

**HOUSE . . . . . No. 260**

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The Commonwealth of Massachusetts

PRESENTED BY:

*Michael J. Moran*

*To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:*

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act to reform the issuance and sale of sports and entertainment tickets.

PETITION OF:

NAME:

*Michael J. Moran*

DISTRICT/ADDRESS:

*18th Suffolk*

**HOUSE . . . . . No. 260**

By Mr. Moran of Boston, a petition (accompanied by bill, House, No. 260) of Michael J. Moran relative to the issuance and sale of sports and entertainment tickets. Consumer Protection and Professional Licensure.

[SIMILAR MATTER FILED IN PREVIOUS SESSION

SEE

HOUSE  
 , NO. 1893 OF 2011-2012.]

**The Commonwealth of Massachusetts**

**In the Year Two Thousand Thirteen**

An Act to reform the issuance and sale of sports and entertainment tickets.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

- 1 Section 1. (a) Sections 185 A through Sections 185F of Chapter 140 of the General
- 2 Laws are hereby repealed.
- 3  Section 2. As used in this Act the following words shall have the following meanings:
- 4  (a) "Event" means any concert, theatrical performance, sporting event, exhibition,
- 5 show, or similar scheduled activity taking place in the Commonwealth —
- 6  (i) that is open to the general public;
- 7  (ii) for which an admission fee is charged; and
- 8  (iii) that is held in a venue accommodating more than 1000 persons for which public
- 9 funding has been provided for the construction, maintenance or operation of the venue or any
- 10 infrastructure related thereto, or which is located on property owned by a municipality or other
- 11 government entity.
- 12  (b) An "event ticket" means any physical, electronic, or other form of a certificate,
- 13 document, voucher, token or other evidence indicating that the bearer, possessor, or person
- 14 entitled to possession through purchase or otherwise has—
- 15  (i) a revocable or irrevocable right, privilege or license to enter an event venue or occupy a
- 16 particular seat or area in an event venue with respect to one or more events, or

17  (ii) an entitlement to purchase such a right, privilege or license with respect to one or more  
18 future events.

19  (c) "Person" means any natural person, partnership, corporation, association, or other  
20 legal entity.

21  (d) "Public funding" means the provision, by the Commonwealth, any county,  
22 municipality, or other subdivision of the Commonwealth, or by any local development  
23 corporation or similar instrumentality whose creation was authorized by the Commonwealth or  
24 by any county, municipality of other subdivision of the Commonwealth, of funding, grants,  
25 payments, or financial support, including the use of public funds through or from the use of the  
26 issuance of tax-exempt bonds, payments in lieu of taxes (PILOT), property tax abatements,  
27 lotteries, sales taxes, or levies on parking, hotels, alcohol, car rentals, cigarettes, or other goods  
28 or services.

29  (e) "Resale" includes any form of transfer or alienation, or offering for transfer or  
30 alienation, of possession or entitlement to possession of an event ticket from one person to  
31 another, with or without consideration, whether in person or by means of telephone, mail,  
32 delivery service, facsimile, internet, email or other electronic means. "Resale" does not include  
33 the initial sale of an event ticket by the ticket issuer.

34  (f) "Ticket issuer" means any person that makes event tickets available, directly or  
35 indirectly, to the general public, and may include the operator of a venue; the sponsor or  
36 promoter of an event; a sports team participating in an event or a league whose teams are  
37 participating in an event; a theater company, musical group or similar participant in an event; or  
38 an agent of any such person.

39  (g) "Venue" means the theater, stadium, field, hall or other facility where an event  
40 takes place.

41  Section 3. (a) A ticket issuer, or its authorized agent, shall provide advance public  
42 notice of its ticket policies for each event subject to this Act. Such notice shall include at least  
43 the following information:

44  (i) Identification of the specific event, including date, time, and location.

45  (ii) The total number of event tickets to be issued for the event, whether by public sale or  
46 otherwise, and the number of such tickets for every class, tier or level of admission offered.

47

48  (iii) The total number of event tickets to the event that will be made available for purchase by  
49 members of the general public as public sale tickets subject to this section, and the number of  
50 such tickets for every class, tier or level of admission offered.

51

52  (iv) The established price for each class, tier or level of admission offered which will be  
53 designated as public sale tickets, including the amount of any premium, service charge or other  
54 fee applicable to the sale of such ticket.

55

56  (v) The date and time when tickets are made available to any member of the general public

57 including but not limited to fan clubs, businesses, and for promotional activities. (on-sale date  
58 and time)

59

60  (vi) A complete list of the outlets at which such public sale tickets will be made available for  
61 sale to the general public on the date and at the time specified, including a list of all Internet  
62 websites at which such tickets will be made available.

63

64  (b) Each public notice of ticket practices under this section shall be accompanied by a  
65 certification that the party submitting the notice is, or is authorized to act on behalf of, a ticket  
66 issuer within the meaning of this Act; that the ticket issuer is in compliance with the consumer  
67 protection minimum standards set out in section 6 of this Act; that all tickets designated as public  
68 sale tickets will in fact be made available for sale to the general public as stated in the notice;  
69 and that all the information contained in the notice is true and correct to the best of the  
70 knowledge and belief of the party submitting the notice.

