE TICKET.

16 (4) ~~A person or entity, including an operator, that regulates~~
17 ~~admission to an event shall not deny access to the event to a person in~~
18 ~~possession of a valid ticket to the event, regardless of whether the ticket~~
19 ~~is subject to a subscription or season ticket package agreement, based~~
20 ~~solely on the ground that such ticket was resold through a reseller that~~
21 ~~was not approved by the operator.~~

22 (5) (a) Nothing in this section ~~shall be construed to prohibit~~
23 PROHIBITS:

24 (I) APPLICATION OF A TERM OR CONDITION TO THE ORIGINAL SALE
25 OF A TICKET, INCLUDING A TERM OR CONDITION RESTRICTING OR
26 PROHIBITING THE TRANSFER OF A TICKET; OR

27 (II) An operator from maintaining and enforcing policies

1 regarding conduct or behavior at or in connection with the operator's
2 venue.

3 (b) An operator may CANCEL, revoke, or restrict ~~season~~ tickets for
4 reasons relating to a violation of venue policies and to the extent the
5 operator ~~may deem~~ DEEMS necessary for the protection of the safety of
6 patrons or to address fraud or misconduct.

7 **SECTION 2.** In Colorado Revised Statutes, 6-1-720, **amend** (1);
8 **repeal** (3); and **add** (2)(c) and (2)(d) as follows:

9 **6-1-720. Online event ticket sales - deceptive trade practice -**
10 **definitions.** (1) A person engages in a deceptive trade practice when, in
11 the course of the person's business, vocation, or occupation, ~~such~~ THE
12 person:

13 (a) Uses or causes to be used a software application that runs
14 automated tasks over the internet to access a computer, computer
15 network, ~~or~~ computer system, or any part ~~thereof~~ OF A COMPUTER,
16 COMPUTER NETWORK, OR COMPUTER SYSTEM 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~~ THE tickets; ~~or~~

19 (b) Uses or causes to be used a software application that runs
20 automated tasks over the internet AND that circumvents or disables any
21 electronic queues, waiting periods, or other sales volume limitation
22 systems associated with an online event ticket sale;

23 (c) USES OR CAUSES TO BE USED AN INTERNET WEBSITE TO
24 DISPLAY A TRADEMARKED OR COPYRIGHTED URL, TITLE, DESIGNATION,
25 IMAGE, MARK, OR OTHER SYMBOL WITHOUT THE WRITTEN CONSENT OF THE
26 TRADEMARK OR COPYRIGHT HOLDER; OR

27 (d) USES OR CAUSES TO BE USED AN INTERNET WEBSITE TO

1 DISPLAY ANY COMBINATION OF TEXT, IMAGES, WEB DESIGNS, OR INTERNET
2 ADDRESSES, WHICH INTERNET WEBSITE IS SUBSTANTIALLY SIMILAR TO THE
3 INTERNET WEBSITE OF AN OPERATOR, WITHOUT THE WRITTEN CONSENT OF
4 THE OPERATOR.

5 (2) As used in this section, unless the context otherwise requires:

6 (c) "OPERATOR" HAS THE SAME MEANING AS SET FORTH IN
7 SECTION 6-1-718 (1)(a).

8 (d) "URL" MEANS THE UNIFORM RESOURCE LOCATOR ASSOCIATED
9 WITH AN INTERNET WEBSITE.

10 (3) ~~This section shall not prohibit the resale of tickets in a~~
11 ~~secondary market by a person other than the event sponsor or promoter.~~

12 **SECTION 3. Act subject to petition - effective date -**
13 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
14 the expiration of the ninety-day period after final adjournment of the
15 general assembly; except that, if a referendum petition is filed pursuant
16 to section 1 (3) of article V of the state constitution against this act or an
17 item, section, or part of this act within such period, then the act, item,
18 section, or part will not take effect unless approved by the people at the
19 general election to be held in November 2022 and, in such case, will take
20 effect on the date of the official declaration of the vote thereon by the
21 governor.

22 (2) This act applies to conduct occurring on or after the applicable
23 effective date of this act.