

**SENATE
STATE OF MINNESOTA
NINETY-THIRD SESSION**

S.F. No. 4148

(SENATE AUTHORS: DIBBLE)

DATE
02/22/2024

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Introduction and first reading
Referred to Commerce and Consumer Protection

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to consumer protection; requiring disclosures relating to ticket sales;
1.3 prohibiting certain ticket resales and fees; providing for civil penalties; proposing
1.4 coding for new law in Minnesota Statutes, chapter 325F.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. 325F.677 **TICKET SALES.**

1.7 Subdivision 1. Definitions. (a) For the purposes of this section, the following terms have
1.8 the meanings given.

1.9 (b) "Entertainment" means all forms of entertainment, including but not limited to
1.10 theatrical or operatic performances; concerts; motion pictures; entertainment at fairgrounds;
1.11 amusement parks; athletic competitions and other sports; and all other forms of diversion,
1.12 recreation, or show. Entertainment does not include forms of entertainment operated or
1.13 produced by a nonprofit corporation organized under the laws of Minnesota or another state;
1.14 a charitable trust; and any other entity that qualifies as tax exempt under section 501(c)(3)
1.15 of the Internal Revenue Code, as amended, other than professional sporting leagues.

1.16 (c) "Entertainment venue" means a privately or publicly owned and operated
1.17 entertainment facility, including but not limited to a theater, stadium, arena, racetrack,
1.18 museum, amusement park, or other place where performances, concerts, exhibits, athletic
1.19 games, or contests are held, for which an entry fee is charged.

1.20 (d) "Established price" means the price fixed at the time of sale by the operator of any
1.21 entertainment venue for admission to the entertainment venue.

2.1 (e) "Online resale marketplace" means the administrator of a website or other electronic
2.2 service that resells tickets or maintains a platform that facilitates the resale of tickets.

2.3 (f) "Operator" means a person, including an agent or assignee, who owns, operates, or
2.4 controls an entertainment venue or who produces entertainment.

2.5 (g) "Retail ticket purchasing platform" means a retail ticket purchasing website,
2.6 application, telephone system, or other technology platform used to sell tickets.

2.7 (h) "Ticket" means any evidence of the right to enter any entertainment venue.

2.8 (i) "Ticket purchasing software" means any machine, device, computer program, or
2.9 computer software that, automatically or with human assistance, bypasses security measures
2.10 or access control systems on a retail ticket purchasing platform, or bypasses other controls
2.11 or measures on a retail ticket purchasing platform that assist in implementing a limit on the
2.12 number of tickets that can be purchased, in order to purchase tickets.

2.13 (j) "Ticket reseller" means a person, other than an operator, who sells tickets for entrance
2.14 to an entertainment venue located in Minnesota. Sales by a ticket reseller includes sales by
2.15 any means, including but not limited to in-person or by telephone, mail, delivery service,
2.16 facsimile, Internet, email, or other electronic means. A ticket reseller does not include a
2.17 person who purchases a ticket (1) solely for the person's own use or the use of the person's
2.18 invitees, employees, or agents, or (2) on behalf of others and resells the ticket to invitees,
2.19 employees, agents, or others at or for less than the established price.

2.20 Subd. 2. **Disclosure; notice.** (a) Every entertainment venue operator must, if a price is
2.21 charged for admission to the entertainment venue, print or endorse on the face of each ticket:
2.22 (1) the established price; or (2) the final auction price, if the ticket was sold or resold by
2.23 auction through the operator.

2.24 (b) An operator, ticket reseller, or online resale marketplace must disclose to the purchaser
2.25 in a clear and conspicuous manner: (1) the total cost of the ticket, inclusive of all ancillary
2.26 fees that must be paid in order to purchase the ticket; (2) the portion of the ticket price,
2.27 stated in dollars, that represents a service charge; and (3) any other fee or surcharge. The
2.28 disclosure of the total cost and fees must be displayed in the ticket listing before the ticket
2.29 is selected for purchase. Disclosures of subtotals, fees, charges, and all other components
2.30 of the total price must not be false or misleading, and must not be presented more prominently
2.31 or in the same or larger size than the total price.

