

1 **CONSUMER TICKET PROTECTION AMENDMENTS**

2 2019 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: Deidre M. Henderson**

5 House Sponsor: Mike Schultz

7 **LONG TITLE**

8 **General Description:**

9 This bill enacts provisions related to consumer protection and event tickets.

10 **Highlighted Provisions:**

11 This bill:

- 12 ▶ enacts the Ticket Sales Act;
- 13 ▶ defines terms;
- 14 ▶ requires a person who issues a ticket to an event to issue the ticket using a delivery
- 15 method that enables the purchaser to lawfully resell the ticket independent of the
- 16 person who issued the ticket;
- 17 ▶ allows a person to issue a restricted ticket, under certain circumstances;
- 18 ▶ provides that a person who issues a restricted ticket shall give the purchaser a
- 19 conspicuous written disclosure stating that the ticket is nontransferable;
- 20 ▶ prohibits a person from treating an individual differently because the individual
- 21 resold a ticket to an event or purchased a resold ticket to an event;
- 22 ▶ addresses required reporting to the Division of Consumer Protection; and
- 23 ▶ addresses enforcement of the Ticket Sales Act.

24 **Money Appropriated in this Bill:**

25 None

26 **Other Special Clauses:**

27 This bill provides a special effective date.



28 **Utah Code Sections Affected:**

29 AMENDS:

30 **13-2-1**, as last amended by Laws of Utah 2018, Chapters 252 and 290

31 ENACTS:

32 **13-54-101**, Utah Code Annotated 1953

33 **13-54-102**, Utah Code Annotated 1953

34 **13-54-103**, Utah Code Annotated 1953

35 **13-54-201**, Utah Code Annotated 1953

36 **13-54-301**, Utah Code Annotated 1953

37 **13-54-302**, Utah Code Annotated 1953



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

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

41 **13-2-1. Consumer protection division established -- Functions.**

42 (1) There is established within the Department of Commerce the Division of Consumer
43 Protection.

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

- 45 (a) Chapter 5, Unfair Practices Act;
- 46 (b) Chapter 10a, Music Licensing Practices Act;
- 47 (c) Chapter 11, Utah Consumer Sales Practices Act;
- 48 (d) Chapter 15, Business Opportunity Disclosure Act;
- 49 (e) Chapter 20, New Motor Vehicle Warranties Act;
- 50 (f) Chapter 21, Credit Services Organizations Act;
- 51 (g) Chapter 22, Charitable Solicitations Act;
- 52 (h) Chapter 23, Health Spa Services Protection Act;
- 53 (i) Chapter 25a, Telephone and Facsimile Solicitation Act;
- 54 (j) Chapter 26, Telephone Fraud Prevention Act;
- 55 (k) Chapter 28, Prize Notices Regulation Act;
- 56 (l) Chapter 32a, Pawnshop and Secondhand Merchandise Transaction Information Act;
- 57 (m) Chapter 34, Utah Postsecondary Proprietary School Act;
- 58 (n) Chapter 34a, Utah Postsecondary School State Authorization Act;

- 59 (o) Chapter 39, Child Protection Registry;
 60 (p) Chapter 41, Price Controls During Emergencies Act;
 61 (q) Chapter 42, Uniform Debt-Management Services Act;
 62 (r) Chapter 49, Immigration Consultants Registration Act;
 63 (s) Chapter 51, Transportation Network Company Registration Act;
 64 (t) Chapter 52, Residential Solar Energy Disclosure Act; ~~[and]~~
 65 (u) Chapter 53, Residential, Vocational and Life Skills Program Act~~[-]~~; and
 66 (v) Chapter 54, Ticket Sales Act.

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

68 **CHAPTER 54. TICKET SALES ACT**

69 **Part 1. General Provisions**

70 **13-54-101. Title.**

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

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

73 **13-54-102. Definitions.**

74 As used in this section:

75 (1) "Division" means the Division of Consumer Protection in the Department of
 76 Commerce.

