

CONSUMER TICKET PROTECTION MODIFICATIONS

2019 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Stephen G. Handy

Senate Sponsor: _____

LONG TITLE

General Description:

This bill enacts provisions related to the sale of event tickets.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ requires a person who resells event tickets to provide certain disclosures on the person's website, including a statement that the ticket website is a secondary market and an itemized breakdown of the price of each ticket;
- ▶ prohibits a person who resells event tickets from representing that the person is the primary, rather than a secondary, ticket seller;
- ▶ provides that the provisions of this bill do not apply to a religious organization or an individual consumer; and
- ▶ addresses enforcement of the provisions of this bill.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

13-2-1, as last amended by Laws of Utah 2018, Chapters 252 and 290



28 ENACTS:

29 **13-54-101**, Utah Code Annotated 1953

30 **13-54-102**, Utah Code Annotated 1953

31 **13-54-103**, Utah Code Annotated 1953

32 **13-54-201**, Utah Code Annotated 1953

33 **13-54-202**, Utah Code Annotated 1953

34 **13-54-301**, Utah Code Annotated 1953



36 *Be it enacted by the Legislature of the state of Utah:*

37 Section 1. Section **13-2-1** is amended to read:

38 **13-2-1. Consumer protection division established -- Functions.**

39 (1) There is established within the Department of Commerce the Division of Consumer
40 Protection.

41 (2) The division shall administer and enforce the following:

42 (a) Chapter 5, Unfair Practices Act;

43 (b) Chapter 10a, Music Licensing Practices Act;

44 (c) Chapter 11, Utah Consumer Sales Practices Act;

45 (d) Chapter 15, Business Opportunity Disclosure Act;

46 (e) Chapter 20, New Motor Vehicle Warranties Act;

47 (f) Chapter 21, Credit Services Organizations Act;

48 (g) Chapter 22, Charitable Solicitations Act;

49 (h) Chapter 23, Health Spa Services Protection Act;

50 (i) Chapter 25a, Telephone and Facsimile Solicitation Act;

51 (j) Chapter 26, Telephone Fraud Prevention Act;

52 (k) Chapter 28, Prize Notices Regulation Act;

53 (l) Chapter 32a, Pawnshop and Secondhand Merchandise Transaction Information Act;

54 (m) Chapter 34, Utah Postsecondary Proprietary School Act;

55 (n) Chapter 34a, Utah Postsecondary School State Authorization Act;

56 (o) Chapter 39, Child Protection Registry;

57 (p) Chapter 41, Price Controls During Emergencies Act;

58 (q) Chapter 42, Uniform Debt-Management Services Act;

- 59 (r) Chapter 49, Immigration Consultants Registration Act;
- 60 (s) Chapter 51, Transportation Network Company Registration Act;
- 61 (t) Chapter 52, Residential Solar Energy Disclosure Act; [~~and~~]
- 62 (u) Chapter 53, Residential, Vocational and Life Skills Program Act[-]; and
- 63 (v) Chapter 54, Ticket Sales Act.

64 Section 2. Section 13-54-101 is enacted to read:

65 **CHAPTER 54. TICKET SALES ACT**

66 **Part 1. General Provisions**

67 **13-54-101. Title.**

68 This chapter is known as the "Ticket Sales Act."

69 Section 3. Section 13-54-102 is enacted to read:

70 **13-54-102. Definitions.**

71 (1) "Consumer" means a person who purchases a ticket for use by the person or the
72 person's invitee.

73 (2) "Division" means the Division of Consumer Protection in the Department of
74 Commerce.

75 (3) "Domain" means the portion of text in a URL that is to the left of the top-level
76 domain.

77 (4) "Event" means a single, specific occurrence of one of the following, that takes place
78 at a venue:

79 (a) a concert;

80 (b) a game;

81 (c) a performance;

82 (d) a show; or

83 (e) an occasion similar to the occasions described in Subsections (4)(a) through (d).

84 (5) "Event participant" means any of the following persons who is associated with an
85 event or on behalf of whom a person sells a ticket to an event:

86 (a) an artist;

87 (b) a league;

88 (c) a team;

89 (d) a tour group;

