## Second Regular Session Seventy-fourth General Assembly STATE OF COLORADO

## REENGROSSED

This Version Includes All Amendments Adopted in the House of Introduction HOUSE BILL 24-1378

LLS NO. 24-0536.02 Christopher McMichael x4775

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# A BILL FOR AN ACT

#### 101 **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 <u>http://leg.colorado.gov.</u>)

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,



Amended 2nd Reading April 11, 2024

HOUSE

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	<b>SECTION 1.</b> In Colorado Revised Statutes, 6-1-718, <b>amend</b> (1)
3	introductory portion, (1)(c), (2), (3)(b), (4), and (5) as follows:
4	6-1-718. Ticket sales and resales - prohibitions - unlawful
5	conditions - definitions. (1) As used in this section AND IN SECTION
6	6-1-720, unless the context otherwise requires:
7	(c) (I) "Place of entertainment" OR "VENUE" means a public or
8	private entertainment facility IN THIS STATE, such as a stadium, arena,
9	racetrack, museum, amusement park, or other place where performances,
10	concerts, exhibits, athletic games, or contests are held, for which an entry
11	fee is charged, to which the public is invited to observe, and for which
12	tickets are sold.
13	(II) "Place of entertainment" OR "VENUE" does not include a ski
14	area OR A MOVIE THEATER.
15	(2) Resellers AN OPERATOR OR A RESELLER FROM WHICH A
16	PURCHASER BOUGHT A TICKET shall guarantee a full refund OF THE TICKET
17	PRICE to a THE purchaser if:
18	(a) The event for which the ticket was resold is canceled;
19	(b) The ticket does not or would not in fact grant the purchaser

admission to the event, for which the ticket was resold EXCEPT IF
 NONADMISSION TO THE EVENT IS DUE TO AN ACT OR OMISSION BY THE
 PURCHASER;

4 (c) The ticket PURCHASED FROM THE RESELLER OR OPERATOR is
5 counterfeit; or

6 (d) The ticket PURCHASED FROM THE RESELLER OR OPERATOR fails
7 to conform to its description as advertised or as represented to the
8 purchaser. by the reseller.

9

10 (3) (b) Nothing in this section shall be deemed to prohibit
11 PROHIBITS an operator from prohibiting the resale of:

(I) A contractual right in a season ticket package agreement that
gives the original purchaser a priority or other preference to enter into a
subsequent season ticket package agreement with the operator; OR

15 (II) A TICKET TO A PLACE OF ENTERTAINMENT IF THE TICKET WAS
16 INITIALLY OFFERED:

17 (A) AT NO CHARGE, AND ACCESS TO THE TICKET IS NOT
18 CONTINGENT UPON PROVIDING ANY FORM OF MONETARY CONSIDERATION;
19 OR

20 (B) BY OR ON BEHALF OF A CHARITABLE ORGANIZATION, AS 21 DEFINED IN SECTION 6-16-103 (1), WHERE ALL PROCEEDS FROM THE 22 TICKET SALE ARE PROVIDED TO THE CHARITABLE ORGANIZATION, AND FOR 23 A CHARITABLE EVENT FOR A BENEVOLENT, EDUCATIONAL, 24 PHILANTHROPIC, HUMANE, SCIENTIFIC, PATRIOTIC, SOCIAL WELFARE, 25 SOCIAL ADVOCACY, PUBLIC HEALTH, ENVIRONMENTAL, CIVIC, OR OTHER 26 ELEEMOSYNARY PURPOSE; FOR AN OBJECTIVE OF LAW ENFORCEMENT 27 OFFICERS, FIREFIGHTERS, OR OTHER INDIVIDUALS WHO PROTECT THE

1 PUBLIC SAFETY; OR FOR VETERANS.

2 (4) A person, or entity, including an operator, that regulates 3 admission to an event shall not deny access to the event to a person in 4 possession of a valid ticket to the event, OR REVOKE A VALID TICKET TO 5 THE EVENT, regardless of whether the ticket is subject to a subscription or 6 season ticket package agreement, based solely on the ground that such 7 THE ticket was resold through a reseller that was not approved by the 8 operator.

9 (5) SUBJECT TO THE REQUIREMENTS OF SUBSECTION (4) OF THIS 10 SECTION, nothing in this section shall be construed to prohibit an operator 11 from maintaining and enforcing policies regarding conduct or behavior 12 at or in connection with the operator's venue PLACE OF ENTERTAINMENT. 13 An operator may revoke or restrict season tickets:

(a) For reasons relating to a violation of venue policies and to the 14 15 extent the operator may deem necessary for THAT ARE AVAILABLE IN 16 WRITING;

17 (b) FOR the protection of the safety of patrons; or

18 (c) To address fraud or misconduct.

