

CHAPTER 435

CONSUMER AND COMMERCIAL TRANSACTIONS

SENATE BILL 08-077

BY SENATOR(S) Johnson, Gibbs, Groff, Harvey, Mitchell S., Penry, Shaffer, Tochtrop, Veiga, Wiens, and Boyd;
also REPRESENTATIVE(S) Jahn, Carroll T., Green, Soper, Stephens, and Todd.

AN ACT

**CONCERNING THE USE OF COMPUTER TECHNOLOGY TO CIRCUMVENT AUTHORIZED LIMITS SET BY
THE VENDOR OFFERING EVENT TICKETS FOR SALE USING ELECTRONIC MEANS.**

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

SECTION 1. Part 7 of article 1 of title 6, Colorado Revised Statutes, is amended
BY THE ADDITION OF A NEW SECTION to read:

6-1-720. Deceptive trade practice - on-line event ticket sales. (1) A PERSON
ENGAGES IN A DECEPTIVE TRADE PRACTICE WHEN, IN THE COURSE OF THE PERSON'S
BUSINESS, VOCATION, OR OCCUPATION, SUCH PERSON:

(a) USES OR CAUSES TO BE USED A SOFTWARE APPLICATION THAT RUNS
AUTOMATED TASKS OVER THE INTERNET TO ACCESS A COMPUTER, COMPUTER
NETWORK, OR COMPUTER SYSTEM, OR ANY PART THEREOF, FOR THE PURPOSE OF
PURCHASING TICKETS IN EXCESS OF AUTHORIZED LIMITS FOR AN ON-LINE EVENT
TICKET SALE WITH THE INTENT TO RESELL SUCH TICKETS; OR

(b) USES OR CAUSES TO BE USED A SOFTWARE APPLICATION THAT RUNS
AUTOMATED TASKS OVER THE INTERNET THAT CIRCUMVENTS OR DISABLES ANY
ELECTRONIC QUEUES, WAITING PERIODS, OR OTHER SALES VOLUME LIMITATION
SYSTEMS ASSOCIATED WITH AN ON-LINE EVENT TICKET SALE.

(2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "IN EXCESS OF AUTHORIZED LIMITS", WITH REGARD TO AN ON-LINE PURCHASE
OF TICKETS, MEANS EXCEEDING A RESTRICTION ON THE NUMBER OF INDIVIDUAL
TICKETS THAT CAN BE PURCHASED BY ANY SINGLE PERSON OR CIRCUMVENTING ANY
OTHER TERMS AND CONDITIONS OF ACCESS TO AN ON-LINE EVENT TICKET SALE

*Capital letters indicate new material added to existing statutes; dashes through words indicate deletions
from existing statutes and such material not part of act.*

ESTABLISHED BY THE EVENT SPONSOR OR PROMOTER.

(b) "ON-LINE EVENT TICKET SALE" MEANS AN ELECTRONIC SYSTEM UTILIZED BY THE SPONSOR OR PROMOTER OF A SPORTING OR ENTERTAINMENT EVENT TO SELL TICKETS TO SUCH EVENT TO THE PUBLIC OVER THE INTERNET.

(3) THIS SECTION SHALL NOT PROHIBIT THE RESALE OF TICKETS IN A SECONDARY MARKET BY A PERSON OTHER THAN THE EVENT SPONSOR OR PROMOTER.

(4) EVERY TICKET ACQUIRED IN VIOLATION OF THIS SECTION SHALL CONSTITUTE A SEPARATE VIOLATION FOR PURPOSES OF ASSESSING A CIVIL PENALTY UNDER SECTION 6-1-112 (1) AND (2).

SECTION 2. 6-1-110, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

6-1-110. Restraining orders - injunctions - assurances of discontinuance.

(4) IN ADDITION TO ANY OTHER REMEDY AVAILABLE UNDER THIS SECTION, WHEN THE ATTORNEY GENERAL OR DISTRICT ATTORNEY HAS CAUSE TO BELIEVE THAT A PERSON HAS ENGAGED IN OR IS ENGAGING IN A DECEPTIVE TRADE PRACTICE DESCRIBED IN SECTION 6-1-720, THE ATTORNEY GENERAL OR DISTRICT ATTORNEY MAY APPLY FOR AND OBTAIN, IN AN ACTION IN THE APPROPRIATE DISTRICT COURT OF THIS STATE, AN ORDER FORFEITING ANY TICKETS OBTAINED, OR THE PROCEEDS FROM THE RESALE OF ANY SUCH TICKETS, IN VIOLATION OF SECTION 6-1-720.

SECTION 3. 18-5.5-102 (1), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PARAGRAPH to read:

18-5.5-102. Computer crime. (1) A person commits computer crime if the person knowingly:

(g) USES OR CAUSES TO BE USED A SOFTWARE APPLICATION THAT RUNS AUTOMATED TASKS OVER THE INTERNET TO ACCESS A COMPUTER, COMPUTER NETWORK, OR COMPUTER SYSTEM, OR ANY PART THEREOF, THAT CIRCUMVENTS OR DISABLES ANY ELECTRONIC QUEUES, WAITING PERIODS, OR OTHER TECHNOLOGICAL MEASURE INTENDED BY THE SELLER TO LIMIT THE NUMBER OF EVENT TICKETS THAT MAY BE PURCHASED BY ANY SINGLE PERSON IN AN ON-LINE EVENT TICKET SALE AS DEFINED IN SECTION 6-1-720, C.R.S.

SECTION 4. 18-5.5-102 (3) (a), Colorado Revised Statutes, is amended, and the said 18-5.5-102 (3) is further amended BY THE ADDITION OF THE FOLLOWING NEW PARAGRAPHS, to read:

18-5.5-102. Computer crime. (3) (a) Except as provided in ~~paragraph~~ PARAGRAPHS (b) AND (c) of this subsection (3), if the loss, damage, value of services, or thing of value taken, or cost of restoration or repair caused by a violation of this section is less than five hundred dollars, computer crime is a class 2 misdemeanor; if five hundred dollars or more but less than one thousand dollars, computer crime is a class 1 misdemeanor; if one thousand dollars or more but less than twenty thousand dollars, computer crime is a class 4 felony; if twenty thousand dollars or more, computer crime is a class 3 felony.

(c) (I) COMPUTER CRIME COMMITTED IN VIOLATION OF PARAGRAPH (g) OF SUBSECTION (1) OF THIS SECTION IS A CLASS 1 MISDEMEANOR.

(II) IF COMPUTER CRIME IS COMMITTED TO OBTAIN EVENT TICKETS, EACH TICKET PURCHASED SHALL CONSTITUTE A SEPARATE OFFENSE.

(III) PARAGRAPH (g) OF SUBSECTION (1) OF THIS SECTION SHALL NOT PROHIBIT THE RESALE OF TICKETS IN A SECONDARY MARKET BY A PERSON OTHER THAN THE EVENT SPONSOR OR PROMOTER.

(d) CONSISTENT WITH SECTION 18-1-202, A PROSECUTION FOR A VIOLATION OF PARAGRAPH (g) OF SUBSECTION (1) OF THIS SECTION MAY BE TRIED IN THE COUNTY WHERE THE EVENT HAS BEEN, OR WILL BE, HELD.

SECTION 5. Effective date - applicability. This act shall take effect July 1, 2008, and shall apply to offenses committed on or after said date.

SECTION 6. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: June 5, 2008