2.32 (c) The price of a ticket must not increase during the purchase process, excluding fees
2.33 charged to deliver nonelectronic tickets based on the delivery method selected by the

3.1 purchaser. Any fees charged to deliver nonelectronic tickets must be disclosed before
3.2 accepting payment.

3.3 (d) An online resale marketplace must post clearly and conspicuously on the online
3.4 resale marketplace's website:

3.5 (1) that the website is for the secondary sale of a ticket and that the price of the ticket
3.6 offered for sale may exceed the established price; and

3.7 (2) the online resale marketplace's refund policy in connection with the cancellation or
3.8 postponement of an event.

3.9 (e) An online resale marketplace must require that the user confirm having read the
3.10 notices required under paragraph (d) before completing any transaction.

3.11 (f) A ticket reseller or an online resale marketplace must clearly and conspicuously
3.12 disclose the established price before the purchaser completes a transaction.

3.13 Subd. 3. **Delivery fees.** (a) An operator, ticket reseller, or online resale marketplace may
3.14 charge a fee to physically deliver a ticket, based on the method of delivery selected by the
3.15 purchaser.

3.16 (b) An operator, ticket reseller, or online resale marketplace must not charge a delivery
3.17 fee for tickets delivered electronically or tickets that may be printed independently by the
3.18 purchaser.

3.19 (c) A fee charged under this subdivision must reasonably represent the actual cost incurred
3.20 by the operator, ticket seller, or online resale marketplace to physically deliver a ticket.

3.21 Subd. 4. **Resale of tickets issued at no charge.** It is unlawful to resell or offer to resell
3.22 any ticket or other evidence of right of entry to an entertainment venue if: (1) the ticket was
3.23 initially offered to the public at no charge; and (2) access to the ticket is not contingent upon
3.24 a purchaser providing any form of monetary consideration.

3.25 Subd. 5. **Tickets withheld from sale to general public.** (a) Not less than seven days
3.26 before the date on which tickets are available for primary sale, an operator must disclose
3.27 and display on the operator's website, at the box office, and on any other method of ticket
3.28 distribution the operator uses the total number of tickets offered for sale to the general
3.29 public. The total number of tickets offered must be periodically updated by the operator if
3.30 and when additional tickets are subsequently released for sale to the general public.

3.31 (b) It is unlawful for an operator or any person who has access to tickets to an event
3.32 prior to the tickets' release for sale to the general public to withhold from sale to the general

4.1 public an amount of tickets exceeding ten percent of all available seating for the event.
4.2 Tickets distributed to bona fide charitable groups or initially reserved due to event production
4.3 holds, including but not limited to pending seating, lighting, or stage configurations, that
4.4 are subsequently released to the general public are not included for the purposes of calculating
4.5 the amount withheld under this paragraph.

4.6 (c) This subdivision shall not apply to venues with a seating capacity of less than 6,500
4.7 guests.

4.8 Subd. 6. **Ticket refunds.** (a) Notwithstanding any other provision of law, an operator,
4.9 ticket reseller, online resale marketplace, or any other person that resells tickets or facilitates
4.10 the resale or resale auction of tickets between independent parties by any means must provide
4.11 a full refund of the amount paid by the purchaser, including but not limited to all fees,
4.12 regardless of how characterized, if any of the following occurs:

4.13 (1) the event for which the ticket has been resold is canceled, except that if the event is
4.14 canceled then actual handling and delivery fees need not be refunded, provided that the
4.15 previously disclosed guarantee specifies that handling and delivery fees are not refunded;

4.16 (2) the ticket received by the purchaser does not grant the purchaser admission to the
4.17 event described on the ticket for reasons outside the purchaser's control that may include,
4.18 without limitation: (i) the ticket is counterfeit or the ticket has been canceled by the issuer
4.19 due to nonpayment; or (ii) the event described on the ticket was canceled for any reason
4.20 prior to purchase of the resold ticket, unless the ticket is canceled due to an act or omission
4.21 by the purchaser; or

4.22 (3) the ticket fails to conform to the ticket's description as advertised, unless the purchaser
4.23 has preapproved a substitution of tickets.