71

72  (c). No public notice under this section shall be valid unless it is submitted to the  
73 Commissioner of Public Safety, and otherwise made public in accordance with subsection (d), at  
74 least 15 days prior to the on-sale date specified in the notice. A public notice shall be deemed to  
75 have been submitted on the date and at the time it is received by the Department of Public  
76 Safety.

77

78  (d). The Department of Public Safety shall post on its website, within 24 hours after  
79 receipt, any public notice which substantially complies with this section. The ticket issuer or its  
80 authorized agent shall cause the public notice to be publicly displayed at each place where public  
81 sale tickets are to be sold, and on each website where such tickets are to be sold. Nothing in this  
82 section shall be construed to prevent a ticket issuer or its authorized agent from using other  
83 methods of public notification in addition to those methods which are required by this Act.

84

85  (e) In addition to the failure to comply with any other provision of this section, the  
86 following acts shall be unlawful and shall be punishable as violations of this Act:

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88  Material false or misleading statements made knowingly, or in reckless disregard of their  
89 falsity, by or on behalf of a ticket issuer, in connection with a public notice under this section.

90

91  (f) Nothing in this section shall be construed to impose any restrictions on the sale or  
92 resale, or the offer to sell or to resell, any ticket of admission to any event that has not been  
93 identified in a public notice as a public sale ticket, in compliance with this section;

94

95  Section 4. (a) Except as otherwise provided in this Act, it shall be unlawful for any ticket  
96 issuer to prohibit or restrict the resale or offering for resale of an event ticket by a lawful

97 possessor thereof.

98  (b) Activities prohibited to ticket issuers by this Act include, but are not limited to –

99  (i) purporting to impose license or contractual terms on the initial sale of event tickets  
100 (including but not limited to terms printed on the back of a physical ticket) that prohibit resale of  
101 the ticket, or that restrict the price or other terms and conditions under which a ticket may be  
102 resold;

103  (ii) requiring the purchaser of a ticket, whether for a single event or for a series or season of  
104 events, to agree not to resell the ticket, or to resell the ticket only through a specific channel  
105 approved by the ticket issuer;

106  (iii) bringing legal action, based on an unlawful prohibition or restriction on resale of an event  
107 ticket, against –

108  (A) a purchaser who resells or offers to resell an event ticket without permission of the ticket  
109 issuer, or in violation of a restriction purportedly imposed by the ticket issuer;

110  (B) persons who facilitate or provide services for the resale of event tickets without such  
111 permission or in alleged violation of such a restriction; or

112  (C) the operator of a physical or electronic marketplace in which a ticket is offered for resale  
113 without such permission or in alleged violation of such a restriction;

114  (iv) imposing any penalty on a ticket purchaser who resells or offers to resell an event ticket  
115 without permission or in violation of a restriction purportedly imposed by the ticket issuer, or  
116 treating such a purchaser in any material way less favorably than a similarly situated purchaser  
117 who does not resell or offer to resell an event ticket, or who complies with resale restrictions  
118 purportedly imposed by the ticket issuer;

119  (v) employing technological means for the purpose or with the foreseeable effect of  
120 prohibiting or restricting the resale of event tickets, including but not limited to issuing event  
121 tickets in an electronic form that is not readily transferrable to a subsequent purchaser, or  
122 conditioning entry into the venue on presentation of a token (such as the original purchaser's  
123 credit card or state-issued identification card) that cannot be readily transferred to a subsequent  
124 purchaser; or

125  (vi) seeking to limit or restrict the price, or to impose a minimum or maximum price, at which  
126 an event ticket may be resold.

127

128  Section 5. (a) It shall be unlawful for any person to engage in the primary or secondary  
129 market for event ticket sales as a trade or business in any manner specified in subsection (b)  
130 without complying with the consumer protection minimum standards specified in this section.

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132  (b) This section applies to all persons engaged in the trade or business of –

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134  (i) acting as a ticket issuer;

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136  (ii) engaging in the resale of event tickets; or

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138  (iii) providing a physical or electronic marketplace for the sale or resale of event tickets by  
139 other persons.

140

141  (c) An individual who resells no more than [80] event tickets in any 12-month period  
142 shall not be considered to be engaged in the trade or business of reselling event tickets for  
143 purposes of this section.

144

145  (d) All persons subject to this section shall –

146

147  (i) maintain a toll-free telephone number for complaints and inquiries regarding its activities  
148 in the sale or resale of event tickets;

149

150  (ii) implement and reasonably publicize a standard refund policy that meets the minimum  
151 standards stated in subsection (e)

152

153  A person subject to this section by engaging in the resale of event tickets may satisfy the  
154 requirements of this section by engaging in such resale in a physical or electronic marketplace  
155 that fully complies with this section.