19 **SECTION 2.** In Colorado Revised Statutes, 6-1-720, amend (1) 20 introductory portion, (1)(a), and (2); and **add** (1)(c), (1)(d), (1)(e), (1)(f), 21 (1)(g), (1)(h), (1)(i), and (2.5) as follows:

22

6-1-720. Ticket sales - deceptive trade practice - definitions. 23 (1) A person engages in a deceptive trade practice when, in the course of 24 the person's business, vocation, or occupation, such THE person:

25 (a) Uses or causes to be used a software application that runs 26 automated tasks over the internet to access a computer, computer 27 network, or computer system, or any part thereof, for the purpose of purchasing tickets in excess of authorized limits for an online event ticket
 sale with the intent to resell such tickets; or

3 (c) USES OR CAUSES TO BE USED AN INTERNET DOMAIN NAME OR
4 SUBDOMAIN NAME IN AN OPERATOR'S OR RESELLER'S URL IF THE
5 INTERNET DOMAIN NAME OR SUBDOMAIN NAME USED CONTAINS ANY OF
6 THE FOLLOWING WITHOUT PRIOR WRITTEN AUTHORIZATION:

(I) THE NAME OF THE PLACE OF ENTERTAINMENT;

7

8 (II) THE NAME OF THE EVENT, INCLUDING THE NAME OF THE 9 INDIVIDUAL OR ENTITY SCHEDULED TO PERFORM OR APPEAR AT THE 10 EVENT; OR

(III) A NAME SUBSTANTIALLY SIMILAR TO THOSE DESCRIBED IN
SUBSECTIONS (1)(c)(I) AND (1)(c)(II) OF THIS SECTION;

(d) USES OR CAUSES TO BE USED, WITHOUT PRIOR WRITTEN
AUTHORIZATION, AN INTERNET WEBSITE TO DISPLAY A TEXT, IMAGE,
WEBSITE GRAPHIC, WEBSITE DESIGN, OR INTERNET ADDRESS THAT
INDIVIDUALLY OR IN COMBINATION IS SUBSTANTIALLY SIMILAR TO AN
OPERATOR'S INTERNET WEBSITE IN A MANNER THAT COULD REASONABLY
BE EXPECTED TO MISLEAD A POTENTIAL PURCHASER;

(e) SELLS A TICKET TO AN EVENT AT A PLACE OF ENTERTAINMENT
WITHOUT DISCLOSING THE TOTAL TICKET COST, INCLUSIVE OF ALL
ANCILLARY FEES THAT MUST BE PAID IN ORDER TO PURCHASE THE TICKET,
THE FIRST TIME A PRICE IS DISPLAYED TO THE PURCHASER AND ANYTIME
THE PRICE IS DISPLAYED THEREAFTER;

(f) SELLS A TICKET TO AN EVENT AT A PLACE OF ENTERTAINMENT
WITHOUT DISCLOSING IN A CLEAR AND CONSPICUOUS MANNER THE
PORTION OF THE TICKET COST THAT REPRESENTS A SERVICE CHARGE FOR
THE PURCHASE OR OTHER FEE OR SURCHARGE FOR THE PURCHASE;

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(g) MAKES A FALSE OR MISLEADING DISCLOSURE TO A PURCHASER
 OF SUBTOTALS, FEES, CHARGES, OR ANY OTHER COMPONENT OF THE TOTAL
 PRICE OF A TICKET;

4 (h) PRESENTS SUBTOTALS, FEES, CHARGES, OR ANY OTHER
5 COMPONENT OF THE TOTAL PRICE OF THE TICKET MORE PROMINENTLY OR
6 IN A FONT SIZE THAT IS LARGER THAN THE FONT SIZE USED TO PRESENT THE
7 TOTAL PRICE OF THE TICKET; OR

8 (i) INCREASES THE TOTAL PRICE OF A TICKET AFTER THE FIRST TIME
9 A PRICE IS DISPLAYED TO THE PURCHASER; EXCEPT THAT THE PERSON MAY
10 ADD FEES FOR THE DELIVERY OF NONELECTRONIC TICKETS BASED ON
11 DELIVERY TO THE PURCHASER'S ADDRESS OR THE DELIVERY METHOD
12 SELECTED BY THE PURCHASER IF THE PERSON DISCLOSES THE AMOUNT OF
13 EACH DELIVERY FEE PRIOR TO ACCEPTING PAYMENT.

(2) As used in this section, unless the context otherwise requires:
(a) "In excess of authorized limits" with regard to an online
purchase of tickets, means exceeding a restriction on the number of
individual tickets that can be purchased by any A single person or
circumventing any other terms and conditions of access to an online event
ticket sale established by the event sponsor or promoter OPERATOR.

(b) "INTERNET DOMAIN NAME" MEANS A GLOBALLY UNIQUE,
HIERARCHICAL REFERENCE TO AN INTERNET HOST OR SERVICE THAT IS:

22 (I) ASSIGNED THROUGH A CENTRALIZED INTERNET NAMING23 AUTHORITY; AND

24 (II) COMPOSED OF A SERIES OF CHARACTER STRINGS SEPARATED
25 BY PERIODS WITH THE RIGHTMOST STRING SPECIFYING THE TOP OF THE
26 HIERARCHY.

27 (b) (c) "Online event ticket sale" means an electronic system A

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PROCESS utilized by the sponsor or promoter of a sporting or
 entertainment event OPERATOR to sell MAKE AN ORIGINAL SALE OF tickets
 to such THE event to the public over the internet.

4 (d) "URL" MEANS A UNIFORM RESOURCE LOCATOR FOR A WEBSITE
5 ON THE INTERNET.

6 (2.5) DEFINITIONS IN SECTION 6-1-718 (1) APPLY TO TERMS AS
7 THEY ARE USED IN THIS SECTION.

8 SECTION 3. Act subject to petition - effective date -9 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following 10 the expiration of the ninety-day period after final adjournment of the 11 general assembly; except that, if a referendum petition is filed pursuant 12 to section 1 (3) of article V of the state constitution against this act or an 13 item, section, or part of this act within such period, then the act, item, 14 section, or part will not take effect unless approved by the people at the 15 general election to be held in November 2024 and, in such case, will take 16 effect on the date of the official declaration of the vote thereon by the 17 governor.

18 (2) This act applies to conduct occurring on or after the effective19 date of this act.