77 (2) "Event" means a single, specific occurrence of ~~Ŝ~~→ [a concert, game, performance, show,
 78 or other occasion.] one of the following, that takes place at a venue:

78a (a) a concert;

78b (b) a game;

78c (c) a performance;

78d (d) a show; or

78e (e) an occasion similar to the occasions described in Subsections (2)(a) through (d). ←Ŝ

79 (3) "Exempt entity" means:

80 (a) a Division I college postseason basketball tournament; ~~Ŝ~~→ [or] ←Ŝ

81 (b) a nonprofit organization that:

82 (i) is exempt from federal income taxation under Section 501(c)(3), Internal Revenue
 83 Code;

84 (ii) is domiciled in the state; and

85 (iii) produces an annual international film festival in the state ~~Ŝ~~→ [-] ; or

85a (c) a public or private postsecondary institution that is located in the state. ←Ŝ

86 (4) "Restricted ticket" means a ticket to an event that is subject to a restriction that
 87 prohibits the purchaser from reselling or otherwise transferring the ticket by any lawful
 88 method.

89 (5) "Transferrable ticket" means a ticket to an event that a person issues using a

90 delivery method that enables the purchaser to lawfully resell the ticket independent of the
 91 person who issued the ticket or the person's agent or operator.

91a ~~§~~→ **(6) (a) "Venue" means real property located in the state where one or more persons**
 91b **host a concert, game, performance, show, or similar occasion.**

91c **(b) "Venue" includes an arena, a stadium, a theater, a concert hall, an amphitheater, a**
 91d **fairground, a club, a convention center, a public assembly facility, or a mass gathering**
 91e **location.** ←~~§~~

91f ~~§~~→ **(7) "Venue operator" means a person who operates a venue.** ←~~§~~

92 Section 4. Section 13-54-103 is enacted to read:

93 **13-54-103. Scope.**

94 **(1) This chapter does not apply to an** ~~§~~→ **[official event of any state institution of higher**
 95 **education, as defined in Section 53B-3-102, including an athletic event, concert, or theatrical**
 96 **performance] event or venue of an exempt entity** ←~~§~~ .

97 **(2) Nothing in this chapter prohibits a venue** ~~§~~→ **operator** ←~~§~~ **from maintaining and**
 97a **enforcing one or**
 98 **more policies regarding conduct or behavior at or in connection with the venue.**

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

100 **Part 2. Ticket Resale Restrictions**

101 **13-54-201. Limitations on ticket resale restrictions --** ~~§~~→ **[Exemptions--]** ←~~§~~

101a **Disclosures.**

102 **(1) Except as provided in Subsection (2), each ticket** ~~§~~→ **[a person issues] issued** ←~~§~~ **for an**
 102a **event shall**
 103 **be a transferrable ticket.**

104 **(2) (a) (i)** ~~§~~→ **[A person may issue up] Up** ←~~§~~ **to 10% of the total number of tickets** ~~§~~→ **[**
 104a **the person issues**
 105 **for an event as restricted tickets] issued for an event may be restricted tickets** ←~~§~~ .

106 **(ii) The total number of tickets described in Subsection (2)(a)(i):**

107 **(A) includes each ticket that provides access to the event, regardless of whether the**
 108 **ticket is made available for sale; and**

109 **(B) does not include a ticket that is part of a youth basketball program associated with**
 110 **a professional sports team where tickets are donated or issued at a reduced rate.**

111 **(b) Notwithstanding Subsection (2)(a), each calendar year,** ~~§~~→ **[a venue may issue]** ←~~§~~ **an**
 112 **unlimited number of restricted tickets** ~~§~~→ **may be issued** ←~~§~~ **for up to 10% of the total concert and**
 112a **theater events held**
 113 **at the** ~~§~~→ **same** ←~~§~~ **venue during the calendar year.**

114 ~~§~~→ **[(c) Notwithstanding Subsections (2)(a) and (b), an exempt entity may issue an**
 115 **unlimited number of restricted tickets.]** ←~~§~~

116 (3) A person who issues a restricted ticket shall provide the purchaser a clear and
117 conspicuous written notice that states the ticket may not be resold or transferred.

118 (4) A person may not discriminate against an individual or deny an individual
119 admission to an event solely because the individual:

120 (a) resold a ticket to the event independent of the person who issued the ticket or the

121 person's agent or operator; or

122 (b) purchased a resold ticket to the event independent of the person who issued the
 123 ticket or the person's agent or operator.

124 Section 6. Section **13-54-301** is enacted to read:

125 **Part 3. Enforcement and Reporting**

126 **13-54-301. Enforcement powers -- Penalty.**

127 (1) The division may enforce the provisions of this chapter in accordance with Chapter
 128 2, Division of Consumer Protection.