156

157  (e) The standard refund policy referenced in subsection (d) ---

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159  (i) shall provide a consumer who purchases an event ticket a full refund if --

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161  (A) the event is cancelled before the scheduled occurrence of the event, and is not re-  
162 scheduled;

163

164  (B) the event ticket received by the purchaser is counterfeit;

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166  (C) the event ticket has been cancelled by the ticket issuer for non-payment by the original  
167 purchaser, or for any reason other than an act or omission of the consumer;

168

169  (D) the event ticket materially and to the detriment of the consumer fails to conform to the  
170 description provided by the seller or reseller; or

171

172  (E) the event ticket was not delivered to the consumer prior to the occurrence of the event,  
173 unless such failure of delivery was due to any act or omission of the consumer;

174

175  (ii) shall include in a full refund the full price paid by the consumer for the event ticket,  
176 together with any fees charged in connection with that purchase, including but not limited to

177 convenience fees, processing fees, at-home printing charges, shipping and handling charges, or  
178 delivery fees; and

179

180  (iii) may condition entitlement to a refund upon timely return of the ticket purchased, and  
181 may include reasonable safeguards against abuse of the policy.

182

183  (f) Nothing in this section shall be construed to prohibit any person subject to this  
184 section from implementing consumer protection policies that exceed the minimum standard set  
185 forth in this section, and that are otherwise compliant with this Act.

186

187  Section 6. (a) The Commissioner of Public Safety may bring a civil action for  
188 enforcement of any violation of this section, in the same manner, by the same means, and with  
189 the same jurisdiction, powers and duties, as apply to that office in its enforcement of other laws  
190 of the Commonwealth for the protection of consumers or for the prevention of unfair or  
191 deceptive acts or practices.

192  (b) (i) Notwithstanding any other provision of law, in order to remedy any violation of  
193 this Act, the Commissioner of may bring a civil action in a court of the Commonwealth of  
194 appropriate jurisdiction—

195  (A) to enjoin further violation of this Act by the defendant; or

196  (B) to obtain damages on behalf of residents of the State, in a total amount equal to  
197 the greater of—

198  (1) the actual monetary loss suffered by such residents; or  
199

200  (2) the amount determined under paragraph (ii).

201  (ii) Statutory damages.

202  (A) In general. For purposes of paragraph (b)(1)(B)(ii), the amount determined under  
203 this paragraph is the amount calculated by multiplying the number of violations by up to \$100,  
204 with each ticket sold, resold or offered for sale or resale in violation of this Act counted as a  
205 separate violation.

206

207  (B) Limitation. For any violation of this Act with respect to any one event, the amount  
208 determined under subparagraph (A) may not exceed \$100,000.

209  (C) Aggravated damages. Notwithstanding subparagraph (A) or (B), the court may  
210 increase a damage award to an amount equal to not more than three times the amount otherwise  
211 available under this paragraph if the defendant was previously found to have violated this Act in  
212 a civil action.

213  (iii) Attorney fees. In the case of any successful action under paragraph (i), the court,  
214 in its discretion, may award the costs of the action and reasonable attorney fees to the State.

215  (iv) Construction. For purposes of bringing any civil action under paragraph (i),  
216 nothing in this Act shall be construed to prevent the Department of Public Safety from exercising

217 the powers conferred upon it by the laws of the Commonwealth to—

218  (A) conduct investigations;

219  (B) administer oaths or affirmations; or

220  (C) compel the attendance of witnesses or the production of documentary and other  
221 evidence.

222  (v) Statute of limitations. No action may be brought under this subsection unless  
223 such action is begun within 2 years of the date of the act complained of.

224

225  Section 7. Nothing in this Act shall be interpreted to invalidate restrictions on the resale of  
226 tickets imposed by –

227  (a) sponsors or promoters of events intended solely to benefit charitable endeavors,  
228 for which all tickets are distributed free of charge;

229  (b) not-for-profit educational institutions, with respect to athletic events involving  
230 athletes or teams of such institutions, to the extent that such restrictions apply to tickets initially  
231 distributed by the institution to –

232  (i) students, faculty, staff members or alumni without charge; or

233  (ii) members of bona fide booster organizations consisting of those making substantial  
234 financial contributions to the institution.]

235  Section 8. The Commissioner of Public Safety is authorized, pursuant to Chapter 30A to issue  
236 regulations to implement the provisions of this Act. Such regulations may include, but shall not  
237 necessarily be limited to:

238  (a) Modifying the 15-day advance notice period and other provisions of Section 4, for  
239 certain defined categories of sporting events for which the date, time, venue or participants are  
240 not likely to be ascertainable far enough in advance to permit full compliance with that section;

241

242  (b) Specifying further categories of information to be included in a public notice  
243 under section 4;

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245  (c) Prescribing supplementary required methods of public notification in addition to  
246 those specified in section 4(d);

247

248  (d) Prescribing allowable methods for marking of public sale tickets, as required by  
249 section 4(e), including in cases in which the ticket does not take tangible form;

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251  (e) Defining categories of persons otherwise subject to this section who are  
252 temporarily or indefinitely excluded from its provisions, or against whom the Commissioner of  
253 Public Safety determines to forebear from enforcement of this Act in whole or in part, if the  
254 Commissioner determines that the activities of such persons otherwise subject to this section  
255 have a relatively insignificant impact on commerce in event tickets.



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