4.24 (b) If the event for which the ticket has been resold is postponed more than once in a
4.25 calendar year, is rescheduled to a subsequent date more than one year from the initial event
4.26 date, or has been postponed and has not been rescheduled within three months after the
4.27 initial event date, the seller or facilitator of the sale, as applicable, must notify the purchaser
4.28 of the tickets and provide a 30-day window during which the purchaser may elect to (1)
4.29 retain the tickets, (2) receive a credit equal to or in excess of the full amount paid by the
4.30 purchaser, or (3) receive a full refund. If at the end of the 30-day window the purchaser of
4.31 the tickets has not chosen one of the options under clauses (1) to (3), within 30 additional
4.32 days the seller or facilitator must provide the purchaser a full refund of the amount paid by
4.33 the purchaser, including but not limited to all fees, regardless of how the fees are
4.34 characterized.

5.1 (c) Before a refund payment is made, the seller or facilitator of the sale, as applicable,
5.2 and purchaser must first make a good faith effort to remedy any disputes where the seller
5.3 or facilitator of the sale, as applicable, and purchaser have agreed to established terms for
5.4 the disposition of disputes as a condition of facilitating the transaction.

5.5 Subd. 7. **Prohibition on ticket purchasing software.** (a) It is unlawful for any person
5.6 to knowingly utilize ticket purchasing software to purchase tickets.

5.7 (b) Any person who knowingly utilizes ticket purchasing software in order to purchase
5.8 tickets is subject to a civil penalty in an amount of no less than \$1,000 and no more than
5.9 \$2,500 for each violation, and must forfeit all profits made from the sale of any unlawfully
5.10 obtained tickets.

5.11 (c) It is unlawful for any person to knowingly resell or offer to resell a ticket that the
5.12 person knows was obtained using ticket purchasing software.

5.13 (d) Any person who knowingly resells or offers to resell a ticket that the person knows
5.14 was obtained using ticket purchasing software is subject to a civil penalty in an amount of
5.15 no less than \$1,000 and no more than \$2,500 for each violation, and must forfeit all profits
5.16 made from the sale of any unlawfully obtained ticket.

5.17 (e) Any person who knowingly maintains any interest in or maintains any control of the
5.18 operation of ticket purchasing software to purchase tickets is subject to a civil penalty in
5.19 an amount of no less than \$1,000 and no more than \$2,500 for each violation, and must
5.20 forfeit all profits made from the sale of any unlawfully obtained tickets.

5.21 (f) Any person who is subject to a civil penalty under this section and has been assessed
5.22 a penalty under this section in the previous three years is guilty of a violation and may be
5.23 fined no less than \$2,000 and no more than \$10,000 for each violation, and must forfeit all
5.24 profits from the sale of unlawfully obtained tickets. In addition, a person convicted of a
5.25 violation under this section may be required to forfeit any and all equipment used to
5.26 unlawfully purchase tickets.

5.27 Subd. 8. **Rights of action.** (a) The attorney general has jurisdiction to enforce the
5.28 provisions of this section in accordance with the powers granted under section 8.31.

5.29 (b) In addition to the power given to the attorney general to enforce the provisions of
5.30 this section, any aggrieved party that has been injured by wrongful conduct prescribed by
5.31 this section may bring an action to recover all actual damages suffered as a result of any
5.32 wrongful conduct. The court may award damages up to three times the amount of actual

6.1 damages. The court may enjoin the respondent from any and all activity prohibited under
6.2 this section. The court may also award reasonable attorney fees and costs.

6.3 **EFFECTIVE DATE.** This section is effective July 1, 2024, and applies to tickets sold
6.4 on or after that date.