129 (2) A person who violates a provision of this chapter is subject to a fine of up to \$250
 130 per violation.

131 Section 7. Section **13-54-302** is enacted to read:

132 **13-54-302. Reporting.**

133 ~~Ŝ →~~ [On July 15, 2020, and January 15 and July 15 of each year thereafter, each person who
 134 is subject to the provisions of this chapter shall submit a report to the division that contains the
 135 following information for the six months preceding the day on which the person submits the
 136 report:

137 ~~—— (1) the number of transferrable tickets the person issued;~~

138 ~~—— (2) the number of restricted tickets the person issued;~~

139 ~~—— (3) the number of scheduled concert and theater events for which the person issued~~
 140 ~~tickets; and~~

141 ~~—— (4) the number of events for which the person issued restricted tickets under~~
 142 ~~Subsection 13-54-201(2)(b).]~~

142a (1) As used in this section, "reporting period" means:

142b (a) for a report submitted under this section in compliance with a July 15 deadline,
 142c January 1 through June 30 of the calendar year in which the report is submitted; or

142d (b) for a report submitted under this section in compliance with a January 15 deadline,
 142e July 1 through December 31 of the calendar year immediately preceding the calendar year in
 142f which the report is submitted.

142g (2) On or before July 15, 2020, and July 15 of each year thereafter, a ~~Ŝ →~~ [person who
 142g1 issued

142h ~~a restricted ticket for an event scheduled during the reporting period]~~ venue operator ~~←Ŝ~~ shall
 142h1 submit a report

142i described in Subsection (4) to the division ~~Ŝ →~~ , if there was an event scheduled at the venue
 142i1 during the reporting period for which a person issued one or more restricted tickets ~~←Ŝ~~ .

142j (3) On or before January 15, 2021, and January 15 of each year thereafter, Ŝ → [a
 142j1 person

142k who issued a restricted ticket for an event scheduled during the reporting period] a venue operator ~~⊗~~

142k1 ~~☉~~ ←Ŝ shall submit a
 142l report described in Subsection (4) to the division Ŝ→ , if there was an event scheduled at the
 142ll venue during the reporting period for which a person issued one or more restricted tickets ←Ŝ
 142l2 .

142m (4) A report submitted in accordance with this section shall contain the
 142n following information:

142o (a) for each event scheduled Ŝ→ at the venue ←Ŝ during the reporting period and for
 142o1 which Ŝ→ ~~[the]~~ a ←Ŝ person
 142p issued a restricted ticket:

142q (i) the total number of tickets Ŝ→ ~~[the person]~~ ←Ŝ issued for the event;

142r (ii) the number of restricted tickets Ŝ→ ~~[the person]~~ ←Ŝ issued for the event; ←Ŝ

142s Ŝ→ (iii) the date of the event; and ←Ŝ

142t Ŝ→ (iv) the type of event; Ŝ→ ~~[and~~ ←Ŝ

142u ~~Ŝ→ (v) the name of the venue where the event was scheduled to occur;~~ ←Ŝ ←Ŝ

142v Ŝ→ (b) (i) for a report submitted in compliance with a July 15 deadline, the number of
 142w concert or theater events Ŝ→ ~~[by venue]~~ ←Ŝ scheduled Ŝ→ at the venue ←Ŝ during the
 142w1 reporting period; or ←Ŝ

142x Ŝ→ (ii) for a report submitted in compliance with a January 15 deadline, the number of
 142y concert or theater events Ŝ→ ~~[by venue]~~ ←Ŝ scheduled Ŝ→ at the venue ←Ŝ during the
 142y1 preceding calendar year; and ←Ŝ

142z Ŝ→ (c) the number of concert or theater events Ŝ→ ~~[by venue]~~ ←Ŝ scheduled Ŝ→ at the
 142z1 venue ←Ŝ during the reporting
 142aa period for which Ŝ→ ~~[the]~~ a ←Ŝ person issued a restricted ticket under Subsection 13-54-
 142aa1 201(2)(b) Ŝ→ ~~[; and]~~ . ←Ŝ

142ab ←Ŝ

142ac Ŝ→ Ŝ→ [~~— (5) This section does not apply to an exempt entity;~~] ←Ŝ ←Ŝ

143 Section 8. **Effective date.**

144 This bill takes effect on January 1, 2020.