- 90 (e) a venue; or
- 91 (f) any person similar to the persons described in Subsections (5)(a) through (e).
- 92 (6) (a) "Face value" means:
- 93 (i) the dollar amount for which the primary ticket seller sells a ticket; or
- 94 (ii) for a complimentary ticket, the dollar amount the primary ticket seller would have
- 95 charged for a ticket to the event with equivalent seating priority.
- 96 (b) "Face value" does not include any specified amounts added by the primary ticket
- 97 seller, including fees or taxes.
- 98 (7) "Person" does not include a government entity.
- 99 (8) "Primary ticket seller" means the person who first sells a particular ticket.
- 100 (9) (a) "Reseller" means a person who sells or offers for sale a ticket after it is sold by a
- 101 primary ticket seller.
- 102 (b) "Reseller" includes a primary ticket seller after the primary ticket seller initially
- 103 sells the ticket.
- 104 (c) "Reseller" does not include a person who transfers a ticket to another person
- 105 without reimbursement or consideration.
- 106 (10) "Ticket" means evidence of an individual's right of entry to an event.
- 107 (11) "Ticket aggregator" means a person who aggregates the prices for which other
- 108 persons offer tickets for sale or resale.
- 109 (12) "Ticket website" means:
- 110 (a) with respect to a reseller, a website on which the reseller sells or offers for sale or
- 111 resale one or more tickets; or
- 112 (b) with respect to a ticket aggregator, a website on which the ticket aggregator
- 113 aggregates the prices for which other persons offer tickets for sale or resale.
- 114 (13) "Top-level domain" includes .com, .net, and .org.
- 115 (14) "URL" means the uniform resource locator for a website on the Internet.
- 116 (15) (a) "Venue" means real property located in the state where one or more persons
- 117 host a concert, game, performance, show, or similar occasion.
- 118 (b) "Venue" includes an arena, a stadium, a theater, a concert hall, an amphitheater, a
- 119 fairground, a club, a convention center, a public assembly facility, or a mass gathering location.
- 120 Section 4. Section **13-54-103** is enacted to read:

121 **13-54-103. Exemptions.**

122 (1) This chapter does not apply to:

123 (a) an entity that is owned, controlled, operated, or maintained by a bona fide church or
124 religious organization that is exempt from property taxation under the laws of the state; or

125 (b) a consumer reselling a ticket that the consumer purchased as a consumer.

126 (2) A person who claims an exemption under this section has the burden of proving
127 that the person is entitled to the exemption.

128 Section 5. Section **13-54-201** is enacted to read:

129 **Part 2. Requirements and Prohibited Practices**

130 **13-54-201. Disclosure requirements.**

131 (1) A reseller or ticket aggregator shall clearly and conspicuously disclose on each of
132 its ticket websites that:

133 (a) the website is a secondary market and is not the primary ticket seller; and

134 (b) the price of a ticket on the website may be higher than face value.

135 (2) During the checkout process and before the prospective consumer provides
136 payment information on a ticket website, the reseller shall clearly and conspicuously disclose
137 an itemization of the total price for which the reseller is offering the ticket for sale or resale,
138 including taxes and each fee.

139 (3) (a) A reseller or ticket aggregator shall provide each disclosure required under this
140 section in a font that is equal to or larger than the size of the font of the majority of the text on
141 the page where the disclosure appears.

142 (b) A reseller or ticket aggregator may not provide a disclosure required under this
143 section in a closeable notification format.

144 Section 6. Section **13-54-202** is enacted to read:

145 **13-54-202. Prohibited practices.**

146 (1) (a) It is unlawful for any person who is not a primary ticket seller to represent,
147 directly or indirectly, that the person is a primary ticket seller.

148 (b) There is a rebuttable presumption that a person violates Subsection (1)(a) if the
149 person includes the name of an event participant in the domain of the person's ticket website.

150 (2) It is unlawful for a person to fail to comply with a provision of Section [13-54-201](#).

151 Section 7. Section **13-54-301** is enacted to read:

Part 3. Enforcement

13-54-301. Enforcement powers.

(1) The division may enforce the provisions of this chapter in accordance with Chapter 2, Division of Consumer Protection.

(2) (a) In addition to the division's enforcement powers under Chapter 2, Division of Consumer Protection:

(i) the division director may impose an administrative fine of up to \$2,500 for each violation of this chapter; and

(ii) the division may bring an action in a court of competent jurisdiction to enforce the provisions of this chapter.

(b) In a court action by the division to enforce a provision of this chapter, the court may:

(i) find that an act or practice violates a provision of this chapter; and

(ii) award, for each violation of this chapter:

(A) actual damages on behalf of each consumer who complained to the division within a reasonable time after the division initiated the court action; and

(B) a fine of up to \$2,500.

(c) For any judgment in favor of the division under this section, the court may award:

(i) costs, including the costs of investigation; and

(ii) reasonable attorney fees.

(3) Each ticket sold or offered for sale while a person is in violation of a provision of this chapter constitutes a separate violation of this chapter.

(4) Nothing in this chapter affects:

(a) a remedy available to a person independent of this chapter; or

(b) the division's ability or authority to enforce any other law.